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COMPANIES HOUSE

Company No 6595141

**THE COMPANIES ACT 2006**

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**PRIVATE COMPANY LIMITED BY SHARES**

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**WRITTEN RESOLUTION**

of

**CMG INVESTMENT HOLDINGS LIMITED (the "Company")****20 June 2008**

Pursuant to Chapter 2 of Part 13 of the Companies Act 2006, the directors of the Company propose that the following resolutions are passed as written resolutions of the Company, having effect as ordinary resolutions (so far as resolutions 1 and 2 are concerned) and a special resolution (so far as resolutions 3 and 4 are concerned) (the "Resolutions")

**ORDINARY RESOLUTIONS**

- 1 THAT the authorised share capital of the Company be subdivided into 50,000 Ordinary Shares of £0.01 and 50,000 shares of £0.01 each which shall be redesignated as A Ordinary Shares and it is hereby increased from £1,000 to £115,001,000 by the creation of 115,000,000 Deferred Shares of £1 in the capital of the Company
- 2 THAT, in substitution for any previous authority, the directors be hereby generally and unconditionally authorised, in accordance with section 80 Companies Act 1985, to allot relevant securities (as defined in that section) up to a maximum aggregate nominal amount of relevant securities of £115,001,000, provided that this authority will expire on the date being five years from the date on which this resolution is passed, but the Company may before this authority expires make an offer or agreement which would or might require relevant securities to be allotted after this authority expires and the directors may allot relevant securities pursuant to such offer or agreement as if this authority had not expired

**SPECIAL RESOLUTION**

- 3 THAT, subject to the passing of resolution 2 the Directors be hereby given power in accordance with section 95 Companies Act 1985 and Article 6 of the articles of association to allot equity securities (within the meaning of section 94 of that Act) pursuant to the authority conferred by resolution 2 above as if section 89(1) of the Act did not apply to the allotment provided that such power shall expire on the date being five years from the date on which this resolution is passed unless previously renewed, varied or revoked by the Company in general meeting but the Company may before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of that offer or agreement as if this power had not expired
4. THAT the regulations in the form annexed to this resolution be hereby adopted as the new Articles of Association of the Company in substitution for all existing regulations

## AGREEMENT

Please read the notes at the end of this document before signifying your agreement to the Resolution

I, the undersigned, the sole shareholder and sole person entitled to vote on the Resolution at the time it was circulated, hereby irrevocably agree to the Resolution -

  
David Spruzen

20/06/2008 .....  
Date

## NOTES

- 1 If you agree with the Resolutions, please indicate your agreement by signing and dating this document where indicated above and returning it to the Company using the following method.-

- **By Hand** delivering the signed copy to the Directors, CHG Investments Holdings Limited, The Pointe, 89 Hartfield Road, Wimbledon, London SW19 3TJ
- If you do not agree with any of the Resolutions, you do not need to do anything you will not be deemed to agree if you fail to reply.

- 5 Once you have indicated your agreement to a Resolution, you may not revoke your agreement.
6. Where, by 28 days from the circulation date, insufficient agreement has been received for a Resolution to pass, such Resolution will lapse. If you agree to all or any of the Resolutions, please ensure that your agreement reaches us before or during this date

**AGREED FORM**

No 6595141

**The Companies Act 1985**

**Company Limited by Shares**

**ARTICLES OF ASSOCIATION**

adopted by Special Resolution passed on 20 June 2008

of

**CMG Investment Holdings Limited**

(incorporated on 16 May 2008)

**Linklaters**

Linklaters LLP  
One Silk Street  
London EC2Y 8HQ

Telephone (44-20) 7456 2000  
Facsimile (44-20) 7456 2222

Ref Jagers/Matthews

The Companies Act 1985

Company Limited By Shares

### **Articles of Association**

adopted by Special Resolution passed on June 2008

Of

**CMG Investment Holdings Limited (the "Company")**

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#### **Preliminary**

**1 Table A**

The regulations contained in Table A in The Companies (Tables A to F) Regulations 1985 (as amended so as to affect companies first registered on the date of incorporation of the Company) shall, except as hereinafter provided and so far as not inconsistent with the provisions of these Articles, apply to the Company to the exclusion of all other regulations or Articles of Association. References herein to Regulations are to Regulations in the said Table A (a copy of which is annexed to these Articles) unless otherwise stated.

**2 Definitions**

In these Articles (if not inconsistent with the subject or context) the following words and expressions shall bear the following meanings:

**"A Ordinary Shareholder"** means any holder of one or more A Ordinary Shares from time to time;

**"A Ordinary Shares"** means the A ordinary shares of £0.01 each in the capital of the Company having the rights set out in these Articles;

the **"Act"** means the Companies Act 1985 (as amended) or the Companies Act 2006 as applicable,

**"Acting in Concert"** shall have the meaning set out in the City Code on Takeovers and Mergers as in force from time to time;

**"Affiliates"** means, in relation to any party, any Subsidiary or Holding Company of that party and any other Subsidiary of any such Holding Company, provided always that neither the Company nor any of its Subsidiaries shall be regarded as being an Affiliate of any Shareholder for the purposes of these Articles,

**"Agent"** means Dresdner Kleinwort AG Niederlassung Luxemburg acting as agent for the Finance Parties under the terms of the Finance Documents;

**"Amendment and Restatement Agreement"** shall have the meaning given to it in the Facility Agreement,

**"Amount Owning"** shall have the meaning given to it in the Facility Agreement,

**"Asset Sale"** means a sale by the Company or any of its Subsidiaries of the majority of their business assets and undertaking to any person other than a member of the Group,

**"Bank Break Even Amount"** means the Amount Owning multiplied by four thirds ( $\frac{4}{3}$ ) minus £25,000,000,

**"Business Day"** means a day other than a Saturday or a Sunday or public holiday in England and Wales,

**"CC Directors"** means David Spruzen and Chai Patel,

**"CMGA"** means Care Management Group (Acquisition) Limited (registration number 5867920),

**"Compulsory Purchase Notice"** has the meaning given to it in Article 9 1,

**"Consideration Proceeds"** means the cash consideration (after deducting (i) all costs, fees and expenses which are incurred by the Company or any member of the Group in respect of or in connection with the Exit Event and (ii) any Tax Incurred or required to be Incurred by the Company or any member of the Group in connection with the Exit Event) that would will be available following an Exit Event to be applied in repayment of all or part of the Amount Owning assuming for the purposes of calculating the Exit Amount that no deduction is required to be made for the Investor Return;

**"Conversion Date"** shall have the meaning given to it in the Facility Agreement;

**"Deferred Shares"** means the deferred Shares of £1 00 each in the capital of the Company having the rights set out in these Articles,

**"Directors"** means the directors of the Company from time to time,

**"Drag-Along Purchaser"** has the meaning given to it in Article 9 1,

**"Drag-Along Sale"** has the meaning given to it in Article 9 1,

**"Drag-Along Seller"** has the meaning given to it in Article 9 1,

**"Effective Date"** shall have the meaning given to it in the Amendment and Restatement Agreement,

**"Exit Amount"** means the amount by which the Consideration Proceeds exceed £75,000,000 but are less than or equal to the Bank Break Even Amount;

**"Exit Date"** means (i) in relation to a Listing, the date of the Listing; (ii) in relation to a Sale or an Asset Sale, the date upon which an agreement for Sale or an Asset Sale is completed and the purchase price is paid or due to be paid, and (iii) in relation to a Repayment, the date the Agent receives the monies to be applied in repayment of the amounts due to Lenders pursuant to the Facility Agreement,

**"Exit Event"** means a Sale, an Asset Sale, a Listing, or a Repayment,

**"Facility Agreement"** means the term and the revolving facilities agreement originally dated 15 August 2006 as amended and amended and restated from time to time (including on or about the date of these Articles);

**"Finance Parties"** means the persons defined as such under the terms of the Facility Agreement;

**"Finance Document"** shall have the meaning given to it in the Facility Agreement,

**"Group"** means in the Company and its Affiliates,

**"Investor Return"** means an amount equal to 25% of the Exit Amount,

**"Legacy Shareholder"** means each of Intermediate Capital Group plc, ICG Mezzanine Luxco 2003 No. 1 Sarl, ICG Mezzanine 2003 No. 3 Sarl, FIS Nominee Limited, ISIS Equity Partners III LP and ISIS Equity Partners III GmbH & Co. Beteteiligungs KG or in each case such person to whom they have transferred their Shares or Options as appropriate,

**"Lender"** shall have the meaning given to it in the Facility Agreement,

**"Lender Shareholder"** means any holder of one or more Shares from time to time being a Lender or an Affiliate of a Lender;

**"Listing"** means a successful application being made to London Stock Exchange plc for all or any of the ordinary share capital of any member of the Group to be admitted to trading on the Official List, a successful application for admission being made to any other recognised investment exchange or overseas investment exchange (as such expressions are defined in the Financial Services and Markets Act 2000), the admission of any such shares to the Alternative Investment Market of the London Stock Exchange plc or any other sale or issue by way of (in each case) flotation or public offering or any equivalent circumstances in relation to any Group Company in any jurisdiction or country which has been approved by a majority (by reference to the number of shares) of the holders of Shares which have Voting Rights, for all or any of the ordinary share capital of any member of the Group to be admitted to trading on such exchange,

**"NewCo Documents"** shall have the meaning given to it in the Facility Agreement,

**"Options"** means the options to subscribe for Ordinary Shares granted by the Company from time to time,

**"Ordinary Shareholder"** means any holder of one or more Ordinary Shares from time to time,

**"Ordinary Shares"** means the ordinary Shares of £0.01 each in the capital of the Company having the rights set out in these Articles,

**"Repayment"** means the repayment or refinancing either in full or in an amount in excess of £75,000,000 of all capital, interest and all other amounts due to the Lenders from time to time pursuant to the terms of the Facility Agreement;

**"Shareholder"** means any holder of one or more Shares from time to time,

**"Shares"** means any shares in the capital of the Company from time to time,

**"Subsidiary"** has the meaning given in Article 3,

**"Sale"** means the acquisition of all of the ordinary share capital of the Company or CMGA (whether in a single transaction or series of related transactions) by any person or persons with whom he is connected or an Affiliate of, or is Acting in Concert with;

**"Secretary"** means the secretary of the Company from time to time,

**"Tax"** shall have the meaning given to it in the Facility Agreement, and

**"Voting Rights"** means the right to receive notice of, attend (in person or by proxy), speak (in person or by proxy) and vote (in person or by proxy) at General Meetings of the Company.

