

Company Number: 06860099

THE COMPANIES ACT 2006

COMPANY LIMITED BY SHARES

PRINT OF WRITTEN RESOLUTION OF THE MEMBERS

of

CHAPMAN FREEBORN HOLDINGS LIMITED

(the "Company")


Passed on 27 March 2014

Pursuant to chapter 2 of part 13 of Companies Act 2006, the following resolution (the "**Resolution**") which was proposed as a special resolution, was duly passed in writing as a special resolution on the above date

RESOLUTION

THAT the articles of association in the form attached to this Resolution be adopted as the new articles of association of the Company in substitution for and to the exclusion of all existing articles of association of the Company

SIGNED by )  
on behalf of CHAPMAN FREEBORN )  
HOLDINGS LIMITED )

 Director/Secretary

SATURDAY



A04 05/04/2014 #259  
COMPANIES HOUSE

Company number: 6860099

**THE COMPANIES ACTS 1985 TO 2006**

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**COMPANY LIMITED BY SHARES**

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**ARTICLES OF ASSOCIATION**

**of**

**CHAPMAN FREEBORN HOLDINGS LIMITED**

(Adopted by written resolution of the shareholders of the Company  
Dated 3 April 2009 and amended by resolution dated 27 March 2014)

**1 Preliminary**

The regulations set out in Table A as modified by these articles are the regulations of the Company. If there is any inconsistency between these articles and the regulations of Table A, these articles will prevail. A copy of Table A is set out in the schedule to these articles.

**2 Definitions and interpretation**

2.1 In these articles the following words and expressions (except where the context otherwise requires) have the following meanings:

"**2006 Act**" means the Companies Act 2006 including any statutory modification or re-enactment from time to time in force,

"**A Preference Shares**" means the A preference shares of £1.00 each in the share capital of the Company having the rights set out in these articles,

"**A Preference Shareholder**" means a holder of A Preference Shares,

"**Accepting Shareholder**" has the meaning given in article 14.3,

"**Act**" means the Companies Act 1985 including any statutory modification or re-enactment from time to time in force,

"**Acting in Concert**" bears the meaning given to it in the City Code on Takeovers and Mergers published by the Panel on Takeovers and Mergers (as amended from time to time),

"**Adoption Date**" means March 2014,

"**Agreed Dividend**" has the meaning given in article 4.1,

"**Agreed Dividend Entitlement Date**" has the meaning given in article 4.1,

**"Allocation Notice"** has the meaning given in article 11 1,

**"Associate"** in relation to any individual means that individual's spouse, Civil Partner, parent, sibling, child, adopted child or stepchild (including a child of the civil partner) or remoter descendant of that individual and any spouse or Civil Partner of that individual's sibling, child, adopted child, stepchild (including a child of a Civil Partner or remoter issue and in relation to a company means any of its connected persons within the meaning of section 839(5) and (6) Income and Corporation Taxes Act 1988,

**"Auditors"** means the auditors of the Company from time to time,

**"Available Profits"** means the profits available for distribution by the Group being its realised profits for the relevant Financial Year less its realised losses for that Financial Year as shown in the consolidated financial statements of the Company and its consolidated profit and loss account,

**"B Preference Shares"** means the B preference shares of £1 00 each in the share capital of the Company having the rights set out in these articles,

**"Board"** means the board of directors of the Company,

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

**"Called Shareholders"** has the meaning given in article 13 2,

**"Civil Partner"** in relation to any individual, means a civil partner, as defined in section 1 of the Civil Partnerships Act 2004, of that individual,

**"Controlling Interest"** means an interest in Shares giving to the holder or holders control of the Company within the meaning of section 840 of the Income and Corporation Taxes Act 1988,

**"Disposal"** means the sale of all or substantially all of the business and assets of the Group to one or more buyers whether through a single transaction or a series of transactions,

**"Dividend Payment Date"** has the meaning given in article 4 2,

**"Drag Along Notice"** has the meaning given in article 13 1,

**"electronic address"** has the same meaning as in section 333 of the 2006 Act,

**"electronic form"** and **"electronic means"** have the same meaning as in section 1168 of the 2006 Act,

**"Eligible Shareholders"** has the meaning given in article 9 7,

**"Excess Shares"** has the meaning given in article 6 1,

**"Exit Event"** means the occurrence of a Listing or the completion of a Sale or a Disposal whichever is the soonest to occur,

**"Extra Shares"** has the meaning given in article 9 7(f),

**"Family Member"** in relation to an Original Shareholder or deceased or former Original Shareholder means a spouse, Civil Partner, child or grandchild (including step or adopted or illegitimate child and their issue),

