

6466358

Company number 6466358

PRIVATE COMPANY LIMITED BY SHARES

WRITTEN RESOLUTIONS

of

PLAND GROUP HOLDINGS LIMITED ("Company")

06 March 2008

Pursuant to Chapter 2 of Part 13 of the Companies Act 2006, the directors of the Company propose that

- resolutions 1 and 2 below are passed as ordinary resolutions (together "**Ordinary Resolutions**"); and
- resolution 3 below is passed as a special resolution ("**Special Resolution**").

ORDINARY RESOLUTIONS

- 1 **THAT** the authorised share capital of the Company be increased from £1,000 to £200,000 by the creation of 199,000 ordinary shares of £1 00 each ranking pari passu and in all respects with the existing ordinary shares of £1 00 each in the capital of the Company, such shares having the rights set out in the Company's articles of association (as approved and adopted by resolution 3 below)
- 2 **THAT** the directors of the Company be and are hereby generally and unconditionally authorised pursuant to section 80 of the Companies Act 1985 to exercise the powers of the Company to allot shares in the Company up to a maximum aggregate nominal amount equal to the authorised but unissued share capital, at any time for a period of 5 years as from the date of this resolution (unless previously renewed, varied or revoked by the Company in general meeting)

SPECIAL RESOLUTION

- 3 **THAT** the articles of association contained in the printed document attached hereto marked "A" be and are approved and adopted as the articles of association of the Company in substitution for and to the exclusion of the existing articles of association of the Company

AGREEMENT



Please read the notes at the end of this document before signifying your agreement to the Ordinary Resolutions and Special Resolution (together, the "**Resolutions**")

The undersigned, being the sole eligible member of the Company (as defined by section 289 Companies Act 2006) entitled to attend and vote at general meetings of the Company and as such being a person entitled to vote on the above Resolutions on March 2008, hereby irrevocably agrees to the Resolutions

Signed by **Stephen Duree**



Date

.... 06 March .. 2008

NOTES:

- 1 You can choose to agree to the all of the Resolutions or none of them but you cannot agree to only some of the Resolutions. If you agree to all of the Resolutions, please indicate your agreement by signing and dating this document where indicated above and returning it to the Company using one of the following methods

- **By Hand** delivering the signed copy to Emma Garland at Schofield Sweeney LLP, St James House, 28 Park Place, Leeds, LS1 2SP
- **Post** returning the signed copy by post to Emma Garland at Schofield Sweeney LLP, St James House, 28 Park Place, Leeds, LS1 2SP
- **E-mail:** by attaching a scanned copy of the signed document to an e-mail and sending it to "emmag@schoeys.com". Please enter "Resolutions dated 06 March 2008" in the e-mail subject box

If you do not agree to the Resolutions, you do not need to do anything you will not be deemed to agree if you fail to reply

- 2 Once you have indicated your agreement to the Resolutions, you may not revoke your agreement
- 3 Unless, by 03 April 2008, sufficient agreement has been received for the Resolutions to be passed, they will lapse. If you agree to the Resolutions, please ensure that your agreement reaches us before or during this date
- 4 If you are signing this document on behalf of a person under a power of attorney or other authority please send a copy of the relevant power of attorney or authority when returning this document

COMPANIES ACTS 1985 AND 2006
PRIVATE COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
OF
PLAND GROUP HOLDINGS LIMITED
(adopted on 6 March 2008)

1 Definitions and interpretation

1.1 In these articles, unless the context otherwise requires

acting in concert has the meaning ascribed to it by the City Code on Takeovers and Mergers as in force and construed at the date of adoption of these articles

Auditors means the auditors for the time being of the Company

Board means the board of directors of the Company or the directors present at a duly convened quorate meeting of the board or a committee of the board

Business Day means any day on which the banks are open for business in London (excluding Saturdays, Sundays and public holidays)

Change of Control means the acquisition (whether by purchase, transfer, renunciation or otherwise but excluding a transfer of Ordinary Shares made in accordance with article 6 (Permitted Transfers)) by any person, excluding a Member as at the date of adoption of these articles (a **Third Party Purchaser**), of any interest in any Ordinary Shares if, upon completion of that acquisition, the Third Party Purchaser, together with persons acting in concert or connected with him, would hold or beneficially own more than 50% of the Ordinary Shares

Companies Act means the Companies Act 1985 and any statutory modification or re-enactment of such Act for the time being in force and any provisions of the Companies Act 2006 for the time being in force

connected with has the meaning given in section 839 Income and Corporation Taxes Act 1988 save that there shall be deemed to be control for that purpose whenever either section 416 or section 840 of that Act would so require

EMI Option means any right to acquire Ordinary Shares granted under the EMI Scheme

EMI Scheme means the enterprise management incentive scheme proposed to be adopted by the Company shortly after the adoption of these articles

Employee Trust a trust for the benefit of employees of, and any actual or proposed employee of, any member of the Group

Group means the Company and all its subsidiaries and subsidiary undertakings for the time being and member of the Group shall be construed accordingly

Issue Price means the amount paid up or credited as paid up (including any premium on issue) on a Share

Member means any registered holder of Shares for the time being

Ordinary Shares means the ordinary shares of £1 each of the Company

Shareholders' Agreement means the agreement relating to the Company dated the same date as the adoption of these articles, and made between Steven Duree (1) Ian Hodgson (2) Michael Haigh (3) and the Company (4) as amended, waived, restated, modified or supplemented for the time being