### **3 Interpretation**

Words denoting the singular shall include the plural and vice versa Words denoting the masculine shall include the feminine Words denoting persons shall include bodies corporate and unincorporated associations

References to any statute or statutory provision shall be construed as relating to any statutory modification or re-enactment thereof for the time being in force (whether coming into force before or after the adoption of these Articles). Subject to this any words or expressions defined in the Act shall (if not inconsistent with the subject or context) bear the same meanings in these Articles

A company is a "**Subsidiary**" of another company, its "**Holding Company**" if that other company

- (a) holds a majority of the voting rights in it;
- (b) is a member of it and has the right to appoint or remove a majority of its board of directors,
- (c) is a member of it and controls alone, pursuant to an agreement with other shareholders or members, a majority of the voting rights in it, or
- (d) if it is a Subsidiary of a company which itself is a Subsidiary of that other company.

### **Share Capital**

- 4** The share capital of the Company is £15,001,000 divided into
- 50,000 Ordinary Shares of £0.01 each,
- 50,000 A Ordinary Shares of £0.01 each, and
- 15,000,000 Deferred Shares of £1.00 each

### **Rights Attaching to the Shares**

#### **5 A Ordinary Shares and Ordinary Shares**

For the avoidance of doubt, subject to Article 5.1(a) the A Ordinary and the Ordinary Shares rank *pari passu* at all times and in all respects for the purposes of these Articles The A Ordinary and the Ordinary Shares shall entitle the holders thereof to the following rights (subject to the following restrictions)

#### **5.1 Capital**

- (a) Immediately upon the occurrence of an Exit Event, each A Ordinary Share shall confer on its holder, rateably according to the aggregate number of such A Ordinary Shares held by such A Ordinary shareholder, the right to receive its pro-rata share of the Investor Return (into a bank account nominated by him). The Investor Return shall be payable in cash on or as soon as reasonably practicable after the Conversion Date but in any event no later than 10 Business Days following the Conversion Date
- (b) Subject to the rights of the A Ordinary Shareholders referred to in Article 5.1(a), on a return of capital on a liquidation, reduction of capital, Exit Event or otherwise (other than on a redemption or purchase of Shares), the balance of any assets available for distribution among the Shareholders, subject to any special rights which may be attached to any other class of

Shares, shall be distributed among the Ordinary Shareholders and the A Ordinary Shareholders rateably according to the aggregate number of such Ordinary Shares and A Ordinary Shares held by each of them respectively

**5.2 Income**

Subject to the provisions of Article 23 and Article 5 1(a), the profits of the Company available for distribution and resolved to be distributed shall, subject to the provisions of the Act, be distributed by way of dividend among the holders of the Ordinary Shares and the A Ordinary Shares pro rata to the nominal amount of the Ordinary Shares and the A Ordinary Shares held by each of them

**5.3 Voting**

The Ordinary Shareholders and the A Ordinary Shareholders shall be entitled to receive notice of, attend and speak at and vote at general meetings of the Company. On a show of hands each Ordinary Shareholder and each A Ordinary Shareholder shall have one vote and on a poll the Ordinary Shareholders shall have one vote for each Ordinary Share held by them and the A Ordinary Shareholders shall have one vote for each A Ordinary Share held by them. Regulation 54 shall not apply

**6 Deferred Shares**

The Deferred Shares shall entitle the holders thereof to the following rights (subject to the following restrictions):

**6.1 Income and capital**

The Deferred Shares shall not confer on the holders thereof any entitlement to any participation in the profits or the assets of the Company

**6.2 Voting**

The Deferred Shares shall not confer on the holders thereof any entitlement to receive notice of or to attend or vote at any general meeting of the Company

**Allotment of Shares**

**7.1** Subject to Section 80 of the Act, all unissued shares shall be at the disposal of the Directors and they may allot, grant options over or otherwise dispose of them to such persons, at such times, and on such terms as they think proper

**7.2** Pursuant to and in accordance with Section 80 of the Act, the Directors shall be generally and unconditionally authorised to exercise during the period of five years from the date of incorporation of the Company all the powers of the Company to allot relevant securities up to an aggregate nominal amount of £15,001,000 00

**7.3** By the authority in Article 8 2 the Directors may make offers or agreements which would or might require the allotment of relevant securities after the expiry of such period

**7.4** Section 89(1) of the Act shall not apply to the allotment by the Company of equity securities

**7.5** Words and expressions defined in or for the purposes of the said Section 80 or the said Section 89 shall bear the same meanings in this Article



## **Drag Along Rights**

- 8.1** If persons together holding not less than 75% of the A Ordinary Shares then in Issue (the **"Drag-Along Sellers"**) propose to sell and transfer Shares on an arms length basis, whether in a single transaction or a series of related transactions and whether directly or indirectly, to a bona fide third party (the **"Transferee"**) and/or to any other person who, in relation to the Transferee, is his connected person or with whom he is Acting in Concert (together the **"Drag-Along Purchaser(s)"**) (such sale a **"Drag-Along Sale"**), the Drag-Along Purchasers shall, in the case of the Lender Shareholders, if the Consideration Proceeds exceed the Bank Break Even Amount and, in the case of all other Shareholders, at any time when this Article 8 1 applies, be entitled to require, by way of serving a written notice (a **"Compulsory Purchase Notice"**) on each such Shareholder (a **"Dragged Shareholder"**) that such Dragged Shareholder(s) sell and transfer to such Drag-Along Purchaser(s) all the Shares held by such other Dragged Shareholders for the same price per Share and otherwise on the same terms and conditions as applicable to the Drag-Along Sellers in the Drag-Along Sale, provided that the Dragged Shareholders will, if they are a Legacy Shareholder or a Lender Shareholder, only be required to give customary warranties in relation to their authority and capacity to enter into the relevant agreements and in relation to their unencumbered ownership of all of their Shares so sold. The Compulsory Purchase Notice shall specify the material terms and conditions of the proposed Drag-Along Sale
- 8.2** Each Dragged Shareholder shall, subject to the provisions of Article 8 1:
- 8.2.1** sign such transfer form(s) and sale and purchase or other agreements as the Drag-Along Sellers propose to sign in order to effect a Drag-Along Sale,
  - 8.2.2** make or agree to the same representations, covenants, indemnities (with respect to all matters other than any other parties' ownership of Shares) and other agreements as the Drag-Along Sellers on a *pro rata* basis reflecting the number of Shares sold by such party, provided that any such representations, covenants and other agreements shall be made or agreed severally and not jointly, provided further that any Shareholder will, if they are a Legacy Shareholder or a Lender Shareholder, only be required to give customary warranties in relation to their authority and capacity to enter into the relevant agreements and in relation to their unencumbered ownership of all of their Shares so sold;
  - 8.2.3** together with the Drag-Along Sellers bear their proportionate share of the aggregate of all Shareholders' transaction fees and expenses in connection with a Drag-Along Sale; and
  - 8.2.4** take all such actions and exercise its Voting Rights with respect to its Shares, in such manner as may be necessary and appropriate to ensure that the Drag-Along Sale on the above terms is consummated
- 8.3** In this Article 8 -
- 8.3.1** a reference to "Shares" will include a reference to "Options" (although for the avoidance of doubt this does not apply to the reference to A Ordinary Shares in Article 8 1),
  - 8.3.2** a reference to "Drag-Along Sellers" will include a reference to "Optionholders", and
  - 8.3.3** the resulting Drag Along Sale in relation to the relevant Options will be implemented, subject to completion of the Drag-Along Sale, by way of cancelling the relevant Options

in consideration of the receipt by each of the participating Optionholders at completion of their proportion of the consideration paid by the Proposed Transferee (calculated on the basis as if the relevant Options had first been exchanged for Shares at the Exercise Rate immediately prior to the Drag-Along Sale and subsequently sold in the Drag-Along Sale namely, (i) the consideration offered for each Share whose proposed transfer has led to the Drag-Along Sale, and (ii) multiplied by the number of Shares to which the Optionholder would be entitled if the relevant Options were to be exercised, the same constituting full and final discharge of the Company's obligations and liabilities in relation to the relevant Options so cancelled save in respect of any accrued rights prior to such period)

### **Notice of general meetings**

- 9 General meetings shall be called by at least 14 clear days' notice but a general meeting may be called by shorter notice if so agreed to by a majority in number of the members having a right to attend and vote being a majority together holding not less than 90% in nominal value of the shares giving a right to attend and vote at the meeting

### **Written Resolutions**

- 10 A written resolution of the Company (which means a resolution proposed and passed in accordance with Chapter 2 of Part 13 of the Companies Act 2006) shall have effect as if passed by the Company in general meeting or by a meeting of a class of members of the Company, as the case may be. In the case of a corporation a written resolution may be signed on its behalf by a Director or the Secretary thereof or by its duly appointed attorney or duly authorised representative.

### **Proxies**

- 11 An instrument appointing a proxy (and, where it is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof) must either be delivered at such place or one of such places (if any) as may be specified for that purpose in or by way of note to the notice convening the meeting (or, if no place is so specified, at the registered office) before the time appointed for holding the meeting or adjourned meeting or (in the case of a poll taken otherwise than at or on the same day as the meeting or adjourned meeting) for the taking of the poll at which it is to be used or be delivered to the Secretary (or the chairman of the meeting) on the day and at the place of, but in any event before the time appointed for holding, the meeting or adjourned meeting or poll. The instrument may be in the form of a facsimile or other machine-made copy and shall, unless the contrary is stated thereon, be valid as well for any adjournment of the meeting as for the meeting to which it relates. An instrument of proxy relating to more than one meeting (including any adjournment thereof) having once been so delivered for the purposes of any meeting shall not require again to be delivered for the purposes of any subsequent meeting to which it relates. Regulation 62 shall not apply.

### **Number of Directors and Proceedings of Directors**

- 12 The Directors shall not be less than one in number. Regulation 64 shall be modified accordingly. Whenever the minimum number of Directors shall be one, a sole Director shall form a quorum, and Regulation 89 shall be modified accordingly.