**"Family Trust"** means as regards any particular Original Shareholder or deceased or former Original Shareholder, trusts (whether arising under a settlement, declaration of trust or other instrument by whomsoever or wheresoever made or under a testamentary disposition or on an intestacy) under which no immediate beneficial interest in any of the Shares in question is for the time being vested in any person other than the individual and/or Family Members of that individual, and so that for this purpose a person shall be considered to be beneficially interested in a Share if such Share or the income thereof is liable to be transferred or paid or applied or appointed to or for the benefit of such person or any voting or other rights attaching thereto are exercisable by or as directed by such person pursuant to the terms of the relevant trusts or in consequence of an exercise of a power or discretion conferred thereby on any person or persons,

**"Group Company"** means the Company and any other company (or other entity) which is a subsidiary undertaking or parent undertaking of the Company from time to time (and **"Group"** shall be construed accordingly),

**"hard copy form"** has the same meaning as in section 1168 of the 2006 Act,

**"Interested Director"** has the meaning given in article 22 5,

**"Liquidation Event"** has the meaning given in article 4 5,

**"Listing"** means the effective admission to trade the whole or a substantial part of any class of the issued share capital of the Company (or any holding company of the Company) on the Main Market of the Official List of the UK Listing Authority or AIM market operated by the London Stock Exchange plc or on any other recognised investment exchange (as defined in section 285 of FSMA),

**"Majority Shareholder Consent"** means the written consent of the holders of 75% or more of the issued Ordinary Shares from time to time,

**"Nominated Director"** means a director appointed by a Shareholder under article 19 2 (a),

**"Offer"** has the meaning given in article 13 1,

**"Ordinary Dividend"** has the meaning given in article 4 1(b),

**"Ordinary Shares"** means the ordinary shares of £1 00 each in the share capital of the Company having the rights set out in these articles,

**"Ordinary Shareholder"** means a holder of Ordinary Shares,

**"Original Shareholder"** has the meaning given in article 8 10,

**"Permitted Transferee"** has the meaning given in article 8 10,

**"Preference Dividend"** has the meaning given in article 4 1(a),

**"Preference Shares"** means together the A Preference Shares and B Preference Shares,

**"Preference Shareholder"** means a holder of any class of Preference Shares,

**"Proportionate Allocation"** has the meaning given in article 9 7(e),

**"Proposed Transfer"** has the meaning given in article 14 1,

**"Proposed Transferee"** has the meaning given in article 14 1,

**"Proposing Seller"** has the meaning given in article 14 1,

**"Purchaser"** has the meaning given in article 13 1,

**"Relevant Company"** has the meaning given in article 28 2,

**"Relevant Employee"** means

- (a) an employee or consultant of any Group Company, and
- (b) a Director or a director of any Group Company,

**"Relevant Interest"** has the meaning given in article 22 5,

**"Sale"** means the sale of a Controlling Interest in the issued share capital of the Company to one or more buyers whether through a single transaction or a series of transactions,

**"Sale Shares"** has the meaning given in article 9 1(a),

**"Seller"** has the meaning given in article 9 1,

**"Selling Shareholder"** has the meaning given in article 13 1,

**"Shareholders' Agreement"** means the subscription and shareholders' agreement dated the date of the adoption of these amended articles and made between, Peter Joarder (1), Shahe Ouzounian (2), Russi Batiwala (3) and the Company (4) as from time to time supplemented or varied,

**"Shares"** means (unless the context does not so admit) any shares in the capital of the Company (of whatever class),

**"Shareholder"** means a person registered as the holder of a Share,

**"Table A"** means Table A in the schedule to the Companies (Tables A to F) Regulations 1985 (SI 1985/805) as amended for private companies limited by shares by

- (a) the Companies (Tables A - F) (Amendment) Regulations 1985 (SI 1985/1052),
- (b) Schedule 1 to the Companies Act 1985 (Electronic Communications) Order 2000 (SI 2000/3373),
- (c) the Companies (Tables A to F) (Amendment) Regulations 2007 (SI 2007/2541), and
- (d) the Companies (Tables A to F) (Amendment) (No 2) Regulations 2007 (SI 2007/2826),

**"Transfer Notice"** has the meaning given in article 9 1, and

**"Transfer Price"** has the meaning given in article 9 1(c)

2 2 Words and expressions defined in Table A or the 2006 Act (or, in the absence of such definition therein, in the Act) shall have the same meaning in these articles unless the context requires otherwise