Shares means the Ordinary Shares

Table A means 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 2007/2541) and the Companies (Tables A to F) (Amendment) (No 2) Regulations (SI 2007/2826) and as otherwise amended prior to the adoption of these articles

Third Party Purchaser has the meaning given in the definition of Change of Control and, where the relevant acquisition was effected by the renunciation of a renounceable letter of allotment, includes the relevant renounee

Valuers means the Auditors unless the Auditors decline an instruction to report on Market Value when the Valuers for the purpose of that report shall be a firm of chartered accountants nominated by the Board for such purpose

Valuers means the Auditors unless

(a) a report on Market Value is to be made pursuant to a Deemed Transfer Notice and, within 21 days after the date of the Deemed Transfer Notice, the Vendor notifies the Board in writing that it objects to the Auditors making that report, or

(b) the Auditors decline an instruction to report on Market Value,

when the Valuers for the purpose of that report shall be a firm of chartered accountants agreed between the Vendor and the Board or, in default of agreement within 20 Business Days after the event referred to in (a) or (b) above, appointed by the President of the Institute of Chartered Accountants in England and Wales on the application of the Vendor or the Board

1 2 These articles and the regulations of Table A (subject to any modifications set out in these articles) constitute the articles of association of the Company

1 3 References in these articles to regulations are to regulations in Table A and references to an article by number are to the particular article of these articles

1 4 In these articles, words importing a gender include every gender and references to persons include bodies corporate, unincorporated associations and partnerships

1 5 Words and expressions defined in or for the purposes of the Companies Act or Table A have the same meanings in these articles unless the context otherwise requires

1 6 Words and expressions defined elsewhere in these articles shall bear the meanings given to them there

1 7 The headings in these articles shall not affect their construction

- 1.8 If any date referred to in these articles is not a Business Day, it shall be taken to be a reference to the next Business Day after that date

2 Authorised share capital

- 2.1 The authorised share capital of the Company at the date of the adoption of these articles is £200,000 divided into 200,000 Ordinary Shares

- 2.2 Subject to the Companies Act, all unissued Shares in the Company shall be under the control of the Board and they may offer, allot, grant rights or warrants to subscribe for, grant options over, or otherwise deal with or dispose of unissued shares in the Company to such persons and generally on such terms, in such manner and at such times as they may determine

- 2.3 Section 89(1) and sections 90(1) to (6) of the Companies Act shall not apply to the Company

3 Ordinary Shares

The rights attached to the Ordinary Shares are as follows

- 3.1 Any profits which the Company determines to distribute in respect of any financial year shall be distributed amongst the holders of the Ordinary Shares according to the number of such Shares held by them

- 3.2 On a return of capital on liquidation or capital reduction or otherwise, the surplus assets of the Company remaining after the payment of its liabilities shall be applied

3.2.1 in paying to each Member holding Ordinary Shares, first, any dividends thereon which have been declared but are unpaid and, secondly, an amount equal to the Issue Price of each Ordinary Share held by him, and

3.2.2 thereafter, in distributing the balance of such assets amongst the Members holding Ordinary Shares in proportion to the aggregate Issue Price of the Ordinary Shares Ordinary Shares held by them

- 3.3 The Members holding Ordinary Shares shall be entitled to receive notice of and to attend and speak at any general meeting of the Company. The Members holding Ordinary Shares who (being individuals) are present in person or by proxy or (being corporations) are present by duly authorised representative or by proxy shall, on a show of hands, have one vote each, and, on a poll, have one vote for each Ordinary Share of which he is the holder

4 Lien

- 4.1 The lien conferred by regulation 8 shall attach to all Shares of any class, whether fully paid or not, and to all Shares registered in the name of any Member for all money presently payable by him or his estate to the Company, whether he is their sole registered holder or one of two or more joint holders. Regulation 8 shall be modified accordingly

- 4.2 All Shares to be sold in the enforcement of the Company's lien or rights of forfeiture shall be offered in accordance with article 8 (Compulsory Transfers) as if a Deemed Transfer Notice were deemed given in respect of such Shares

5 Transfer of shares – general

- 5.1 The Board shall not register the transfer of any Ordinary Share or any interest in any Ordinary Share unless the transfer