- 12.1 Any Director including an alternate Director may participate in a meeting of the Directors or a committee of the Directors of which he is a member by means of a conference telephone or similar communications equipment whereby all persons participating in the meeting can hear each other and participation in a meeting in this manner shall be deemed to constitute presence in person at such meeting and, subject to these articles and the Act, he shall be entitled to vote and be counted in a quorum accordingly. Such a meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no such group, where the chairman of the meeting then is.
- 12.2 Any quorum for the transaction of business at a meeting of the Directors shall, save with the prior written consent of a CC Director include both of the CC Directors (if appointed) provided always that if no quorum shall be present at a meeting of the directors within fifteen minutes from the time fixed for holding the meeting, the meeting shall be adjourned for a period of 6 clear days and at the adjourned meeting, held at the same venue and at the same time as the previous inquorate meeting 7 days earlier any two directors present shall constitute a quorum.
- 12.3 Notwithstanding any other provision of these Articles at any meeting of the board of Directors.
- 12.3.1 If each of the CC Directors vote at such meeting against any resolution put to that meeting, that resolution shall be deemed not to have been carried notwithstanding that the number of votes cast in its favour exceeds those cast against it and notwithstanding any of the provisions of these Articles or any Regulation; and
- 12.3.2 If each of the CC Directors vote at such meeting in favour of any resolution put to that meeting, that resolution shall be deemed to have been carried notwithstanding that the number of votes cast against such resolution exceeds those cast in its favour and notwithstanding any of the provisions of these Articles of any Regulation.

#### **Alternate Directors**

- 13.1 An alternate Director shall (except when absent from the United Kingdom) be entitled to receive notices of meetings of the Directors and of any committee of the Directors of which his appointor is a member and shall be entitled to attend and vote as a Director and be counted in the quorum at any such meeting at which his appointor is not personally present and generally at such meeting to perform all functions of his appointor as a Director and for the purposes of the proceedings at such meeting the provisions of these Articles shall apply as if he were a Director. If he shall be himself a Director or shall attend any such meeting as an alternate for more than one Director, his voting rights shall be cumulative but he shall not be counted more than once for the purposes of the quorum. If his appointor is for the time being absent from the United Kingdom or temporarily unable to act through ill health or disability his signature to any resolution in writing of the Directors shall be as effective as the signature of his appointor. An alternate Director shall not (save as aforesaid) have power to act as a Director, nor shall he be deemed to be a Director for the purposes of these Articles, nor shall he be deemed to be the agent of his appointor. Regulations 66 and 69 shall not apply.
- 13.2 An alternate Director shall be entitled to contract and be interested in and benefit from contracts or arrangements or transactions and to be repaid expenses and to be indemnified to the same extent *mutatis mutandis* as if he were a Director but he shall not be entitled to receive from the Company in respect of his appointment as alternate Director any remuneration except only such part (if any) of the remuneration otherwise payable to his appointor as such appointor may by notice in writing to the Company from time to time direct.

### **Delegation Of Directors' Powers**

- 14** In addition to the powers to delegate contained in Regulation 72, the Directors may delegate any of their powers or discretions (including without prejudice to the generality of the foregoing all powers and discretions whose exercise involves or may involve the payment of remuneration to or the conferring of any other benefit on all or any of the Directors) to committees consisting of one or more Directors and (if thought fit) one or more other named person or persons to be co-opted as hereinafter provided. Insofar as any such power or discretion is delegated to a committee, any reference in these Articles to the exercise by the Directors of the power or discretion so delegated shall be read and construed as if it were a reference to the exercise thereof by such committee. Any committee so formed shall in the exercise of the powers so delegated conform to any regulations which may from time to time be imposed by the Directors. Any such regulations may provide for or authorise the co-option to the committee of persons other than Directors and may provide for members who are not Directors to have voting rights as members of the committee but so that (a) the number of members who are not Directors shall be less than one-half of the total number of members of the committee and (b) no resolution of the committee shall be effective unless passed by a majority including at least one member of the committee who is a Director. Regulation 72 shall be modified accordingly.

### **Appointment and Retirement of Directors**

- 15** The Directors shall not be subject to retirement by rotation. Other references in the said Table A to retirement by rotation shall be disregarded.

### **Disqualification and Removal of Directors**

- 16**
- 16.1** The office of a Director shall be vacated in any of the events specified in Regulation 74 and also if
- 16.1.1** save in the case of Chai Patel or David Spruzen, all of the other Directors unanimously resolve that his office be vacated; or
- 16.1.2** in the case of a person who is also an employee of the Company or any of its subsidiaries (the "Group") he ceases to be such an employee without remaining an employee of any other member of the Group, or
- 16.1.3** he shall in writing offer to resign and the Directors shall resolve to accept such offer.
- 16.2** In addition and without prejudice to the provisions of section 168 of the Companies Act 2006, the Company may by ordinary resolution remove any director before the expiration of his term of office and may by ordinary resolution appoint another Director in his place.

### **Remuneration of Directors**

- 17** Any Director who serves on any committee, or who otherwise performs services which in the opinion of the Directors are outside the scope of the ordinary duties of a Director, may be paid such extra remuneration by way of salary, commission or otherwise or may receive such other benefits as the Directors may determine. Regulation 82 shall be extended accordingly.

### **Interests of Directors**

- 18** On any matter in which a Director is in any way interested he may nevertheless vote and be taken into account for the purposes of a quorum and (save as otherwise agreed) may retain for his own absolute use and benefit all profits and advantages directly or indirectly accruing to him thereunder or in consequence thereof Regulations 94 to 98 shall not apply

### **Notices**

- 19** A member whose registered address is not within the United Kingdom shall be entitled to have notices sent to him as if he were a member with a registered address within the United Kingdom and the last sentence of Regulation 112 shall not apply

### **Indemnity**

- 20.1** Subject to the provisions of, and so far as may be permitted by and consistent with the Act and the Companies Act 2006, every Director of the Company shall be indemnified by the Company out of its own funds against

- (a) any liability incurred by or attaching to him in connection with any negligence, default, breach of duty or breach of trust by him in relation to the Company other than
  - (i) any liability to the Company or any Associated Company; and
  - (ii) any liability of the kind referred to in Section 234(3) of the Companies Act 2006, and

any other liability incurred by or attaching to him in the actual or purported execution and/or discharge of his duties and/or the exercise or purported exercise of his powers and/or otherwise in relation to or in connection with his duties, powers or office

- 20.2** Subject to the Act and the Companies Act 2006 the Company may indemnify a Director of the Company if it is the trustee of an occupational pension scheme (within the meaning of Section 235(6) of the Companies Act 2006)

- 20.3** Where a Director is indemnified against any liability in accordance with this Article 21, such indemnity shall extend to all costs, charges, losses, expenses and liabilities incurred by him in relation thereto

- 20.4** In this Article "Associated Company" shall have the meaning given thereto by Section 256 of the Companies Act 2006

- 20.5** Regulation 118 shall not apply

### **Insurance**

- 21.1** Without prejudice to Article 20 above, the Directors shall have power to purchase and maintain insurance for or for the benefit of (i) any person who is or was at any time a Director or officer of any Relevant Company (as defined in Article 22.2 below), or (ii) any person who is or was at any time a trustee of any pension fund or employees' share scheme in which employees of any Relevant Company are interested, including (without prejudice to the generality of the foregoing) insurance against any liability incurred by or attaching to him in respect of any act or omission in the actual or purported execution and/or discharge of his duties and/or in the exercise or purported exercise of his powers and/or otherwise in relation to his duties, powers

or offices in relation to any Relevant Company, or any such pension fund or employees' share scheme (and all costs, charges, losses, expenses and liabilities incurred by him in relation thereto)

- 21.2** For the purpose of Article 22 1 above "**Relevant Company**" shall mean the Company, any holding company of the Company or any other body, whether or not incorporated, in which the Company or such holding company or any of the predecessors of the Company or of such holding company has or had any interest whether direct or indirect or which is in any way allied to or associated with the Company, or any subsidiary undertaking of the Company or of such other body

### **Defence funding**

- 22.1** Subject to the provisions of and so far as may be permitted by the Act and the Companies Act 2006, the Company
- (a) may provide a Director of the Company with funds to meet expenditure incurred or to be incurred by him in defending any criminal or civil proceedings in connection with any negligence, default, breach of duty or breach of trust by him in relation to the Company or in connection with any application for relief under the provisions mentioned in Section 205(5) of the Companies Act 2006, and
  - (b) may do anything to enable any such Director to avoid incurring such expenditure
- 22.2** The terms set out in Section 205(2) of the Companies Act 2006 shall apply to any provision of funds or other things done under Article 22
- 22.3** Subject to the provisions of and so far as may be permitted by the Act and the Companies Act 2006, the Company
- (a) may provide a Director of the Company with funds to meet expenditure incurred or to be incurred by him in defending himself in an investigation by a regulatory authority or against action proposed to be taken by a regulatory authority in connection with any alleged negligence, default, breach of duty or breach of trust by him in relation to the Company or any Associated Company of the Company, and
  - (b) may do anything to enable any such Director or officer to avoid incurring such expenditure
- 22.4** In this Article 23 "**Associated Company**" shall have the meaning given thereto by Section 256 of the Companies Act 2006

### **Finance Documents**

- 23.1** Notwithstanding any other provision of these Articles (but subject always to the requirement that the Company's statutory powers should not be fettered), no payment shall be made or agreed to be made by the Company in respect of any Shares or share capital (whether by way of dividend, distribution, purchase or redemption, or by way of reduction or return of share capital) if such payment is prohibited or restricted by the terms of the Finance Documents.
- 23.2** No dividend, distribution or other amount payable in respect of Shares (whether made pursuant to the provisions of these Articles or otherwise) will constitute a debt of the Company unless permitted to be paid and paid strictly in accordance with the provisions of the Finance Documents

- 23.3 Subject to the requirement that the Company's statutory powers should not be fettered, any resolution of the Shareholders, any class of Shareholders, the Directors or any committee of the Directors which conflicts with the provisions of this Article will be null and void

## **Transfer of Shares**

### **24**

#### **24.1 For the purposes of this Article 24**

- "Acquired Price"** means, in relation to a Share, (i) where the Share was issued to the current holder the price at which such Share was issued, being the aggregate of the amount paid up or credited as paid up in respect of the nominal value of such Share and any share premium thereon or (ii) where the Share was transferred to the current holder for value the price paid by the current holder
- "Bad Leaver"** means a Leaver who is not a Good Leaver
- "Court Cavendish"** means Court Cavendish Limited a company incorporated in England and Wales with registered number 4290684
- "Employee"** means a person who at any time is a director and/or an employee of any Group Company or whose services are made available to any Group Company under the terms of an agreement with any Group Company (and "employment" shall be construed accordingly to include such an agreement)
- Excluded Person** means
- (a) any Leaver;
  - (b) any Employee who has given, or been given, notice to terminate his contract of employment with any Group Company
- "Fair Price"** means such price as the transferor and (with Investor Consent) the Board shall agree within ten days after the date of the relevant Transfer Notice or, failing such agreement, such price as the Independent Expert shall determine pursuant to Article 24 4(c)
- "Family Trust"** means a trust.
- (a) the terms and trustees of which have been approved by Court Cavendish, such approval not to be unreasonably withheld or delayed,
  - (b) which does not permit any of the property subject to the trust or the income therefrom (or any interest in such property and/or income) to be applied otherwise than for the benefit of an Employee and/or a Privileged Relation of that Employee,
  - (c) which is set up and administered without any cost to any Group Company; and
  - (d) under which no power or control is capable of being exercised over the votes of any shares which are the

subject of the trust by any person other than the trustees or the Employee or the Privileged Relations of the Employee

and "trust" includes a trust arising under a settlement, declaration of trust, testamentary disposition or on an intestacy