## 2 3 In these articles

- (a) reference to
  - (i) any statute or statutory provision includes a reference
    - (A) to that statute or statutory provision as from time to time consolidated, modified, re-enacted (with or without modification) or replaced by any statute or statutory provision, and
    - (B) any subordinate legislation made under the relevant statutory provision,
  - (ii) the singular includes the plural and vice versa and any gender includes other genders,
  - (iii) reference to presence at a meeting includes presence which is deemed in accordance with these articles and in the case of a general meeting or class meeting includes presence in person or by proxy or by duly authorised representative (and "**present**" is to be construed accordingly),
- (b) the words, "**parent undertaking**", "**subsidiary undertaking**" and "**undertaking**" have the meanings given to them in sections 1162 and 1161 of the 2006 Act,
- (c) the words "**include**", "**including**" and "**in particular**" are to be construed as being by way of illustration or emphasis only and are not to be construed so as to limit the generality of any words preceding them,
- (d) the words "**other**" and "**otherwise**" are not to be construed as being limited by any words preceding them, and
- (e) any matter requiring consent of the Board requires the consent of a simple majority of the directors present at the board meeting at which consent is given, and
- (f) the table of contents and the headings to articles and the schedule are to be ignored in construing these articles

## 3. Share Capital and Company's Lien

3 1 The share capital of the Company at the date of the adoption of these articles is £1,562,333 divided into

- (a) 311,111 Ordinary Shares,
- (b) 1,236,222 A Preference Shares, and
- (c) 15,000 B Preference Shares

3 2 The Company shall have a first lien on every Share (whether or not fully paid) for any amount (whether presently payable or not) owing to the Company from the holder (whether a sole holder or one of two or more joint holders) and whether or not it is owing in respect of that Share Regulation 8 of Table A does not apply

#### 4 Share Rights

The rights attached to the Ordinary Shares and Preference Shares shall be as follows

- 4 1 The Shareholders shall have the right to receive in aggregate a minimum annual dividend calculated in accordance with this article (the "**Agreed Dividend**") commencing for the financial year ending on 31 December 2013. The Agreed Dividend (if any) shall be paid on a pro-rata basis for such initial accounting period in which the Agreed Dividend Entitlement Date occurs. The Agreed Dividend shall be calculated and apportioned as follows

- (a) the holders of the A Preference Shares shall be entitled to be paid a sum equal to

$$AP \times 0.01447 \times \frac{x}{y}$$

Where AP = Available Profits for the relevant accounting period in which the Agreed Dividend is calculated

x = number of A Preference Shares held by a Shareholder

y = number of A Preference Shares in issue within the authorised share capital of the Company being 1,236,222 as at the date of adoption of these articles

Such dividend shall be payable in priority to any payment to the holders of the Ordinary Shares and such sum shall be apportioned between the A Preference Shareholders pro rata to the number of A Preference Shares held by such A Preference Shareholders (the "**Preference Dividend**").

- (b) together with following payments of the Preference Dividend to the A Preference Shareholders in accordance with article 4 1(a) above the Ordinary Shareholders shall be entitled to be paid an amount equal to 25% of the Available Profits and such sum shall be apportioned between the Ordinary Shareholders pro rata to the number of Ordinary Shares held by such Ordinary Shareholders (the "**Ordinary Dividend**")
- 4 2 The Agreed Dividend (if any) shall be paid not later than six months after the end of each successive accounting reference period of the Company or 14 days after the audit report on the accounts of the Company for such period is signed by the Company's auditors, whichever is later ("**Dividend Payment Date**") and shall bear interest at 2% above the base rate from time to time of HSBC Bank Plc from the Dividend Payment Date until payment
- 4 3 The Company shall procure that each Group Company which has profits available for distribution shall from time to time declare and pay to the Company (or its parent undertaking, as applicable) such dividends as are necessary to permit lawful and prompt payment by the Company of the Ordinary Dividend

#### *Capital*

- 4 4 Upon any return of assets on liquidation, reduction of capital or otherwise ("**Liquidation Event**"), the surplus assets of the Company remaining after the payment of its liabilities shall be applied
- (a) first, in paying in full all accrued but unpaid Preference Dividends to the Preference Shareholders,

- (b) second, in paying in full all accrued but unpaid Ordinary Dividends to the Ordinary Shareholders,
- (c) third, in paying to the A Preference Shareholders a sum equal to the nominal value of their A Preference Shares,
- (d) fourth, in paying to the B Preference Shareholders a sum equal to £188.53 per B Preference Share,
- (e) fifth in paying to the holders of the Ordinary Shares any accrued but unpaid dividends not within the definition of Ordinary Dividend, and
- (f) sixth, the balance of such assets (if any) shall belong to and be distributed amongst the Ordinary Shareholders pro rata to the number of Ordinary Shares held by such Ordinary Shareholder

4.5 On any Exit Event, the proceeds of Disposal, Listing or Sale after the payment of all associated costs and liabilities shall be applied (whether through purchase by a buyer or buy back of shares or distribution by the Company) after repayment of all outstanding principal and interest in respect of the Loan Notes in the same order as applicable on a Liquidation Event

#### *Voting*

4.6 As regards voting

- (a) the Ordinary Shares shall confer on the holder thereof the right to receive notice of and to attend, speak and vote at all general meetings of the Company, and
- (b) the Preference Shares shall entitle the holder thereof to receive notice of but not attend, speak or vote at any general meeting of the Company