5.1.1 is either

- 5.1.1.1 permitted by article 6 (Permitted Transfers), or
- 5.1.1.2 is made in accordance with article 7 (Voluntary Transfers), article 8 (Compulsory Transfers), article 9 (Drag Along Option), or article 10 (Tag Along Right),
- 5.1.1.3 is made pursuant to the Shareholders' Agreement, and
- 5.1.2 in any event, is not in favour of
 - 5.1.2.1 any infant, bankrupt, trustee in bankruptcy or person of unsound mind, or
 - 5.1.2.2 any person who has not executed a Deed of Adherence to, and in the manner required by, the Shareholders' Agreement.
- 5.2 The Company shall promptly register any duly executed and stamped transfer of Ordinary Shares which is made in accordance with these articles
- 5.3 For the purpose of ensuring that a transfer of Ordinary Shares is in accordance with these articles or that no circumstances have arisen whereby a Member may be bound to give or be deemed to have given a Transfer Notice (as defined in article 7.1) the Board may from time to time require any Member or any person named as transferee in any transfer lodged for registration to furnish to the Board such information and evidence as the Board requests for such purpose. If such information or evidence is not furnished to their reasonable satisfaction within a reasonable time after that request the Board may in its absolute discretion either
 - 5.3.1 refuse to register the transfer in question or
 - 5.3.2 where no transfer is in question, require by notice in writing to the Member(s) concerned that a Transfer Notice be given in respect of the Ordinary Shares concerned within the period specified in that notice
- 5.4 If such information or evidence discloses to the satisfaction of the Board in their absolute discretion that circumstances have arisen whereby a Member is bound to give or be deemed to have given a Transfer Notice the Board may in their absolute discretion by notice in writing to the Member concerned require that a Transfer Notice be given in respect of the Ordinary Shares concerned within the period specified in that notice
- 5.5 An obligation to transfer an Ordinary Share under these articles shall be deemed to be an obligation to transfer the entire legal and beneficial interest in such Ordinary Share free from any lien, charge or other encumbrance
- 5.6 No arrangement shall be entered into by any Member whereby the terms upon which that Member holds any Ordinary Shares are to be varied if as a result any interest in those Ordinary Shares is varied, disposed of or created or extinguished, except by a transfer made in accordance with these articles
- 5.7 Regulations 30 and 31 shall be modified to reflect the provisions of these articles
- 6 Permitted transfers**
- 6.1 For the purposes of this article and articles 7 and 8
 - 6.1.1 **family member** means, in relation to any person, any of his spouse (or widow or widower) and all lineal descendants of that person (including for this purpose any step-child, adopted child or illegitimate child of any such Member or his lineal descendants),

- 6.1.2 **family trust** means, in relation to a Member, a trust which does not permit any of the settled property or the income from it to be applied otherwise than for the benefit of that Member or any of his family members (and any charity or charities as default beneficiaries meaning that the charity or charities have no immediate beneficial interest in any of the settled property or the income from it when the trust is created but may become so interested if there are no other beneficiaries from time to time except other charities) and under which no power of control over the voting powers conferred by any Shares the subject of the trust is capable of being exercised by, or being subject to the consent of, any person other than the trustees or such Member or any of his family members,
- 6.1.3 a **member of the same group** means, in relation to a body corporate, any other body corporate which is for the time being a holding company of that body corporate or a subsidiary of that body corporate or a subsidiary of any holding company of which that body corporate is also a subsidiary, and
- 6.1.4 **permitted transfer** means any transfer of Shares permitted under this article 6
- 6.2 With the prior written consent of the Board, and subject to articles 6.3 to 6.6, any Member who is an individual may at any time transfer in aggregate 50% of his entire holding of Shares to a person shown to the reasonable satisfaction of the Board to be
- 6.2.1 a family member of his, or
- 6.2.2 trustees to be held under a family trust for that Member
- 6.3 Subject to article 6.5, no Ordinary Shares shall be transferred under article 6.2 by any person who previously acquired those Ordinary Shares by way of transfer under article 6.2 without the written consent of the Board
- 6.4 No transfer of Shares shall be made by a Member under 6.2.2, unless the Board has confirmed in writing its satisfaction
- 6.4.1 with the terms of the instrument constituting the relevant family trust and in particular with the powers of the trustees,
- 6.4.2 with the identity of the trustees and the procedures for the appointment and removal of trustees,
- 6.4.3 with the restrictions on changes in the terms of the trust instrument and on distributions by the trustees,
- 6.4.4 that none of the costs incurred in establishing or maintaining the relevant family trust will be payable by any member of the Group
- 6.5 Where Shares are held by trustees under a family trust, with the prior written consent of the Board
- 6.5.1 those Shares may, on any change of trustees, be transferred by those trustees to any new trustee of that family trust whose identity has been approved in writing by the Board,
- 6.5.2 those Shares may at any time be transferred by those trustees to the settlor of that trust or any other family member to whom that settlor could have transferred them under this article if he had remained the holder of them, and

- 6 5 3 if any of those Shares cease to be held under a family trust for any other reason, the trustees shall give a Transfer Notice (as defined in article 7 1) within 28 days in respect of all the Shares then held by those trustees
- 6 6 If
- 6 6.1 any person has acquired Shares as a family member of a Member by way of one or more permitted transfers, and
- 6 6 2 that person ceases to be a family member of that Member,
- that person shall forthwith transfer all the Shares then held by that person back to that Member, for such consideration as they agree, within 21 days of the cessation, or, failing such transfer within that period, shall during the remainder of the 28 day period after the cessation, give a Transfer Notice in respect of all of the Shares then held by that person
- 6.7 With the prior written consent of the Board, any Member which is a body corporate may at any time transfer any Shares held by it to a member of the same group
- 6 8 Where Shares have been transferred under article 6 (whether directly or by a series of such transfers) from a Member (**Transferor**, which expression shall not include a second or subsequent transferor in such a series of transfers) to a member of the same group as the Transferor (**Transferee**) and subsequently the Transferee ceases to be a member of the same group as the Transferor, the Transferee shall forthwith transfer all the Shares held by it to the Transferor, for such consideration as they agree, within 21 days of the cessation, or, failing such transfer within that period, shall during the remainder of the 28 day period after the cessation, give a Transfer notice in respect of all of the Shares then held by the Transferee
- 6 9 Where any Shares are held by trustees on an Employee Trust
- 6 9 1 on any change of trustees, the Shares may be transferred to the new trustees of that Employee Trust, and
- 6 9 2 the Shares may be transferred at any time to any beneficiary of the trust
- 6 10 A Member may transfer Shares to any person at any time with the prior written consent of Members holding 90% or more of the Ordinary Shares
- 7 Voluntary transfers**
- 7 1 Any Member (a **Vendor**) shall, before transferring or agreeing to transfer any Ordinary Share or any interest in any Ordinary Share, serve notice in writing (a **Transfer Notice**) on the Company of his wish to make that transfer unless the transfer is
- 7 1 1 made pursuant to article 6 (Permitted Transfers),
- 7 1 2 a transfer of Dragged Shares made pursuant to article 9 (Drag Along Option), or
- 7 1 3 a transfer made pursuant to acceptance of an offer made pursuant to article 10 (Tag Along Right)
- 7 2 In the Transfer Notice, the Vendor shall specify
- 7 2 1 the number of Ordinary Shares (**Sale Shares**) which he wishes to transfer,
- 7 2.2 the identity of the person (if any) to whom the Vendor wishes to transfer the Sale Shares,