**"Group Company"**

means each of the companies referred to in the definition in these Articles of "Group"

**"Good Leaver"**

- (a) a person who ceases to be an Employee where such cessation occurs for one of the following reasons:-
  - (i) that person's death or;
  - (ii) illness or disablement of that person giving rise to permanent incapacity to continue in employment; or
  - (iii) that person terminating his contract of employment with his employing company in circumstances that are determined by an employment tribunal or court to be or to amount either to constructive dismissal or, in the case of a non-executive director or consultant only, to a repudiatory breach of his employing or contracting company of such contract of employment or services, or
  - (iv) that person's redundancy (within the definition of "redundancy" in the Employment Rights Act 1996), or
- (b) a person who ceases to be an Employee where the Board resolves that such person is to be treated as a Good Leaver.

**"Independent Expert"**

means an umpire (acting as an expert and not as an arbitrator) nominated by the parties concerned or, in the event of disagreement as to nomination, appointed by the President for the time being of the Institute of Chartered Accountants in England and Wales

**"Investor Direction"**

means the giving of a prior written direction by Court Cavendish

**"Issue Price"**

means, in relation to a Share, the price at which such Share is issued, being the aggregate of the amount paid up or credited as paid up in respect of the nominal value of such Share and any share premium thereon

**"Leaver"**

means:-

- (a) any person who ceases to be an Employee for whatever reason
- (b) any Shareholder who is a Permitted Transferee of any person who ceases to be an Employee
- (c) any person who becomes entitled to any Shares.-
  - (i) on the death of a Shareholder (if an individual)



	<ul style="list-style-type: none"> <li>(ii) on the receivership, administrative receivership, administration, liquidation or other arrangement for the winding-up (whether solvent or insolvent) of a Shareholder (If a company) or</li> <li>(iii) on the exercise of an option after ceasing to be an Employee</li> </ul>
	(d) any Shareholder holding Shares as a nominee for any person who ceases to be an Employee
<b>"Leaver's Shares"</b>	all of the Shares held by a Leaver, or to which he is entitled, on the Leaving Date and any Shares acquired by a Leaver after the Leaving Date whether under an employees' share scheme or otherwise
<b>"Leaving Date"</b>	means, in relation to a Leaver, the date on which the relevant person becomes a Leaver, which in the case of any Shareholder who becomes a Leaver by virtue of any person ceasing to be an Employee shall be the Termination Date in relation to such Employee
<b>"Privileged Relation"</b>	means, in relation to an Employee, the spouse of the Employee and the Employee's children and grandchildren (including step and adopted children and their issue)
<b>"Sale Price"</b>	has the meaning given in Article 24.4(b)
<b>"Sale Shares"</b>	has the meaning given in Article 24.4(a)
<b>"Termination Date"</b>	means.- <ul style="list-style-type: none"> <li>(a) where employment ceases by virtue of notice given by the employer to the employee, the date on which such notice expires or</li> <li>(b) where a contract of employment is terminated by notice given by the employer and the employer exercises a right to make a payment in lieu of notice, the date on which such notice was served or</li> <li>(c) where the Employee concerned is a director and an employee of any Group Company, the date on which the Employee's contract of employment with any Group Company is terminated or</li> <li>(d) where the Employee concerned is a director (but not an employee) of any Group Company, the date on which the contract for the provision of his services (whether entered into directly with him or with a third party) with any Group Company is terminated or</li> <li>(e) in any other case, the date on which the contract of employment is terminated</li> </ul>

## 24.2 General

The Board shall refuse to register any transfer of Shares made in contravention of the provisions of these Articles but (subject to this Article 24) shall not otherwise be entitled to refuse to register any transfer of Shares. For the purpose of ensuring that a particular transfer of Shares is permitted under the provisions of these Articles, the directors may request the transferor, or the person named as transferee in any transfer lodged for registration, to furnish the Company with such information and evidence as the directors may reasonably think necessary or relevant. Failing such information or evidence being furnished to the satisfaction of the directors within a period of 28 days after such request the directors shall be entitled to refuse to register the transfer in question. Any transfer of Shares made or purported to be made in contravention of the provisions of these Articles shall be of no effect. Nothing in this Article 24 shall apply to any Shares or Options held by a Legacy Shareholder, a Lender Shareholder or a Lender.

#### **24.3 Permitted Transfers**

- (a) Subject to Article 24.3(d), any Employee who is a Shareholder and is not an Excluded Person may at any time transfer any Shares held by him to a Privileged Relation over the age of 17 or to trustees to be held upon a Family Trust of which he is the settlor provided that
  - (i) any transfer of Shares by an Employee to a Privileged Relation pursuant to this Article 24 3(a) will be on terms (approved before such transfer by Court Cavendish) that the Privileged Relation shall
    - (aa) undertake to exercise all voting rights attaching to such Shares and to sign all proxies, consents to short notice and other documents relating to such exercise in accordance with the directions of the Employee, and
    - (bb) give the Employee full unconditional and irrevocable authority to sell such Shares on behalf of the Privileged Relation on a Listing or a Sale or pursuant to Article 8,
  - (ii) any transfer of Shares by an Employee to trustees of such Employee's Family Trust pursuant to this Article 24 3(a) will be on terms approved before such transfer by Court Cavendish;
  - (iii) no Employee may settle any Shares with the trustees of more than one Family Trust at any one time,
  - (iv) the Privileged Relations and/or the trustees of Family Trusts to whom Shares are transferred by an Employee pursuant to this Article 24 3(a) may transfer such Shares in accordance with Article 24 3(b) at any time but shall not otherwise be entitled to transfer such Shares pursuant to this Article 24 3(a),
  - (v) if and whenever any Shares held by trustees upon a Family Trust cease to be so held upon a Family Trust (otherwise than in consequence of a transfer to the settlor or to any Privileged Relation of the Employee in accordance with Article 24 3(b)) or there cease to be any beneficiaries of the Family Trust other than a charity or charities
    - (aa) the trustees of the Family Trust shall notify the Company in writing that such event has occurred, and
    - (bb) a Transfer Notice which does not specify a Sale Price shall, unless Court Cavendish directs otherwise, be deemed to have been given on the date

of such cessation in favour of the settlor of the Family Trust in respect of the Shares held by trustees and such Shares may not otherwise be transferred, and

- (vi) if and whenever any Shares are held by a person who at the time of transfer of such Shares to such person pursuant to this Article 24 3(a) is a Privileged Relation of the transferring party (the "transferring relative") and such person subsequently ceases to be a Privileged Relation of the transferring relative
  - (aa) the transferring relative shall notify the Company in writing that such cessation has occurred, and
  - (bb) unless retransferred pursuant to Article 24 3(b) a Transfer Notice which does not specify a Sale Price shall, unless Court Cavendish directs otherwise, be deemed to have given on the date of such cessation in favour of the transferring relative by such former Privileged Relation in respect of the Shares held by him and such Shares may not otherwise be transferred
- (b) Subject to Article 24 3(d).
  - (i) the Privileged Relations to whom Shares are transferred by an Employee pursuant to Article 24 3(a) may transfer such Shares to the Employee concerned at any time, but shall not otherwise be entitled to transfer such Shares pursuant to this Article 24 3(b)
  - (ii) where any Shares are held by trustees upon a Family Trust.
    - (aa) on any change of trustees all, and not some only, of such Shares may be transferred to the new trustees of that Family Trust; and
    - (bb) such Shares may be transferred at any time to the settlor provided the settlor is the Employee or, subject to Article 24.3(a)(iv), to another Family Trust of which the Employee is the settlor or to any Privileged Relation of the Employee
- (c) Subject to Article 24 3(d), the Company shall be obliged to register any transfer made pursuant to the above provisions.
- (d) At any time after a Shareholder becomes an Excluded Person, Court Cavendish may by notice in writing to such Shareholder revoke any consent given prior to that Shareholder becoming an Excluded Person
- (e) Any shareholder may transfer any Shares pursuant to the operation of Article 8

#### **24.4 Leavers**

- (a) At any time after the relevant Leaving Date Court Cavendish may direct the Company by an Investor Direction immediately to serve a notice (a "Transfer Notice") on a Leaver notifying him that he is, with immediate effect, deemed to have offered for sale to such person or persons specified in the Investor Direction (the "Offeree(s)") such number and class of his Leaver's Shares as is specified in the Investor Direction (the "Sale Shares") at the Sale Price and the Company shall immediately serve the Transfer Notice
- (b) Save as otherwise set out in these Articles the Sale Price shall be:-