### **5. Variation of Rights**

5.1 The special rights attached to any class of share in the Company may only be adversely varied or abrogated (either whilst the Company is a going concern or during or in contemplation of a winding-up) either

- (a) with the consent in writing of the holders of more than 75 per cent in nominal value of the issued shares of that class, or
- (b) with the sanction of a special resolution passed at a separate general meeting of the holders of that class

5.2 The provisions of these articles relating to general meetings of the Company or to the proceedings at such meetings shall, mutatis mutandis, apply to any separate meeting of the holders of any class of shares, save that if a class has only one member the necessary quorum shall be the single member of that class (or his proxy or duly authorised representative)

### **6 Allotment of Shares**

6.1 All Shares which the Company proposes to allot for cash shall first be offered for subscription to the holders of the Ordinary Shares in the proportion that the aggregate nominal value of such Ordinary Shares for the time being held by each such holder bears to the total number of such Ordinary Shares then in issue. Such offer shall be made by notice in writing specifying the number and class of Shares to which the



relevant holder is entitled and limiting a time (being not less than 10 Business Days) within which the offer (if not accepted) will be deemed to have been declined. Holders of Ordinary Shares who accept the offer shall be entitled to indicate that they would accept, on the same terms, additional Shares (specifying a maximum number) which are not accepted by other holders ("**Excess Shares**"). Any Excess Shares which are available shall be allotted to holders who have indicated they would accept Excess Shares. Excess Shares shall, to the extent available, be allotted pro rata to the aggregate number of Ordinary Shares held by holders accepting Excess Shares (provided that no such holder shall be allotted more than the maximum number of Excess Shares that such holder has indicated he is willing to accept).

6.2 The Board shall not be entitled to dispose of any Shares so offered, and which are not required to be allotted in accordance with this Article 6.1

6.3 If, owing to the inequality of the number of new Shares to be issued and the number of Ordinary Shares held by holders entitled to receive the offer of new Shares, any difficulties shall arise in the apportionment of any such new Shares amongst the holders such difficulties shall (in the absence of direction by the Company) be determined by the Board

6.4 The provisions of section 89(1) and section 90(1) to (6) (inclusive) of the Act shall not apply to the Company

## **7 Share Transfers – General Provisions**

7.1 In articles 8 to 15 (inclusive), reference to the transfer of a Share includes the transfer or assignment of a beneficial or other interest in that Share or in the economic rights attaching to that Share, the creation of a trust or encumbrance over that Share or the economic rights attaching to that Share or the renunciation of a renounceable letter of allotment in respect of that Share and reference to a Share includes a beneficial or other interest in a Share

7.2 No Share may be transferred unless

- (a) the transfer is made in accordance with these articles, and
- (b) any transferee who is not already a party to the Shareholders' Agreement has entered into any deed of adherence required under the Shareholders' Agreement other than in the case of a transfer pursuant to articles 8.1 to 8.9 (inclusive), 13 or 14

7.3 If a Shareholder transfers or purports to transfer a Share otherwise than in accordance with these articles he will be deemed immediately to have served a Transfer Notice in respect of all Shares held by him

7.4 In addition to the provisions of regulation 24 of Table A, the directors may refuse to register a transfer (whether or not fully paid) if it is a transfer to a bankrupt, a minor or a person of unsound mind and regulation 24 of Table A shall be modified accordingly

7.5 Any transfer of a Share by way of sale which is required to be made under articles 8, 13 or 14 will be deemed to include a warranty that the transferor sells with full title guarantee

## **8. Permitted Transfers and Compulsory Transfers**

8.1 A Shareholder may transfer a Share held by him or it to the Company in accordance with the provisions of the Act or the 2006 Act, as applicable, and such transfer shall be subject to the pre-emption provisions set out in article 9