- 7.2.3 the price per share at which the Vendor wishes to transfer the Sale Shares (**Proposed Sale Price**),
 - 7.2.4 any other terms relating to the transfer of the Sale Shares which are not prohibited by these articles including the date from which dividends on the Sale Shares shall accrue to the purchaser, and
 - 7.2.5 whether the Transfer Notice is conditional upon all (and not part only) of the Sale Shares being sold pursuant to the following provisions of this article 7 (a **Total Transfer Condition**)
- 7.3 Each Transfer Notice shall
- 7.3.1 relate to one class of shares only,
 - 7.3.2 constitute the Company as the agent of the Vendor for the sale of the Sale Shares on the terms of this article 7,
 - 7.3.3 save as provided by article 7.5, be irrevocable, and
 - 7.3.4 not be deemed to contain a Total Transfer Condition unless expressly stated otherwise
- 7.4 The Sale Shares shall be offered for purchase in accordance with this article 7 at a price per Sale Share (**Sale Price**) which either has been agreed between the Vendor and the Board or in default of agreement within 21 days after the date of service of the Transfer Notice, the lower of
- 7.4.1 the Proposed Sale Price, and
 - 7.4.2 if the Board elects within 28 days after the date of service of the Transfer Notice to instruct Valuers for that purpose, the price per Ordinary Share reported on by the Valuers as their written opinion of the open market value of each Sale Share in accordance with article 7.16 (**Market Value**) as at the date of service of the Transfer Notice
- 7.5 If the Market Value is reported on by the Valuers under article 7.4.2 to be less than the Proposed Sale Price specified in the Transfer Notice, the Vendor may revoke the Transfer Notice by written notice given to the Board within the period of 14 days after the service on the Vendor of the Valuers' written opinion of the Market Value
- 7.6 The Board shall offer the Sale Shares in the first instance to the Company for purchase at the Sale Price, subject to the provisions of the Companies Act, within five Business Days of the Sale Price having been agreed or determined under article 7.4 or, if the Transfer Notice is capable of being revoked under article 7.5, within 7 days after the expiry of the period for revocation in article 7.5. Where the relevant Transfer Notice contains a Total Transfer Condition and the Company only wishes to acquire some and not all of the relevant Sale Shares, the Company shall only agree to acquire such Sale Shares conditionally on the remainder of the Sale Shares being allocated to Members under the remaining provisions of this article 7. The Board shall as soon as practicable give notice in writing to the Vendor specifying the number of Sale Shares proposed to be acquired by the Company, the aggregate price payable for them, and the time for completion of such sale and purchase, attaching the agreement or deed referred to in article 7.7 below. Any Sale Shares neither sold nor agreed to be acquired under this article 7.6 within 40 days of being offered to the Company will be available for sale to the Members as set out below