- (i) in the case of a Good Leaver, the higher of the Acquired Price and the Fair Price, and
  - (ii) in the case of a Bad Leaver, the lower of the Acquired Price and the Fair Price
- (c) If the Fair Price falls to be determined by an Independent Expert.-
  - (i) the Company shall immediately instruct the Independent Expert to determine the Fair Price on the basis which, in the Independent Expert's opinion, represents a fair price for the Leaver's Shares at the Leaving Date as between a willing seller and a willing buyer and, in making such determination, the Independent Expert shall ignore the fact that such Leaver's Shares can be subject to the compulsory transfer requirements of Article 8;
  - (ii) the Independent Expert shall certify the Fair Price as soon as possible after being instructed by the Company and in so certifying the Independent Expert shall be deemed to be acting as expert and not as arbitrator and the Arbitration Act 1996 shall not apply,
  - (iii) the certificate of the Independent Expert shall, in the absence of manifest error, be final and binding, and
  - (iv) the Company shall procure that any certificate required hereunder is obtained with due expedition and the cost of obtaining such certificate shall be borne by the Company unless (i) such an arrangement would not be permitted by the Act or (ii) the Fair Price as determined by the Independent Expert is the same as, or within 10% of, that price (if any) which the Company had previously notified to the Leaver as being in its opinion the Fair Price, in which event the cost shall be borne by the Leaver
- (d) Where a Transfer Notice has been served then within 10 Business days of the Sale Price having been determined-
  - (i) the Company shall notify the relevant Shareholder of the name(s) and address(es) of the Offeree(s) and the number of Sale Shares to be offered,
  - (ii) the Company shall notify each Offeree of the number of Sale Shares on offer to him; and
  - (iii) each notice shall specify the price per Sale Share and state a date on which the sale and purchase of the Sale Shares is to be completed ("**Completion Date**")
- (e) By the Completion Date the Shareholder shall deliver stock transfer forms for the Sale Shares, with the relevant share certificate, to the Company. On the Completion Date the Company shall pay the Shareholder, on behalf of each of the Offerees, the price for the Sale Shares to the extent the Offerees have put the Company in the requisite funds. The Company's receipt for the price shall be a good discharge to the Offerees. The Company shall hold the price in trust for the Shareholder without any obligation to pay interest.
- (f) If the Offerees have not by the Completion Date put the Company in funds to pay the price, completion of the sale shall be postponed to the date falling 14 days later (the "**New Completion Date**") To the extent that Offerees have not, by the New Completion Date, put the Company in funds to pay the price, the Shareholder shall be entitled to the return of the stock transfer forms and share certificates for the relevant

Sale Shares and the Shareholder shall have no further rights or obligations under Article 24.4 in respect of those Sale Shares

- (g) If a Shareholder fails to deliver stock transfer forms for Sale Shares to the Company by the Completion Date, the directors may (and shall, if requested by the Investor Director) authorise any director to transfer the Sale Shares on the Shareholder's behalf to each Offeree to the extent the Offeree has, by the Completion Date, put the Company in funds to pay the price for the Sale Shares offered to him. The directors shall then authorise registration of the transfer once appropriate stamp duty has been paid. The defaulting Shareholder shall surrender his share certificate for the Sale Shares to the Company. On surrender, he shall be entitled to the agreed or certified price for the Sale Shares.
- (h) If Court Cavendish by an Investor Direction so directs, any Shares which are the subject of a Transfer Notice shall not confer the right to receive notice of, attend or vote at any general meeting of the Company or meeting of the holders of Shares of the same class and such Shares shall not be counted in determining the total number of votes which may be cast at any such meeting or for the purposes of a written resolution or a written consent of any Shareholder or class of Shareholders

#### **Overriding Provisions**

**25** Any member holding, or any members together holding, shares carrying not less than 90 per cent of the votes which may for the time being be cast at a general meeting of the Company may at any time and from time to time

- (a) appoint any person to be a Director (whether to fill a vacancy or as an additional Director);
- (b) remove from office any Director howsoever appointed but so that if he holds an appointment to an executive office which thereby automatically determines such removal shall be deemed an act of the Company and shall have effect without prejudice to any claim for damages for breach of any contract of service between him and the Company,
- (c) by notice to the Company require that no unissued shares shall be issued or agreed to be issued or put under option without the consent of such member or members,
- (d) restrict any or all powers of the Directors in such respects and to such extent as such member or members may by notice to the Company from time to time prescribe

Any such appointment, removal, consent or notice shall be in writing served on the Company and signed by the member or members. No person dealing with the Company shall be concerned to see or enquire as to whether the powers of the Directors have been in any way restricted hereunder or as to whether any requisite consent of such member or members has been obtained and no obligation incurred or security given or transaction effected by the Company to or with any third party shall be invalid or ineffectual unless the third party had at the time express notice that the incurring of such obligation or the giving of such security or the effecting of such transaction was in excess of the powers of the Directors

To the extent of any inconsistency this Article shall have overriding effect as against all other provisions of these Articles

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**Names and Addresses of Subscribers**

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Linklaters LLP  
One Silk Street  
London EC2Y 8HQ

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**Dated**

**Witness to the above Signatures**

Linklaters LLP  
One Silk Street  
London EC2Y 8HQ

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**Annex**  
**Commencement 1st October 2007**  
**COMPANIES (TABLES A TO F) REGULATIONS 1985**  
**AS AMENDED BY SI 2007/2541 and SI 2007/2826**

**TABLE A**

Regulations for management of a (private) company limited by shares

**1** In these regulations

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

"the articles" means the articles of the company,

"clear days" in relation to the period of a notice means that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect,

"communication" means the same as in the Electronic Communications Act 2000,

"electronic communication" means the same as in the Electronic Communications Act 2000,

"executed" includes any mode of execution,

"office" means the registered office of the company,

"the holder" in relation to shares means the member whose name is entered in the register of members as the holder of the shares,

"the seal" means the common seal of the company,

"secretary" means the secretary of the company or any other person appointed to perform the duties of the secretary of the company, including a joint, assistant or deputy secretary;

"the United Kingdom" means Great Britain and Northern Ireland

Unless the context otherwise requires, words or expressions contained in these regulations bear the same meaning as in the Act but excluding any statutory modification thereof not in force when these regulations become binding on the company

**SHARE CAPITAL**

**2** Subject to the provisions of the Act and without prejudice to any rights attached to any existing shares, any share may be issued with such rights or restrictions as the company may by ordinary resolution determine

**3** Subject to the provisions of the Act, shares may be issued which are to be redeemed or are to be liable to be redeemed at the option of the company or the holder on such terms and in such manner as may be provided by the articles

**4** The company may exercise the powers of paying commissions conferred by the Act. Subject to the provisions of the Act, any such commission may be satisfied by the payment of cash or by the allotment of fully or partly paid shares or partly in one way and partly in the other

- 5 Except as required by law, no person shall be recognised by the company as holding any share upon any trust and (except as otherwise provided by the articles or by law) the company shall not be bound by or recognise any interest in any share except an absolute right to the entirety thereof in the holder.

#### **SHARE CERTIFICATES**

- 6 Every member, upon becoming the holder of any shares, shall be entitled without payment to one certificate for all the shares of each class held by him (and, upon transferring a part of his holding of shares of any class, to a certificate for the balance of such holding) or several certificates each for one or more of his shares of any class, to a certificate for the balance of such holding) or several certificates each for one or more of his shares upon payment for every certificate after the first of such reasonable sum as the directors may determine. Every certificate shall be sealed with the seal and shall specify the number, class and distinguishing numbers (if any) of the shares to which it relates and the amount or respective amounts paid up thereon. The company shall not be bound to issue more than one certificate for shares held jointly by several persons and delivery of a certificate to one joint holder shall be a sufficient delivery to all of them.
- 7 If a share certificate is defaced, worn-out, lost or destroyed, it may be renewed on such terms (if any) as to evidence and indemnity and payment of the expenses reasonably incurred by the company in investigating evidence as the directors may determine but otherwise free of charge, and (in the case of defacement or wearing-out) on delivery up of the old certificate.

#### **LIEN**

- 8 The company shall have a first and paramount lien on every share (not being a fully paid share) for all moneys (whether presently payable or not) payable at a fixed time or called in respect of that share. The directors may at any time declare any share to be wholly or in part exempt from the provisions of this regulation. The company's lien on a share shall extend to any amount payable in respect of it.
- 9 The company may sell in such manner as the directors determine any shares on which the company has a lien if a sum in respect of which the lien exists is presently payable and is not paid within fourteen clear days after notice has been given to the holder of the share or to the person entitled to it in consequence of the death or bankruptcy of the holder, demanding payment and stating that if the notice is not complied with the shares may be sold.
- 10 To give effect to a sale the directors may authorise some person to execute an instrument of transfer of the shares sold to, or in accordance with the directions of, the purchaser. The title of the transferee to the shares shall not be affected by any irregularity in or invalidity of the proceedings in reference to the sale.
- 11 The net proceeds of the sale, after payment of the costs, shall be applied in payment of so much of the sum for which the lien exists as is presently payable, and any residue shall (upon surrender to the company for cancellation of the certificate for the shares sold and subject to a like lien for any moneys not presently payable as existed upon the shares before the sale) be paid to the person entitled to the shares at the date of the sale.

#### **CALLS ON SHARES AND FORFEITURE**

- 12 Subject to the terms of allotment, the directors may make calls upon the members in respect of any moneys unpaid on their shares (whether in respect of nominal value or premium) and each member shall (subject to receiving at least fourteen clear days' notice specifying when and



where payment is to be made) pay to the company as required by the notice the amount called on his shares. A call may be required to be paid by instalments. A call may, before receipt by the company of any sum due thereunder, be revoked in whole or part and payment of a call may be postponed in whole or part. A person upon whom a call is made shall remain liable for calls made upon him notwithstanding the subsequent transfer of the shares in respect whereof the call was made.

- 13 A call shall be deemed to have been made at the time when the resolution of the directors authorising the call was passed.
- 14 The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof
- 15 If a call remains unpaid after it has become due and payable the person from whom it is due and payable shall pay interest on the amount unpaid from the day it became due and payable until it is paid at the rate fixed by the terms of allotment of the share or in the notice of the call or, if no rate is fixed, at the appropriate rate (as defined by the Act) but the directors may waive payment of the interest wholly or in part.
- 16 An amount payable in respect of a share on allotment or at any fixed date, whether in respect of nominal value or premium or as an instalment of a call, shall be deemed to be a call and if it is not paid the provisions of the articles shall apply as if that amount had become due and payable by virtue of a call.
- 17 Subject to the terms of allotment, the directors may make arrangements on the issue of shares for a difference between the holders in the amounts and times of payment of calls on their shares.
- 18 If a call remains unpaid after it has become due and payable the directors may give to the person from whom it is due not less than fourteen clear days' notice requiring payment of the amount unpaid together with any interest which may have accrued. The notice shall name the place where payment is to be made and shall state that if the notice is not complied with the shares in respect of which the call was made will be liable to be forfeited.
- 19 If the notice is not complied with any share in respect of which it was given may, before the payment required by the notice has been made, be forfeited by a resolution of the directors and the forfeiture shall include all dividends or other moneys payable in respect of the forfeited shares and not paid before the forfeiture
- 20 Subject to the provisions of the Act, a forfeited share may be sold, re-allotted or otherwise disposed of on such terms and in such manner as the directors determine either to the person who was before the forfeiture the holder or to any other person and at any time before sale, re-allotment or other disposition, the forfeiture may be cancelled on such terms as the directors think fit. Where for the purposes of its disposal a forfeited share is to be transferred to any person the directors may authorise some person to execute an instrument of transfer of the share to that person
- 21 A person any of whose shares have been forfeited shall cease to be a member in respect of them and shall surrender to the company for cancellation the certificate for the shares forfeited but shall remain liable to the company for all moneys which at the date of forfeiture were presently payable by him to the company in respect of those shares with interest at the rate at which interest was payable on those moneys before the forfeiture or, if no interest was so payable, at the appropriate rate (as defined in the Act) from the date of forfeiture until payment

but the directors may waive payment wholly or in part or enforce payment without any allowance for the value of the shares at the time of forfeiture or for any consideration received on their disposal