- 8 2 A Shareholder may transfer a Share where required under article 13 following the service of a Drag Along Notice
- 8 3 A Shareholder may transfer a Share which is required to be transferred as a result of the acceptance of any offer made in accordance with article 14
- 8 4 Each of Russi Batliwala, Shahe Ouzounian and Peter Joarder (each, an "**Original Shareholder**") may, subject to article 8 8, transfer up to 50 per cent of his Shares for bona fide tax planning purposes, to a Family Member and/or a Family Trust (a "**Permitted Transferee**")
- 8 5 If a Permitted Transferee who is a spouse or Civil Partner of the Original Shareholder ceases to be a spouse or Civil Partner of the Original Shareholder whether by reason of divorce or otherwise he must, within 15 Business Days of so ceasing either
- (a) execute and deliver to the Company a transfer of the Shares held by him to the Original Shareholder (or, to any other person to whom the Original Shareholder may transfer Shares in accordance with these articles) at their nominal value, or
  - (b) give a Transfer Notice to the Company in accordance with article 9 1
- 8 6 Where under the provision of a deceased Original Shareholder's will or laws as to intestacy, the persons legally or beneficially entitled to any Shares, whether immediately or contingently, are Permitted Transferees of the deceased Original Shareholder, the legal representative of the deceased Original Shareholder may transfer any Share to those Permitted Transferees, in each case without restriction as to price or otherwise Shares previously transferred as permitted by this article 8 6 may be transferred by the transferee to any other Permitted Transferee of the Original Shareholder without restriction as to price or otherwise
- 8 7 On the death (subject to article 8 6), bankruptcy, liquidation, administration or administrative receivership of a Permitted Transferee (other than a joint holder) his personal representatives or trustee in bankruptcy, or its liquidator, administrator or administrative receiver must within five Business Days after the date of the grant of probate, the making of the bankruptcy order or the appointment of the liquidator, administrator or the administrative receiver execute and deliver to the Company a transfer of the Shares held by the Permitted Transferee without restriction as to price or otherwise The transfer shall be to the Original Shareholder if still living (and not bankrupt or in liquidation) or, if so directed by the Original Shareholder, to any Permitted Transferee of the Original Shareholder If the Original Shareholder is bankrupt or is in liquidation, the trustee in bankruptcy or liquidator will be deemed to have given a Transfer Notice If the Original Shareholder has died the transfer shall be to such Shareholders' legal representatives or, at their direction, a Permitted Transferee of the Original Shareholder
- 8 8 Any transfer pursuant to article 8 4 shall be subject to Majority Shareholder Consent which consent may not be withheld in the event that it is proved to the Board's reasonable satisfaction that the Permitted Transferee has had appropriate legal advice as to the transferability or re-transferability of the Shares and that such transfer is for bona fide tax and or planning purposes only and will not have an adverse effect on the continued operation and management of the Group or on any eventual Exit Event
- 8 9 If the Permitted Transferee fails to comply with article 8 5 or 8 7 at the option of the Original Shareholder such Permitted Transferee shall be deemed to have given a Transfer Notice and the chairman or, failing him, one of the directors or some other

person nominated by a resolution of the directors shall on behalf of the Permitted Transferee

- (a) complete, execute and deliver in his name all documents necessary to give effect to the transfer of the Shares held by the Permitted Transferee (or to any other person to whom the Original Shareholder may transfer Shares in accordance with these articles), and
- (b) receive the monies payable for the transfer of such Shares and give a good discharge for it and (subject to the transfer being duly stamped) enter the transferee in the register of members as the holder of such Shares and the Company shall pay such monies into a separate bank account in the Company's name on trust (but without interest) for the Seller until he has delivered to the Company his certificate for the relevant Shares (or an indemnity in respect of any lost share certificate)

## **9 Pre-emption on transfer**

9 1 A Shareholder who wishes to transfer Shares otherwise than as permitted under article 8 (a "**Seller**") may, subject to the provisions of any Shareholders' Agreement for the time being in force, give notice in writing (a "**Transfer Notice**") to the Company specifying

- (a) the number and class of Shares which he wishes to transfer (the "**Sale Shares**"),
- (b) if he wishes to sell the Sale Shares to a person who is not a Shareholder, the name of that person,
- (c) the price (in cash) at which he wishes to transfer the Sale Shares (the "**Transfer Price**"), and
- (d) whether the Transfer Notice is conditional on applications being received for all or a specified number of the Sale Shares ( a "**Minimum Transfer Condition**")

9 2 Except with the consent of the Board, no Transfer Notice once given or deemed to have been given under these articles may be withdrawn

9 3 It is a condition of any transfer of any Ordinary Shares that the transferees of any Ordinary Shares purchase at the same time at par the A Preference Shares held by the Seller pro rata to the proportion of the Seller's Ordinary Shares purchased by each transferee

9 4 A Transfer Notice constitutes the Company the agent of the Seller for the sale of the Sale Shares at the Transfer Price

9 5 As soon as practicable following the later of receipt of a Transfer Notice the directors may give notice to the Shareholders that the Company will be seeking authority under section 164 of the Act or section 694 of the 2006 Act, as applicable, for the Company to purchase the Sale Shares ("**Buy-back Notice**")

9 6 If

- (a) the directors do not give a Buy-Back Notice on or before the date 15 Business Days after the first date on which the Company could do so, or

- (b) a Buy-Back Notice is so given but no authority under section 164 of the Act or section 694 of the 2006 Act, as applicable, is obtained within a further period of 20 Business Days,

the directors shall give notice in writing to each Shareholder other than the Seller (each an **"Eligible Shareholder"**)