- 7.7 A Vendor who is to sell shares to the Company pursuant to article 7.6 will enter into an agreement or deed recording the sale in terms reasonably required by the Board within five Business Days of being asked to do so by the Board. Any such agreement or deed can be subject to such conditions precedent as the Board may specify and will include warranties to be given by such Vendor in relation to the relevant Sale Shares that he has title to sell them and that they are free from encumbrances and other third party rights
- 7.8 The Board shall offer the Sale Shares which are neither sold nor agreed to be acquired by the Company under article 7.6 for purchase at the Sale Price by a written offer notice (**Offer Notice**) served on all Members other than the Vendor within 7 days after of the end of the period for the Company to acquire or agree to acquire Sale Shares under article 7.6 or, if earlier, within five Business Days after the Board resolving that the Company will not accept any Sale Shares offered to it pursuant to article 7.6
- 7.9 An Offer Notice shall
- 7.9.1 specify the Sale Price,
 - 7.9.2 expire 42 days after its service,
 - 7.9.3 contain the other details included in the Transfer Notice, and
 - 7.9.4 invite the relevant Members to apply in writing, before expiry of the Offer Notice, to purchase Sale Shares
- 7.10 After the expiry date of the Offer Notice (or, if earlier, upon responses being received from all relevant Members in accordance with article 7.9), the Board shall allocate the Sale Shares in accordance with the applications received, subject to the other provisions of these articles and Table A, save that
- 7.10.1 if there are applications from Members for more than the total number of Sale Shares available, they shall be allocated to those applicants in proportion (as nearly as possible but without allocating to any Member more Sale Shares than the maximum number applied for by him) to the number of Ordinary Shares then held by them respectively,
 - 7.10.2 if it is not possible to allocate Sale Shares without involving fractions, those fractions shall be aggregated and allocated amongst the applicants in such manner as the Board thinks fit, and
 - 7.10.3 if the Transfer Notice contained a Total Transfer Condition, no allocation of Sale Shares shall be made unless all the Sale Shares are allocated
- 7.11 The Board shall, within 7 days after the expiry date of the Offer Notice or earlier allocation of all of the Sale Shares under article 7.10, give notice in writing (a **Sale Notice**) to the Vendor and to each person to whom Sale Shares have been allocated (each a **Purchaser**) specifying the name and address of each Purchaser, the number of Sale Shares allocated to him, the aggregate price payable for them, and the time for completion of each sale and purchase
- 7.12 Completion of a sale of Sale Shares to the Company shall take place at the registered office of the Company at the time specified in the notice given to the Vendor pursuant to article 7.6 or, where the Company has only conditionally agreed to acquire such Sale Shares under article 7.6, the relevant sale shall take place simultaneously with the sale of the remaining Sale Shares under article 7.13, when the Vendor shall, upon payment to him by the Company of the Sale Price in respect of the Sale Shares being acquired by the Company, transfer those Sale Shares and deliver (duly executed) the relevant deed or agreement referred to in article 7.7 above and the relative share certificates to the Company

- 7 13 Completion of a sale and purchase of Sale Shares pursuant to a Sale Notice shall take place at the registered office of the Company at the time specified in the Sale Notice (being not less than one week nor more than two months after the date of the Sale Notice, unless agreed otherwise in relation to any sale and purchase by both the Vendor and the Purchaser concerned) when the Vendor shall, upon payment to him by a Purchaser of the Sale Price in respect of the Sale Shares allocated to that Purchaser, transfer those Sale Shares and deliver the relative share certificates (to the extent not handed over under article 7 12) to that Purchaser
- 7 14 The Vendor may, during the period falling between one and two months after the expiry date of the Offer Notice, sell any Sale Shares which have neither been sold nor agreed to be acquired under article 7 6 and for which a Sale Notice has not been given by way of bona fide sale to the proposed transferee (if any) named in the Transfer Notice at any price per Sale Share which is not less than the Sale Price, without any deduction, rebate or allowance to the proposed transferee, provided that
- 7 14 1 the Board shall be entitled to refuse registration of the proposed transferee if he is believed by the Board to be a competitor or connected with a competitor of any business of any member of the Group or a nominee of such a person or if the Board reasonably believes that his ownership of Ordinary Shares would materially prejudice the interests of the Group, and
- 7 14 2 if the Transfer Notice contained a Total Transfer Condition, the Vendor shall not be entitled to sell only some of the Sale Shares under this article 7, save with the written consent of the Board
- 7 15 If a Vendor fails to transfer any Sale Shares when required pursuant to this article 7 or (if appropriate) fails to execute and deliver to the Company the relevant deed or agreement referred to in article 7 7 above, the Board may authorise any person (who shall be deemed to be the attorney of the Vendor for the purpose) to execute the necessary transfer of such Sale Shares (or deed or agreement) and deliver it on the Vendor's behalf The Company may receive the purchase money for the Sale Shares from the relevant purchaser and shall, upon receipt of the duly stamped transfer, register the relevant purchaser as the holder of those Sale Shares In respect of Sale Shares to be acquired by it, the Company shall, upon delivery of the relevant deed or agreement referred to in article 7 7 above, cancel the relevant Sale Shares The Company shall hold the purchase money in a separate bank account on trust for the Vendor but shall not be bound to earn or pay interest on any money so held The Company's receipt for the purchase money shall be a good discharge to the relevant purchaser (who shall not be concerned to see to the application of it) After the name of the relevant purchaser has been entered in the register of Members (or, if applicable, the relevant Sale Shares have been cancelled) in purported exercise of the power conferred by this article 7, the validity of that exercise shall not be questioned by any person
- 7 16 If instructed to report on their opinion of Market Value under article 7 4 2, the Valuers shall
- 7 16 1 act as expert and not as arbitrator and their written determination shall be final and binding on the Members, save in the case of manifest error, and
- 7 16 2 proceed on the basis that
- 7 16 2 1 the open market value of each Sale Share shall be the sum which a willing purchaser would agree with a willing vendor to be the purchase price for all the Ordinary Shares, divided by the number of issued Ordinary Shares then in issue, and
- 7 16 2 2 any difficulty in applying either of the foregoing bases shall be resolved by the Valuers as they think fit in their absolute discretion

7.17 The Company will use its best endeavours to procure that the Valuers deliver their written opinion of the Market Value to the Board and the Vendor within 28 days of the Board electing to instruct them under article 7 4 2

7 18 The Valuers' fees for reporting on their opinion of the Market Value shall be borne as to one half by the Vendor and as to the other half by the relevant purchasers *pro rata* to the number of Sale Shares purchased by them unless