- 22 A statutory declaration by a director or the secretary that a share has been forfeited on a specified date shall be conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share and the declaration shall (subject to the execution of an instrument of transfer if necessary) constitute a good title to the share and the person to whom the share is disposed of shall not be bound to see to the application of the consideration, if any, nor shall his title to the share be affected by any irregularity in or invalidity of the proceedings in reference to the forfeiture or disposal of the share

#### **TRANSFER OF SHARES**

- 23 The instrument of transfer of a share may be in any usual form or in any other form which the directors may approve and shall be executed by or on behalf of the transferor and, unless the share is fully paid, by or on behalf of the transferee.
- 24 The directors may refuse to register the transfer of a share which is not fully paid to a person of whom they do not approve and they may refuse to register the transfer of a share on which the company has a lien. They may also refuse to register a transfer unless:
- (a) it is lodged at the office or at such other place as the directors may appoint and is accompanied by the certificate for the shares to which it relates and such other evidence as the directors may reasonably require to show the right of the transferor to make the transfer;
  - (b) it is in respect of only one class of shares, and
  - (c) it is in favour of not more than four transferees
- 25 If the directors refuse to register a transfer of a share, they shall within two months after the date on which the transfer was lodged with the company send to the transferee notice of the refusal.
- 26 The registration of transfers of shares or of transfers of any class of shares may be suspended at such times and for such periods (not exceeding thirty days in any year) as the directors may determine
- 27 No fee shall be charged for the registration of any instrument of transfer or other document relating to or affecting the title to any share
- 28 The company shall be entitled to retain any instrument of transfer which is registered, but any instrument of transfer which the directors refuse to register shall be returned to the person lodging it when notice of the refusal is given.

#### **TRANSMISSION OF SHARES**

- 29 If a member dies the survivor or survivors where he was a joint holder, and his personal representatives where he was a sole holder or the only survivor of joint holders, shall be the only persons recognised by the company as having any title to his interest, but nothing herein contained shall release the estate of a deceased member from any liability in respect of any share which had been jointly held by him
- 30 A person becoming entitled to a share in consequence of the death or bankruptcy of a member may, upon such evidence being produced as the directors may properly require, elect either to

become the holder of the share or to have some person nominated by him registered as the transferee. If he elects to become the holder he shall give notice to the company to that effect. If he elects to have another person registered he shall execute an instrument of transfer of the share to that person. All the articles relating to the transfer of shares shall apply to the notice or instrument of transfer as if it were an instrument of transfer executed by the member and the death or bankruptcy of the member had not occurred.

- 31 A person becoming entitled to a share in consequence of the death or bankruptcy of a member shall have the rights to which he would be entitled if he were the holder of the share, except that he shall not, before being registered as the holder of the share, be entitled in respect of it to attend or vote at any meeting of the company or at any separate meeting of the holders of any class of shares in the company.

#### **ALTERATION OF SHARE CAPITAL**

- 32 The company may by ordinary resolution
- (a) increase its share capital by new shares of such amount as the resolution prescribes;
  - (b) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
  - (c) subject to the provisions of the Act, sub-divide its shares, or any of them, into shares of smaller amount and the resolution may determine that, as between the shares resulting from the sub-division, any of them may have any preference or advantage as compared with the others, and
  - (d) cancel shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.
- 33 Whenever as a result of a consolidation of shares any members would become entitled to fractions of a share, the directors may, on behalf of those members, sell the shares representing the fractions for the best price reasonably obtainable to any person (including, subject to the provisions of the Act, the company) and distribute the net proceeds of sale in due proportion among those members, and the directors may authorise some person to execute an instrument of transfer of the shares to, or in accordance with the directions of, the purchaser. The transferee shall not be bound to see to the application of the purchase money nor shall his title to the shares be affected by any irregularity in or invalidity of the proceedings in reference to the sale.
- 34 Subject to the provisions of the Act, the company may by special resolution reduce its share capital, any capital redemption reserve and any share premium account in any way.

#### **PURCHASE OF OWN SHARES**

- 35 Subject to the provisions of the Act, the company may purchase its own shares (including any redeemable shares) and, if it is a private company, make a payment in respect of the redemption or purchase of its own shares otherwise than out of distributable profits of the company or the proceeds of a fresh issue of shares.

#### **GENERAL MEETINGS**

- 36 The directors may call general meetings and, on the requisition of members pursuant to the provisions of the Act, shall forthwith proceed to convene a general meeting in accordance with

the provisions of the Act. If there are not within the United Kingdom sufficient directors to call a general meeting, any director or any member of the company may call a general meeting.

#### **NOTICE OF GENERAL MEETINGS**

- 37** General meetings shall be called by at least fourteen clear days' notice but a general meeting may be called by shorter notice if it is so agreed by a majority in number of the members having a right to attend and vote being a majority together holding not less than ninety per cent in nominal value of the shares giving that right.

The notice shall specify the time and place of the meeting and the general nature of the business to be transacted.

Subject to the provisions of the articles and to any restrictions imposed on any shares, the notice shall be given to all the members, to all persons entitled to a share in consequence of the death or bankruptcy of a member and to the directors and auditors.

- 38** The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate the proceedings at that meeting.

#### **PROCEEDINGS AT GENERAL MEETINGS**

- 39** No business shall be transacted at any meeting unless a quorum is present. Save in the case of a company with a single member two persons entitled to vote upon the business to be transacted, each being a member or a proxy for a member or a duly authorised representative of a corporation, shall be a quorum.
- 40** If such a quorum is not present within half an hour from the time appointed for the meeting, or if during a meeting such a quorum ceases to be present, the meeting shall stand adjourned to the same day in the next week at the same time and place or to such time and place as the directors may determine.
- 41** The chairman, if any, of the board of directors or in his absence some other director nominated by the directors shall preside as chairman of the meeting, but if neither the chairman nor such other director (if any) be present within fifteen minutes after the time appointed for holding the meeting and willing to act, the directors present shall elect one of their number to be chairman and, if there is only one director present and willing to act, he shall be chairman.
- 42** If no director is willing to act as chairman, or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present and entitled to vote shall choose one of their number to be chairman.
- 43** A director shall, notwithstanding that he is not a member, be entitled to attend and speak at any general meeting and at any separate meeting of the holders of any class of shares in the company.
- 44** The chairman may, with the consent of a meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place, but no business shall be transacted at an adjourned meeting other than business which might properly have been transacted at the meeting had the adjournment not taken place. When a meeting is adjourned for fourteen days or more, at least seven clear days' notice shall be given specifying the time and place of the adjourned meeting and the general nature of the business to be transacted. Otherwise it shall not be necessary to give any such notice.

- 45 A resolution put to the vote of a meeting shall be decided on a show of hands unless before, or on the declaration of the result of, the show of hands a poll is duly demanded. Subject to the provisions of the Act, a poll may be demanded
- (a) by the chairman; or
  - (b) by at least two members having the right to vote at the meeting; or
  - (c) by a member or members representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting, or
  - (d) by a member or members holding shares conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right;
- and a demand by a person as proxy for a member shall be the same as a demand by the member
- 46 Unless a poll is duly demanded a declaration by the chairman that a resolution has been carried or carried unanimously, or by a particular majority, or lost, or not carried by a particular majority and an entry to that effect in the minutes of the meeting shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution
- 47 The demand for a poll may, before the poll is taken, be withdrawn but only with the consent of the chairman and a demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made
- 48 A poll shall be taken as the chairman directs and he may appoint scrutineers (who need not be members) and fix a time and place for declaring the result of the poll. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded
- 49 A poll demanded on the election of a chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken either forthwith or at such time and place as the chairman directs not being more than thirty days after the poll is demanded. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll was demanded. If a poll is demanded before the declaration of the result of a show of hands and the demand is duly withdrawn, the meeting shall continue as if the demand had not been made
- 50 No notice need be given of a poll not taken forthwith if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case at least seven clear days' notice shall be given specifying the time and place at which the poll is to be taken.

#### **VOTES OF MEMBERS**

- 51 Subject to any rights or restrictions attached to any shares, on a show of hands every member who (being an individual) is present in person or by proxy or (being a corporation) is present by a duly authorised representative or by proxy, unless the proxy (in either case) or the representative is himself a member entitled to vote, shall have one vote and on a poll every member shall have one vote for every share of which he is the holder
- 52 In the case of joint holders the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and seniority

shall be determined by the order in which the names of the holders stand in the register of members.

- 53 A member in respect of whom an order has been made by any court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder may vote, whether on a show of hands or on a poll, by his receiver, curator bonis or other person authorised in that behalf appointed by that court, and any such receiver, curator bonis or other person may, on a poll, vote by proxy. Evidence to the satisfaction of the directors of the authority of the person claiming to exercise the right to vote shall be deposited at the office, or at such other place as is specified in accordance with the articles for the deposit of instruments of proxy, 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 default the right to vote shall not be exercisable.
- 54 No member shall vote at any general meeting or at any separate meeting of the holders of any class of shares in the company, either in person or by proxy, in respect of any share held by him unless all moneys presently payable by him in respect of that share have been paid.
- 55 No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting shall be valid. Any objection made in due time shall be referred to the chairman whose decision shall be final and conclusive.
- 56 On a poll votes may be given either personally or by proxy. A member may appoint more than one proxy to attend on the same occasion.
- 57 The appointment of a proxy shall be executed by or on behalf of the appointor and shall be in the following form (or in a form as near thereto as circumstances allow or in any other form which is usual or which the directors may approve).

" PLC/Limited

...

I/We, ... .., of .. .., being a member/members of the above-named company, hereby appoint .. .. of .. .., or failing him, .. .. of .. .., as my/our proxy to vote in my/our name[s] and on my/our behalf at the general meeting of the company to be held on .. .. 19 .. .., and at any adjournment thereof.

Signed on .. .. 19 .. ..