- (c) inviting him to apply (subject to article 9 4 (where applicable)) for the Sale Shares at the Transfer Price,
- (d) stating that he will have a period of 15 Business Days from the date of the notice in which to apply,
- (e) stating that, if there is competition among the Eligible Shareholders for the Sale Shares, the Sale Shares will be allocated to him in proportion (as nearly as may be) to his existing holdings of each relevant share class (his **"Proportionate Allocation"**),
- (f) inviting him to indicate if he is willing to purchase Sale Shares (subject to article 9 4 (where applicable)) in excess of his Proportionate Allocation (**"Extra Shares"**) and, if so, the number of Extra Shares

9 7 If a Buy-Back Notice is given on or before 15 Business Days after the first date on which the Company could do so and authority is obtained under section 164 of the Act or section 694 of the 2006 Act, as applicable, within the period of 20 Business Days then the directors shall give notice to the Seller to that effect and the Seller shall, against payment of the Transfer Price (which may be tendered by delivery of a cheque at the registered office of the Company in favour of the transferee drawn on a UK clearing bank) transfer the Sale Shares to the Company in accordance with the requirements of the Act or the 2006 Act, as applicable

## 10. Allocation

10 1 On expiry of an offer made in accordance with article 9 7 (or sooner if applications have been received from all Eligible Shareholders), the directors shall allocate the Sale Shares subject always to article 9 4 (where applicable) as follows

- (a) if the total number of Sale Shares applied for is equal to or less than the number of Sale Shares, each Eligible Shareholder shall be allocated the number applied for by him, or
- (b) if the total number of Sale Shares applied for is more than the available number of Sale Shares, each Eligible Shareholder shall be allocated his Proportionate Allocation or, if less, the number of Sale Shares for which he has applied, and
- (c) applications for Extra Shares shall be allocated in accordance with such applications or, in the event of competition, among those Shareholders applying for Extra Shares in proportion to their Proportionate Allocations but so that no applicant shall be allocated more Extra Shares than he has applied for, and
- (d) fractional entitlements shall be rounded to the nearest whole number,

and the directors shall in addition specify a date for completion of such transaction being not less than 5 Business Days and not more than 20 Business Days after the expiry of the offer made in accordance with article 9 7

- 10 2 To the extent that not all of the Sale Shares have been applied for by the Eligible Shareholders the unallocated Sale Shares may be allocated at the Board's discretion to an employee benefit trust, existing employees or directors of any Group Company or to persons who have accepted an offer to become an employee or director of any Group Company PROVIDED ALWAYS any such allocations are on the same terms as those set out in the relevant Transfer Notice or deemed Transfer Notice

## 11. Allocation Notices

- 11 1 If the Transfer Notice does not include (or is not permitted to include in the case of a deemed Transfer Notice) a Minimum Transfer Condition or if such condition has been fulfilled, the Board shall give written notice of allocation (an "Allocation Notice") to the Seller in accordance with article 10
- 11 2 If the Transfer Notice includes a permitted Minimum Transfer Condition and the total number of Sale Shares applied for by applicants is less than the specified minimum, the directors shall give written notice to the Seller that the Minimum Transfer Condition has not met and the Sale Shares shall not be sold
- 11 3 An Allocation Notice shall specify the number of Sale Shares to be allocated to each applicant and the place and time (being not less than 14 nor more than 28 days after the date of the Allocation Notice) for completion of the transfer of the Sale Shares

## 12. Completion of Transfer of Sale Shares

- 12 1 On service of an Allocation Notice, the Seller shall, against payment of the Transfer Price (which may be tendered by delivery of a cheque at the registered office of the Company in favour of the transferee drawn on a UK clearing bank) transfer the Sale Shares in accordance with the requirements specified in it
- 12 2 If the Seller fails to comply with the provisions of article 9 7 or article 12 1 the chairman of the directors or, failing him, one of the directors, or some other person nominated by a resolution of the directors shall on behalf of the Seller,
- (a) complete, execute and deliver in his name all documents necessary to give effect to the transfer of the relevant Sale Shares to the applicants,
  - (b) receive the Transfer Price and give a good discharge for it and (subject to the transfer being duly stamped) enter each applicant in the register of members as the holders of the Sale Shares applied for by him and the Company shall pay the Transfer Price into a separate bank account in the Company's name on trust (but without interest) for the Seller until he has delivered to the Company his certificate for the relevant Shares (or an indemnity in respect of any lost certificate)

## 13 Drag Along

- 13 1 If a bona fide third party (the "Purchaser") who is not a Shareholder or an Associate of a Shareholder or Acting In Concert with a Shareholder makes an arms' length offer to the Shareholders on the same terms for each Shareholder (the "Offer") then the Shareholders who wish to accept the Offer (provided such Shareholders hold between them in the period up to the fifth anniversary of the Adoption Date 50 per cent or more of the issued Ordinary Shares) and in the period after the fifth anniversary of the Adoption Date 30 per cent or more of the Issued Ordinary Shares (subject to the terms of the Shareholders' Agreement) (the "Selling Shareholders") may in accordance with the provisions of these articles and subject to a pre-condition to any such Offer being
- (i) the payment of all accrued but unpaid Preference Dividends or Ordinary Dividends
  - (ii) the purchase, repayment or redemption at par of all Preference Shares, and give

written notice to the Company signed by or on behalf of all of them (the "**Drag Along Notice**") stating