7.18.1 the Vendor revokes the Transfer Notice pursuant to article 7 5, or

7 18 2 none of the Sale Shares are purchased pursuant to this article 7,

when the Vendor shall pay all the Valuers' fees

8 Compulsory transfers

8.1 In this article 8, a **Transfer Event** means, in relation to any Member

8.1 1 a Member who is an individual

8.1 1 1 becoming bankrupt, or

8.1 1 2 dying, or

8.1 1.3 suffering from mental disorder and being admitted to hospital or becoming a patient for any purpose of any enactment relating to mental health,

and the Board notifying the Company within 3 months after becoming aware of it that such event is a Transfer Event in relation to that Member for the purposes of this article,

8 1 2 a Member making any arrangement or composition with his creditors generally and the Board notifying the Company within 3 months after becoming aware of it that such event is a Transfer Event in relation to that Member for the purposes of this article,

8 1 3 a Member which is a body corporate

8 1 3 1 having a receiver, manager or administrative receiver appointed over all or any part of its undertaking or assets, or

8 1 3 2 having an administrator appointed in relation to it, or

8 1 3 3 entering into liquidation (other than a voluntary liquidation for the purpose of a bona fide scheme of solvent amalgamation or reconstruction), or

8 1 3 4 having any equivalent action taken in any jurisdiction,

and the Board notifying the Company within 3 months after becoming aware of it that such event is a Transfer Event in relation to that Member for the purposes of this article,

8 1 4 subject to article 8 5, a Member who is or was previously a director or employee of a member of the Group ceasing to hold such office or employment (including in circumstances falling within articles 8 1 1 and 8 1 2 and, for the avoidance of doubt, where a Transfer Event falls both within this article 8 1 4 and article 8 1 1 or 8 1 2 the Deemed Transfer Notice referred to in article 8 2 shall be treated as given as a

consequence of a Transfer Event falling within this article 8 1 4) and as a consequence no longer being a director or employee of any member of the Group and the Board notifying the Company within 3 months after becoming aware of it that such event is a Transfer Event in relation to that Member for the purposes of this article,

- 8 1 5 a Member attempting to deal with or dispose of any Ordinary Share or any interest in it otherwise than in accordance with article 6 (Permitted Transfers), article 7 (Voluntary Transfers) and this article 8 (Compulsory Transfers) or in contravention of article 10 (Tag Along Right) and the Board notifying the Company within 3 months after becoming aware of it that such event is a Transfer Event in relation to that Member for the purposes of this article, and
- 8 1 6 a Member not giving a Transfer Notice in respect of any Ordinary Shares or transfer any Ordinary Shares (as the case may be) as required by article 5 3, and the Board resolving within 3 months after becoming aware of it that such event is a Transfer Event in relation to that Member for the purposes of this article
- 8 2 Upon the happening of any Transfer Event, the Member in question shall be deemed to have immediately given a Transfer Notice in respect of all the Ordinary Shares then held by them (a **Deemed Transfer Notice**) A Deemed Transfer Notice shall supersede and cancel any then current Transfer Notice insofar as it relates to the same Ordinary Shares except for Ordinary Shares which have then been validly transferred pursuant to that Transfer Notice
- 8 3 Notwithstanding any other provision of these articles, any Member holding Ordinary Shares in respect of which a Deemed Transfer Notice is deemed given shall not be entitled to exercise any voting rights at general meetings of the Company in respect of those Ordinary Shares between the date of the relevant Deemed Transfer Notice and
- 8 3.1 the entry in the register of members of the Company of another person as the holder of those Shares or the cancellation of such Ordinary Shares pursuant to article 7, or
- 8 3 2 if earlier the expiry of one month after the date of the Sale Notice given in respect of those Shares
- 8 4 The Ordinary Shares the subject of any Deemed Transfer Notice shall be offered for sale in accordance with article 7 as if they were Sale Shares in respect of which a Transfer Notice had been given save that
- 8 4 1 a Deemed Transfer Notice shall be deemed to have been given on the date of the Transfer Event or, if later, the date of the first meeting of the Board at which details of the facts or circumstances giving rise to the Deemed Transfer Notice are tabled,
- 8 4 2 the Sale Price shall be a price per Sale Share agreed between the Vendor and the Board or, in default of agreement within 21 days after the date of the Transfer Event, the Market Value less in each case any dividends on the Sale Shares referred to in article 8 4 5 and retained by the Vendor,
- 8 4 3 a Deemed Transfer Notice shall be deemed not to contain a Total Transfer Condition and shall be irrevocable, notwithstanding article 7 5,
- 8 4 4 the Vendor may retain any Sale Shares not sold or repurchased pursuant to article 7 6 or for which Purchasers are not found or, during the period between one and six months after the expiry of the relevant Offer Notice and, with the prior written approval of the Board, sell all or any of those Sale Shares to any person (including any Member) at any price per Sale Share which is not less than the Sale Price, and

- 8.4.5 the Sale Shares shall be sold together with all rights, attaching thereto as at the date of the Transfer Event, including the right to any dividend declared or payable on those Ordinary Shares after that date
- 8.5 For the purpose of article 8.1.4, the date upon which a Member ceases to hold office as described therein shall be
- 8.5.1 where a contract of employment or directorship is terminated by the employer by giving notice to the employee of the termination of the employment or directorship, the date of that notice (whether or not a payment is made by the employer in lieu of all or part of the notice period required to be given by the employer in respect of such termination),
- 8.5.2 where a contract of employment or directorship is terminated by the employee by giving notice to the employer of the termination of the employment or directorship, the date of that notice,
- 8.5.3 where an employer or employee wrongfully repudiates the contract of employment and the other accepts that the contract of employment has been terminated, the date of such acceptance,
- 8.5.4 where a contract of employment is terminated under the doctrine of frustration, the date of the frustrating event; and
- 8.5.5 where a contract of employment or directorship is terminated for any reason other than in the circumstances set out in article 8.5.1 to 8.5.4 above, the date on which the action or event giving rise to the termination occurs