- 58 Where it is desired to afford members an opportunity of instructing the proxy how he shall act the appointment of a proxy shall be in the following form (or in a form as near thereto as circumstances allow or in any other form which is usual or which the directors may approve)—

" PLC/Limited

...

I/We, ... .., of .. .., being a member/members of the above-named company, hereby appoint .. .. of .. .., or failing him .. .. of .. .., as my/our proxy to vote in my/our name[s] and on my/our behalf at the general meeting of the company, to be held on .. .. 19 .. .., and at any adjournment thereof.

This form is to be used in respect of the resolutions mentioned below as follows

Resolution No 1 \*for \*against

Resolution No 2 \*for \*against.

\*Strike out whichever is not desired

Unless otherwise instructed, the proxy may vote as he thinks fit or abstain from voting

Signed this ..... day of . . . 19 ..

**59** The appointment of a proxy and any authority under which it is executed or a copy of such authority certified notarially or in some other way approved by the directors may—

(a) in the case of an instrument in writing be deposited at the office or at such other place within the United Kingdom as is specified in the notice convening the meeting or in any instrument of proxy sent out by the company in relation to the meeting not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or

(aa) in the case of an appointment contained in an electronic communication, where an address has been specified for the purpose of receiving electronic communications (ii) in the notice convening the meeting, or

(iii) in any instrument of proxy sent out by the company in relation to the meeting, or

(iv) in any invitation contained in an electronic communication to appoint a proxy issued by the company in relation to the meeting,

be received at such address not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the appointment proposes to vote,

(b) in the case of a poll taken more than 48 hours after it is demanded, be deposited or received as aforesaid after the poll has been demanded and not less than 24 hours before the time appointed for the taking of the poll, or

(c) where the poll is not taken forthwith but is taken not more than 48 hours after it was demanded, be delivered at the meeting at which the poll was demanded to the chairman or to the secretary or to any director;

and an appointment of proxy which is not deposited, delivered or received in a manner so permitted shall be invalid

In this regulation and the next, "address", in relation to electronic communications, includes any number or address used for the purposes of such communications

**60** A vote given or poll demanded by proxy or by the duly authorised representative of a corporation shall be valid notwithstanding the previous determination of the authority of the person voting or demanding a poll unless notice of the determination was received by the company at the office or at such other place at which the instrument of proxy was duly deposited or, where the appointment of the proxy was contained in an electronic communication, at the address at which such appointment was duly received before the commencement of the meeting or adjourned meeting at which the vote is given or the poll demanded or (in the case of a poll taken otherwise than on the same day as the meeting or adjourned meeting) the time appointed for taking the poll

#### **NUMBER OF DIRECTORS**

- 61** Unless otherwise determined by ordinary resolution, the number of directors (other than alternate directors) shall not be subject to any maximum but shall be not less than two

#### **ALTERNATE DIRECTORS**

- 62** Any director (other than an alternate director) may appoint any other director, or any other person approved by resolution of the directors and willing to act, to be an alternate director and may remove from office an alternate director so appointed by him
- 63** An 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, to attend and vote at any such meeting at which the director appointing him is not personally present and generally to perform all the functions of his appointor as a director in his absence but shall not be entitled to receive any remuneration from the company for his services as an alternate director. But it shall not be necessary to give notice of such a meeting to an alternate director who is absent from the United Kingdom
- 64** An alternate director shall cease to be an alternate director if his appointor ceases to be a director; but, if a director retires by rotation or otherwise but is reappointed or deemed to have been reappointed at the meeting at which he retires, any appointment of an alternate director made by him which was in force immediately prior to his retirement shall continue after his reappointment.
- 65** Any appointment or removal of an alternate director shall be by notice to the company signed by the director making or revoking the appointment or in any other manner approved by the directors
- 66** Save as otherwise provided in the articles, an alternate director shall be deemed for all purposes to be a director and shall alone be responsible for his own acts and defaults and he shall not be deemed to be the agent of the director appointing him

#### **POWERS OF DIRECTORS**

- 67** Subject to the provisions of the Act, the memorandum and the articles and to any directions given by special resolution, the business of the company shall be managed by the directors who may exercise all the powers of the company. No alteration of the memorandum or articles and no such direction shall invalidate any prior act of the directors which would have been valid if that alteration had not been made or that direction had not been given. The powers given by this regulation shall not be limited by any special power given to the directors by the articles and a meeting of directors at which a quorum is present may exercise all powers exercisable by the directors
- 68** The directors may, by power of attorney or otherwise, appoint any person to be the agent of the company for such purposes and on such conditions as they determine, including authority for the agent to delegate all or any of his powers

#### **DELEGATION OF DIRECTORS' POWERS**

- 69** The directors may delegate any of their powers to any committee consisting of one or more directors. They may also delegate to any managing director or any director holding any other executive office such of their powers as they consider desirable to be exercised by him. Any such delegation may be made subject to any conditions the directors may impose, and either collaterally with or to the exclusion of their own powers and may be revoked or altered. Subject



to any such conditions, the proceedings of a committee with two or more members shall be governed by the articles regulating the proceedings of directors so far as they are capable of applying

#### **APPOINTMENT AND RETIREMENT OF DIRECTORS**

- 70** No person shall be appointed or reappointed a director at any general meeting unless
- (a) he is recommended by the directors, or
  - (b) not less than fourteen nor more than thirty-five clear days before the date appointed for the meeting, notice executed by a member qualified to vote at the meeting has been given to the company of the intention to propose that person for appointment or reappointment stating the particulars which would, if he were so appointed or reappointed, be required to be included in the company's register of directors together with notice executed by that person of his willingness to be appointed or reappointed.
- 71** Not less than seven nor more than twenty-eight clear days before the date appointed for holding a general meeting notice shall be given to all who are entitled to receive notice of the meeting of any person who is recommended by the directors for appointment or reappointment as a director at the meeting or in respect of whom notice has been duly given to the company of the intention to propose him at the meeting for appointment or reappointment as a director. The notice shall give the particulars of that person which would, if he were so appointed or reappointed, be required to be included in the company's register of directors
- 72** The company may by ordinary resolution appoint a person who is willing to act to be a director either to fill a vacancy or as an additional director and may also determine the rotation in which any additional directors are to retire
- 73** The directors may appoint a person who is willing to act to be a director, either to fill a vacancy or as an additional director, provided that the appointment does not cause the number of directors to exceed any number fixed by or in accordance with the articles as the maximum number of directors

#### **DISQUALIFICATION AND REMOVAL OF DIRECTORS**

- 74** The office of a director shall be vacated if—
- (a) he ceases to be a director by virtue of any provision of the Act or he becomes prohibited by law from being a director; or
  - (b) he becomes bankrupt or makes any arrangement or composition with his creditors generally; or
  - (c) he is, or may be, suffering from mental disorder and either:
    - (i) he is admitted to hospital in pursuance of an application for admission for treatment under the Mental Health Act 1983 or, in Scotland, an application for admission under the Mental Health (Scotland) Act 1960, or
    - (ii) an order is made by a court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder for his detention or for the appointment of a receiver, curator bonis or other person to exercise powers with respect to his property or affairs; or
  - (d) he resigns his office by notice to the company, or

- (e) he shall for more than six consecutive months have been absent without permission of the directors from meetings of directors held during that period and the directors resolve that his office be vacated

#### **REMUNERATION OF DIRECTORS**

- 75 The directors shall be entitled to such remuneration as the company may by ordinary resolution determine and, unless the resolution provides otherwise, the remuneration shall be deemed to accrue from day to day.

#### **DIRECTORS' EXPENSES**

- 76 The directors may be paid all travelling, hotel, and other expenses properly incurred by them in connection with their attendance at meetings of directors or committees of directors or general meetings or separate meetings of the holders of any class of shares or of debentures of the company or otherwise in connection with the discharge of their duties

#### **DIRECTORS' APPOINTMENTS AND INTERESTS**

- 77 Subject to the provisions of the Act, the directors may appoint one or more of their number to the office of managing director or to any other executive office under the company and may enter into an agreement or arrangement with any director for his employment by the company or for the provision by him of any services outside the scope of the ordinary duties of a director. Any such appointment, agreement or arrangement may be made upon such terms as the directors determine and they may remunerate any such director for his services as they think fit. Any appointment of a director to an executive office shall terminate if he ceases to be a director but without prejudice to any claim to damages for breach of the contract of service between the director and the company. A managing director and a director holding any other executive office shall not be subject to retirement by rotation
- 78 Subject to the provisions of the Act, and provided that he has disclosed to the directors the nature and extent of any material interest of his, a director notwithstanding his office—
- (a) may be a party to, or otherwise interested in, any transaction or arrangement with the company or in which the company or in which the company is otherwise interested,
  - (b) may be a director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any body corporate promoted by the company or in which the company is otherwise interested, and
  - (c) shall not, by reason of his office, be accountable to the company for any benefit which he derives from any such office or employment or from any such transaction or arrangement or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit
- 79 For the purposes of regulation 85
- (a) a general notice given to the directors that a director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the director has an interest in any such transaction of the nature and extent so specified, and
  - (b) an interest of which a director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his.

## **DIRECTORS' GRATUITIES AND PENSIONS**

- 80** The directors may provide benefits, whether by the payment of gratuities or pensions or by insurance or otherwise, for any director who has held but no longer holds any executive office or employment with the company or with any body corporate which is or has been a subsidiary of the company or a predecessor in business of the company or of any such subsidiary, and for any member of his family (including a spouse and a former spouse) or any person who is or was dependent on him, and may (as well before as after he ceases to hold such office or employment) contribute to any fund and pay premiums for the purchase or provision of any such benefit.