- (a) that they wish to accept the Offer,
- (b) the consideration payable per Share for each class of Share under the Offer,
- (c) any other conditions attaching to the Offer, and
- (d) the proposed date of transfer

- 13 2 Not later than the date five Business Days after the date of service of the Drag Along Notice, the directors shall serve a copy of it on all Shareholders who have not signed it and on any person to whom any Shares may be allotted during the Offer period or upon the Offer becoming unconditional pursuant to the exercise or conversion of options or rights to subscribe for securities convertible into Shares in existence at the date of the Offer (the "**Called Shareholders**") and the Called Shareholders will be required to transfer their Shares at the same time and for the same consideration (pro rata to the portion of Shares held by each Called Shareholder) as the Selling Shareholders PROVIDED ALWAYS that for the avoidance of doubt any transfer pursuant to such Drag Along Notice shall not imply any warranty of sale except as to title
- 13 3 The "Purchaser" for the purposes of article 13 1 may also be a Shareholder, an Associate of a Shareholder and/or any party Acting in Concert with a Shareholder If a Shareholder fails to transfer his Shares as required by article 13 2 or 13 3 (and subject always to the provisions of article 13 1) the provisions of article 12 2 will apply as if references to the Seller were to the Called Shareholder, references to the Applicant were to the Purchaser and references to the Transfer Price were references to the consideration payable for the Shares of the relevant Called Shareholder
- 13 4 No Called Shareholder will be obliged to assume any obligation in connection with the sale of his Shares other than to give a warranty that he sells with full title guarantee

#### **14 Transfers of Substantial Interests – Tag Along**

- 14 1 The provisions of article 14 2 will apply if a Shareholder (a "**Proposing Seller**") proposes a transfer of Shares (the "**Proposed Transfer**"), which would, if put into effect, result in any person (and Associates of his or persons Acting in Concert with him) (each a "**Proposed Transferee**") becoming the holder of any of the Proposing Seller's original holding of Ordinary Shares by reason of such Proposed Transfer
- 14 2 A Proposing Seller must, before making a Proposed Transfer procure the making by the Proposed Transferee of an offer in writing ("**Tag Along Offer**") to the other Shareholders to acquire of a proportion of the Shares from each other Shareholder, in place of a proportion of Shares to be sold by the Proposing Seller under the Proposed Transfer, as is equal to the proportion of Shares that each other Shareholders' Shares bear to the entire issued share capital of the Company ("**Tag Along Share Entitlement**") for a consideration per Ordinary Share the value of which is at least equal to the average consideration per share paid or payable by the Proposed Transferee for any Ordinary Share during the period of 6 months ending on the date of the offer and for a consideration per Preference Share which shall be deemed to be equal to their par value (plus any accrued but unpaid Preference Dividends)
- 14 3 Each Shareholder upon receiving a Tag Along Offer shall be entitled to accept the same in respect of all or such lesser number of his Shares comprised in his Tag Along Share Entitlement as he may determine To the extent that a Shareholder decides to sell only a part of his Tag Along Share Entitlement he must in a period of not less than

5 Business Days of receiving a Tag Along Offer notify the other Shareholders in writing of the number of Shares that he is not so selling ("**Declined Tag Along Shares**") and that Shareholder's Tag Along Share Entitlement shall be deemed reduced accordingly. The Shareholders collectively shall then have 10 Business Days within receiving such notice to determine and agree between themselves the extent to which any of the other Shareholders might want to sell an additional number of their Shares in excess of their Tag Along Share Entitlement in place of but only in aggregate up to the number of Declined Tag Along Shares. If the Shareholders fail to reach agreement in writing within such period as to how to apportion the right to sell more of their Shares in aggregate up to the number of the Declined Tag Along Shares then such right to sell any additional Shares shall expire without further right or recourse and each Shareholder shall only be entitled to accept the Tag Along Offer up to the number of Shares equal to his original Tag Along Share Entitlement. If the Shareholders reach agreement in writing within such period as to how to apportion the right to sell more of their Shares in aggregate up to the number of the Declined Tag Along Shares then upon giving notice of such agreement to the Proposing Seller and Proposed Transferee within such period their Tag Along Share Entitlement shall be deemed to be increased by such number of additional Shares as it has been agreed they sell and the same will then be the subject of the Tag Along Offer.

- 14.4 Subject to any adjustment in accordance with the provisions of Article 14.3 the Tag Offer referred to in article 14.2 must be expressed to be capable of acceptance for a period of not less than 15 Business Days and if it is accepted by any Shareholder (an "**Accepting Shareholder**") within that period, the completion of the Proposed Transfer will be conditional upon the completion of the purchase of such number of Shares as equal each Accepting Shareholders' Tag Along Share Entitlement.