9 Drag Along Option

- 9.1 If any one or more Members (together the **Selling Shareholders**) wish to transfer on arms length terms any interest in more than 50% of the issued Ordinary Shares where that transfer would result in a Change of Control, the Selling Shareholders shall have the option (**Drag Along Option**) to require all the other holders of Ordinary Shares to transfer all their Ordinary Shares to the Third Party Purchaser or as the Third Party Purchaser directs in accordance with this article 9
- 9.2 The Selling Shareholders may exercise the Drag Along Option by giving notice to that effect (a **Drag Along Notice**) to all other Members (**Dragged Shareholders**) at any time before the transfer of Ordinary Shares resulting in the Change of Control. A Drag Along Notice shall specify that the Dragged Shareholders are required to transfer all their Ordinary Shares (**Dragged Shares**) pursuant to article 9.1, the price at which the Dragged Shares are to be transferred (calculated in accordance with article 9.4) and the proposed date of transfer
- 9.3 A Drag Along Notice is irrevocable but the Drag Along Notice and all obligations under it will lapse if for any reason there is not a Change of Control caused by a transfer of Ordinary Shares by the Selling Shareholders to the Third Party Purchaser within 60 days after the date of the Drag Along Notice
- 9.4 A Drag Along Notice will require each Dragged Shareholder to sell his Ordinary Shares at the price per Ordinary Share at which the relevant transfer of Ordinary Shares referred to in article 9.1 takes place
- 9.5 Completion of the sale of the Dragged Shares under this article shall take place on the same date as the date proposed for completion of the sale of the Selling Shareholders' Ordinary Shares unless

- 9.5.1 all of the Dragged Shareholders and the Selling Shareholders agree otherwise, or
- 9.5.2 that date is less than 7 days after the Drag Along Notice, where it shall be deferred until the 7th day after the Drag Along Notice
- 9.6 A Dragged Shareholder who sells Dragged Shares under this article shall not be required to give any warranties (other than his title to sell his Dragged Shares) or indemnities to the Third Party Purchaser
- 10 Tag Along Right**
- 10.1 Notwithstanding any other provision in these articles no sale or transfer or other disposition of any interest in any Ordinary Share (**specified shares**) shall have any effect, if it would result in a Change of Control, unless before the sale, transfer or other disposition takes effect is the Third Party Purchaser has made a bona fide offer in accordance with this article to purchase at the specified price (defined in article 10.3) all the Ordinary Shares held by the Members (except any Member which has expressly waived its right to receive such an offer for the purpose of this article)
- 10.2 An offer made under article 10.1 shall be in writing, given in accordance with article 17.7, open for acceptance for at least 21 days, and shall be deemed to be rejected by any Member who has not accepted it in accordance with its terms within 28 days and the consideration under such an offer shall be settled in full on completion of the purchase and within 30 days of the date of the offer
- 10.3 For the purposes of article 10.1
- 10.3.1 the expressions **transfer**, **transferor** and **transferee** include respectively the renunciation of a renounceable letter of allotment and any renouncer and renounee of such letter, and
- 10.3.2 the expression **specified price** means a price per share equal to the highest price paid or payable by the Third Party Purchaser or persons acting in concert with him or connected with him for any Ordinary Shares within the last 6 months plus an amount equal to the relevant proportion of any other consideration (in cash or otherwise) received or receivable by the holders of the specified shares which, having regard to the substance of the transaction as a whole, can reasonably be regarded as part of the overall consideration paid or payable for the specified shares
- 10.4 If the specified price for any shares cannot be agreed within 21 days of the proposed sale, transfer or other disposition referred to in article 10.1 between the Third Party Purchaser and Members holding 75% of the Ordinary Shares (excluding the Third Party Purchaser and persons who have waived their right to receive an offer), it may be referred to the Valuers by any Member and, pending its determination, the sale, transfer or other disposition referred to in article 10.1 shall have no effect
- 11 General meetings**
- 11.1 The directors may call general meetings and on the requisition of members pursuant to the provisions of the Companies Act, shall forthwith proceed to convene an extraordinary general meeting for a date not later than seven weeks after receipt of the requisition
- 11.2 Notice of a general meeting need not be given to any director in that capacity Regulation 38 shall be modified accordingly

12 Proceedings at General Meetings

- 12.1 Any Member having the right to vote at the meeting may demand a poll at a general meeting Regulation 46 shall be modified accordingly
- 12.2 The chairman shall not be entitled to exercise any second or casting vote Regulation 50 shall not apply
- 12.3 A director shall not be required to hold any share qualification, but nevertheless shall be entitled to attend and speak at any general meeting of the Company and at any separate general meeting of the holders of any class of shares in the capital of the Company
- 12.4 If a meeting is adjourned under regulation 41 because a quorum is not present, and at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, those shareholders present shall form a quorum, and regulation 41 shall be modified accordingly
- 12.5 Regulation 62 shall be modified by the deletion in paragraph (a) of the words “deposited at” and by the substitution for them of the words “left at or sent by post or by facsimile transmission to” and by the insertion at the end of the regulation after the word “invalid” of the words “unless a majority of the Board resolve otherwise”