## **PROCEEDINGS OF DIRECTORS**

- 81** Subject to the provisions of the 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. It shall not be necessary to give notice of a meeting to a director who is absent from the United Kingdom. Questions arising at a meeting shall be decided by a majority of votes. In the case of an equality of votes, the chairman shall have a second or casting vote. A director who is also an alternate director shall be entitled in the absence of his appointor to a separate vote on behalf of his appointor in addition to his own vote.
- 82** The quorum for the transaction of the business of the directors may be fixed by the directors and unless so fixed at any other number shall be two. A person who holds office only as an alternate director shall, if his appointor is not present, be counted in the quorum.
- 83** The continuing directors or a sole continuing director may act notwithstanding any vacancies in their number, but, if the number of directors is less than the number fixed as the quorum, the continuing directors or director may act only for the purpose of filling vacancies or of calling a general meeting.
- 84** The directors may appoint one of their number to be the chairman of the board of directors and may at any time remove him from that office. Unless he is unwilling to do so, the director so appointed shall preside at every meeting of directors at which he is present. But if there is no director holding that office, or if the director holding it is unwilling to preside or is not present within five minutes after the time appointed for the meeting, the directors present may appoint one of their number to be chairman of the meeting.
- 85** All acts done by a meeting of directors, or of a committee of directors, or by a person acting as a director shall, notwithstanding that it be afterwards discovered that there was a defect in the appointment of any director or that any of them were disqualified from holding office, or had vacated office, or were not entitled to vote, be as valid as if every such person had been duly appointed and was qualified and had continued to be a director and had been entitled to vote.
- 86** 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 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.
- 87** Save as otherwise provided by the articles, a director shall not vote at a meeting of directors or of a committee of directors on any resolution concerning a 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 unless his interest or duty arises only because the case falls within one or more of the following paragraphs

- (a) the resolution relates to the giving to him of a guarantee, security, or indemnity in respect of money lent to, or an obligation incurred by him for the benefit of, the company or any of its subsidiaries,
- (b) the resolution relates to the giving to a third party of a guarantee, security, or indemnity in respect of an obligation of the company or any of its subsidiaries for which the director has assumed responsibility in whole or part and whether alone or jointly with others under a guarantee or indemnity or by the giving of security;
- (c) his interest arises by virtue of his subscribing or agreeing to subscribe for any shares, debentures, or other securities of the company or any of its subsidiaries, or by virtue of his being, or intending to become, a participant in the underwriting or sub-underwriting of an offer of any such shares, debentures, or other securities by the company or any of its subsidiaries for subscription, purchase or exchange,
- (d) the resolution relates in any way to a retirement benefits scheme which has been approved, or is conditional upon approval, by the Board of Inland Revenue for taxation purposes

For the purposes of this regulation, an interest of a person who is, for any purpose of the Act (excluding any statutory modification thereof not in force when this regulation becomes binding on the company), connected with a director shall be treated as an interest of the director and, in relation to an alternate director, an interest of his appointor shall be treated as an interest of the alternate director without prejudice to any interest which the alternate director has otherwise.

- 88 A director shall not be counted in the quorum present at a meeting in relation to a resolution on which he is not entitled to vote
- 89 The company may by ordinary resolution suspend or relax to any extent, either generally or in respect of any particular matter, any provision of the articles prohibiting a director from voting at a meeting of directors or of a committee of directors.
- 90 Where proposals are under consideration concerning the appointment of two or more directors to offices or employments with the company or any body corporate in which the company is interested the proposals may be divided and considered in relation to each director separately and (provided he is not for another reason precluded from voting) each of the directors concerned shall be entitled to vote and be counted in the quorum in respect of each resolution except that concerning his own appointment
- 91 If a question arises at a meeting of directors or of a committee of directors as to the right of a director to vote, the question may, before the conclusion of the meeting, be referred to the chairman of the meeting and his ruling in relation to any director other than himself shall be final and conclusive

#### **SECRETARY**

- 92 Subject to the provisions of the Act, the secretary shall be appointed by the directors for such term, at such remuneration and upon such conditions as they may think fit; and any secretary so appointed may be removed by them

#### **MINUTES**

- 93 The directors shall cause minutes to be made in books kept for the purpose

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- (a) of all appointments of officers made by the directors, and
- (b) of all proceedings at meetings of the company, of the holders of any class of shares in the company, and of the directors, and of committees of directors, including the names of the directors present at each such meeting

#### **THE SEAL**

- 94** The seal shall only be used by the authority of the directors or of a committee of directors authorised by the directors. The directors may determine who shall sign any instrument to which the seal is affixed and unless otherwise so determined it shall be signed by a director and by the secretary or by a second director

#### **DIVIDENDS**

- 95** Subject to the provisions of the Act, the company may by ordinary resolution declare dividends in accordance with the respective rights of the members, but no dividend shall exceed the amount recommended by the directors.
- 96** Subject to the provisions of the Act, the directors may pay interim dividends if it appears to them that they are justified by the profits of the company available for distribution. If the share capital is divided into different classes, the directors may pay interim dividends on shares which confer deferred or non-preferred rights with regard to dividend as well as on shares which confer preferential rights with regard to dividend, but no interim dividend shall be paid on shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrear. The directors may also pay at intervals settled by them any dividend payable at a fixed rate if it appears to them that the profits available for distribution justify the payment. Provided the directors act in good faith they shall not incur any liability to the holders of shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on any shares having deferred or non-preferred rights.
- 97** Except as otherwise provided by the rights attached to shares, all dividends shall be declared and paid according to the amounts paid up on the shares on which the dividend is paid. All dividends shall be apportioned and paid proportionately to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid; but, if any share is issued on terms providing that it shall rank for dividend as from a particular date, that share shall rank for dividend accordingly.
- 98** A general meeting declaring a dividend may, upon the recommendation of the directors, direct that it shall be satisfied wholly or partly by the distribution of assets and, where any difficulty arises in regard to the distribution, the directors may settle the same and in particular may issue fractional certificates and fix the value for distribution of any assets and may determine that cash shall be paid to any member upon the footing of the value so fixed in order to adjust the rights of members and may vest any assets in trustees.
- 99** Any dividend or other moneys payable in respect of a share may be paid by cheque sent by post to the registered address of the person entitled or, if two or more persons are the holders of the share or are jointly entitled to it by reason of the death or bankruptcy of the holder, to the registered address of that one of those persons who is first named in the register of members or to such person and to such address as the person or persons entitled may in writing direct. Every cheque shall be made payable to the order of the person or persons entitled or to such other person as the person or persons entitled may in writing direct and payment of the cheque shall be a good discharge to the company. Any joint holder or other person jointly entitled to a

share as aforesaid may give receipts for any dividend or other moneys payable in respect of the share.

- 100** No dividend or other moneys payable in respect of a share shall bear interest against the company unless otherwise provided by the rights attached to the share.
- 101** Any dividend which has remained unclaimed for twelve years from the date when it became due for payment shall, if the directors so resolve, be forfeited and cease to remain owing by the company.

#### **ACCOUNTS**

- 102** No member shall (as such) have any right of inspecting any accounting records or other book or document of the company except as conferred by statute or authorised by the directors or by ordinary resolution of the company

#### **CAPITALISATION OF PROFITS**

- 103** The directors may with the authority of an ordinary resolution of the company—
- (a) subject as hereinafter provided, resolve to capitalise any undivided profits of the company not required for paying any preferential dividend (whether or not they are available for distribution) or any sum standing to the credit of the company's share premium account or capital redemption reserve,
  - (b) appropriate the sum resolved to be capitalised to the members who would have been entitled to it if it were distributed by way of dividend and in the same proportions and apply such sum on their behalf either in or towards paying up the amounts, if any, for the time being unpaid on any shares held by them respectively, or in paying up in full unissued shares or debentures of the company of a nominal amount equal to that sum, and allot the shares or debentures credited as fully paid to those members, or as they may direct, in those proportions, or partly in one way and partly in the other but the share premium account, the capital redemption reserve, and any profits which are not available for distribution may, for the purposes of this regulation, only be applied in paying up unissued shares to be allotted to members credited as fully paid,
  - (c) make such provision by the issue of fractional certificates or by payment in cash or otherwise as they determine in the case of shares or debentures becoming distributable under this regulation in fractions, and
  - (d) authorise any person to enter on behalf of all the members concerned into an agreement with the company providing for the allotment to them respectively, credited as fully paid, of any shares or debentures to which they are entitled upon such capitalisation, any agreement made under such authority being binding on all such members

#### **NOTICES**

- 104** Any notice to be given to or by any person pursuant to the articles (other than a notice calling a meeting of the directors) shall be in writing or shall be given using electronic communications to an address for the time being notified for that purpose to the person giving the notice.

In this regulation, "address", in relation to electronic communications, includes any number or address used for the purposes of such communications

- 105** The company may give any notice to a member either personally or by sending it by post in a prepaid envelope addressed to the member at his registered address or by leaving it at that address or by giving it using electronic communications to an address for the time being notified to the company by the member. In the case of joint holders of a share, all notices shall be given to the joint holder whose name stands first in the register of members in respect of the joint holding and notice so given shall be sufficient notice to all the joint holders. A member whose registered address is not within the United Kingdom and who gives to the company an address within the United Kingdom at which notices may be given to him, or an address to which notices may be sent using electronic communications, shall be entitled to have notices given to him at that address, but otherwise no such member shall be entitled to receive any notice from the company

In this regulation and the next, "address", in relation to electronic communications, includes any number or address used for the purposes of such communications

- 106** A member present, either in person or by proxy, at any meeting of the company or of the holders of any class of shares in the company shall be deemed to have received notice of the meeting and, where requisite, of the purposes for which it was called.
- 107** Every person who becomes entitled to a share shall be bound by any notice in respect of that share which, before his name is entered in the register of members, has been duly given to a person from whom he derives his title
- 108** Proof that an envelope containing a notice was properly addressed, prepaid and posted shall be conclusive evidence that the notice was given. Proof that a notice contained in an electronic communication was sent in accordance with guidance issued by the Institute of Chartered Secretaries and Administrators shall be conclusive evidence that the notice was given. A notice shall be deemed to be given at the expiration of 48 hours after the envelope containing it was posted or, in the case of a notice contained in an electronic communication, at the expiration of 48 hours after the time it was sent.
- 109** A notice may be given by the company to the persons entitled to a share in consequence of the death or bankruptcy of a member by sending or delivering it, in any manner authorised by the articles for the giving of notice to a member, addressed to them by name, or by the title of representatives of the deceased, or trustee of the bankrupt or by any like description at the address, if any, within the United Kingdom supplied for that purpose by the persons claiming to be so entitled. Until such an address has been supplied, a notice may be given in any manner in which it might have been given if the death or bankruptcy had not occurred

#### **WINDING UP**

- 110** If the company is wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide among the members in specie the whole or any part of the assets of the company and may, for that purpose, value any assets and determine how the division shall be carried out as between the members or different classes of members. The liquidator may, with the like sanction, vest the whole or any part of the assets in trustees upon such trusts for the benefit of the members as he with the like sanction determines, but no member shall be compelled to accept any assets upon which there is a liability

## **INDEMNITY**

- 111** Subject to the provisions of the Act but without prejudice to any indemnity to which a director may otherwise be entitled, every director or other officer or auditor of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in connection with any application in which relief is granted to him by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the company.