13 Number of directors

- 13.1 Unless and until the Company in general meeting shall otherwise determine, the number of directors shall not be subject to any maximum but shall not be less than two
- 13.2 Any Member holding 25% or more of Shares in the equity share capital of the Company may at any time and on more than one occasion have the right to require that he be appointed as a director of the Company or to appoint and maintain in office another director in his place

14 Alternate directors

- 14.1 Regulation 66 shall be amended by the insertion between the words “shall” and “be” of the words “(subject to his giving the Company an address within the United Kingdom at which notice may be served upon him)”
- 14.2 A person who holds office only as an alternate director shall, if his appointor is not present, be counted in the quorum
- 14.3 If an alternate director is himself a director or attends any meeting as an alternate director for more than one director, his voting rights shall be cumulative but he shall only be counted once in deciding whether a quorum is present

15 Delegation of directors’ powers

The directors may delegate any of their powers to committees consisting of such person or persons, whether directors or not, as they think fit Regulation 72 shall be modified accordingly

16 Appointment and retirement of directors

Directors shall not be required to retire by rotation Regulations 67 and 78 shall be modified accordingly Regulations 73 to 77, and the last sentence of regulation 84 shall not apply

17 Proceedings of directors

- 17.1 The quorum for the transaction of business of the Board shall be two directors
- 17.2 Subject to the provisions of these articles, the directors may regulate their proceedings as they think fit. A director may, and the secretary at the request of a director shall, call a meeting of the directors. Questions arising at a meeting shall be decided by a majority of votes. An alternate director who is himself a director and/or who acts as an alternate director for more than one director shall be entitled, in the absence of his appointor(s), to a separate vote or votes on behalf of his appointor(s) in addition (if he is himself a director) to his own vote. Regulation 88 shall not apply to the Company.
- 17.3 If within half an hour of the time appointed for the holding of any meeting of the directors a quorum is not present, or if during the meeting a quorum ceases to be present, the directors present shall resolve to adjourn that meeting to a specified place and time (which shall not be earlier than three nor later than seven days after the date of such meeting). The Company shall give notice to each director who did not attend such meeting requiring him either to attend the adjourned meeting of the Board or to state in writing his views on the matters to be discussed at that meeting. If any director having received such notice fails to attend such adjourned meeting, the quorum necessary for the transaction of the business of the Board shall be any two directors. An alternate Director shall be counted in the quorum in the same capacity as his appointor but so that not less than two individuals will constitute the quorum.
- 17.4 A resolution in writing signed by all the directors entitled to receive notice of a meeting of directors or of a committee of directors shall be as valid and effectual as if it had been passed at a meeting of directors or (as the case may be) a committee of directors duly convened and held and may consist of several documents in the like form each signed or approved by letter or facsimile by one or more directors, but a resolution signed by an alternate director need not also be signed by his appointor and, if it is signed by a director who has appointed an alternate director, it need not be signed by the alternate director in that capacity. For a signed resolution under this article to be effective it shall not be necessary for it to be signed by a director who is prohibited by these articles or by law from voting on such resolution. Regulation 93 shall not apply to the Company.
- 17.5 The chairman of the Board shall not have a second or casting vote at a meeting of the directors. The fifth sentence of regulation 88 shall not apply.
- 17.6 Provided that a director has disclosed to the directors the nature and extent of any interest he may have in any contract or proposed contract with the Company in accordance with section 317 of the Companies Act, or any other material interest of his, a director may vote at a meeting of directors or of a committee of directors on a resolution concerning any matter in which he has, directly or indirectly, an interest or duty, which is material and which conflicts or may conflict with the interests of the Company, and he shall be counted in the quorum when that resolution or matter is considered. Regulations 94 to 96 inclusive shall not apply to the Company.
- 17.7 Any director or his alternate may validly participate in a meeting of the Board by conference telephone or other form of communication equipment if all persons participating in the meeting are able to hear and speak to each other throughout the meeting. A person so participating shall be deemed to be present in person at the meeting and shall accordingly be counted in a quorum and be entitled to vote. Such a meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no group which is larger than any other group, where the chairman of the meeting then is.

18 Notices

- 18.1 Any notice to be given to the Company pursuant to these articles shall be sent to the registered office of the Company or presented at a meeting of the Board
- 18.2 The figure "24" shall be inserted in substitution for the figure "48" in the second sentence of regulation 115 Any notice or other document delivered or left at a registered address otherwise than by post shall be deemed to have been served or delivered on the day it was so delivered or left

19 Indemnity

- 19.1 Subject to the provisions of the Companies Act, but without prejudice to any other indemnity to which the person concerned may otherwise be entitled, every director, alternate director, auditor, secretary or other officer of the Company shall be entitled to be indemnified by the Company against all costs, charges, losses, expenses and liabilities incurred by him in the execution and discharge of his duties or the exercise of his powers or otherwise in relation thereto Regulation 118 shall be extended accordingly
- 19.2 The directors may exercise all the powers of the Company to purchase and maintain for every director or other officer insurance against any liability for negligence, default, breach of duty or breach of trust or any other liability which may be lawfully insured against