## 15. Information to be provided

- 15.1 For the purpose of establishing whether

- (a) a transfer of Shares is duly authorised under these articles,
- (b) a Transfer Notice is required to be or ought to have been given under these articles, or
- (c) any offer under article 14.2 is required to be or ought to have been made,

the directors may require a Shareholder or the legal personal representatives of a deceased Shareholder or any person named as transferee in a transfer lodged for registration or any other person whom the directors reasonably believe may have relevant information (including but not limited to the names, addresses and interests of all persons having interests in any Shares), to give that information to the directors.

- 15.2 If in relation to any Shares, the directors request information in accordance with article 16.1 and the information or evidence is not given to the directors by the date 15 Business Days after the date on which it is requested then a Transfer Notice in respect of the Shares will be deemed to have been given.

## 16. Proceedings at general meetings

- 16.1 No business may be transacted at a general meeting unless a quorum is present. Two holders of Ordinary Shares present in person or by proxy will be a quorum. Regulation 40 of Table A does not apply.

- 16.2 If at a general meeting votes are counted which ought not to have been counted, or are not counted which ought to have been counted, the error will not vitiate the result of the voting unless it is pointed out at the same meeting, and not in that case unless it is, in

the opinion of the chairman of the meeting, of sufficient magnitude to affect the result of the voting

16 3 A person may participate in a general meeting or a class meeting of the Company by means of a communications system whereby all those participating in the meeting can hear and address each other. The participation will be deemed to constitute presence in person (or by proxy or authorised representative as appropriate) at the meeting and the meeting will be deemed to take place where the largest number of participators is assembled or, if no such group can be identified, at the location of the chairman

16 4 Regulation 57 of Table A does not apply

16 5 A written resolution of the Ordinary Shareholders (or any class of Shareholders) of the Company may be passed in accordance with the provisions of the 2006 Act

16 6 Without prejudice to article 17 5, a matter which has the unanimous assent of each Shareholder who would have been entitled to vote upon it if it had been proposed at a general meeting at which he was present shall, to the extent permitted by law, be as effectual as if it had been passed at a general meeting duly convened and held

16 7 In the case of an equality of votes, whether on a show of hands or on a poll, no person shall have a second or casting vote

## 17. Proxies

17 1 An instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a copy duly certified or in some other way approved by the directors may be handed to the chairman of the relevant meeting and regulation 62 of Table A is modified accordingly

17 2 Where the Company has given an electronic address in

(a) a notice convening a general meeting of the Company, or

(b) an invitation to appoint a proxy issued by the Company in relation to a general meeting of the Company,

then an appointment of a proxy in relation to that meeting and the power of attorney or other authority, if any, under which the appointment is made (or a duly certified copy of that power or authority) or any other document relating to proxies for that meeting may be sent by electronic means to that electronic address (subject to any conditions or limitations specified in the notice of the meeting) if the document is received at such electronic address not less than 48 hours (excluding days that are not Business Days) before the time for holding the meeting or adjourned meeting. Paragraph (aa) of regulation 62 of Table A shall not apply and the remaining provisions of that regulation 62 shall be modified accordingly

## 18. Directors

18 1 Subject to article 19 2, unless otherwise determined by special resolution, the number of directors shall not exceed six but must be not less than two. Regulation 64 of Table A does not apply

18 2 Subject to article 19 4, each Shareholder for such time as they hold in excess of [5]% of the Ordinary Shares shall each be entitled to be a director of the Company or otherwise be entitled to

(a) to appoint a director (their "**Nominated Director**"),



- (b) to remove from office their Nominated Director, and
  - (c) to appoint another person in place of their Nominated Director who has ceased to be their Nominated Director
- 18 3 An appointment or removal of a Nominated Director under article 19 2 must be made by notice in writing or (subject to the provisions of the 2006 Act) by notice in electronic form to the Company signed by or on behalf of the relevant Shareholder (or an attorney duly authorised to sign on his/her behalf) and will take effect at and from the time when the notice is received at the registered office of the Company or produced to a meeting of the directors of the Company
- 18 4 Exercise by a Shareholder (or his successors, as applicable) of the right to appoint a director pursuant to article 19 2 shall be conditional on that Shareholder (or their successors), as applicable, indemnifying the Company against any proceedings, claims, losses and expenses and professional costs incurred by the Company and arising from or in connection with that Nominated Director's removal from office in accordance with article 18 2
- 18 5 Any adult person may be appointed or elected as a director whatever his age, provided that he has attained the age of at least 18 years No director is required to vacate his office by reason of his attaining or having attained the age of seventy years or any other age
- 18 6 Regulations 76 to 79 (inclusive) of Table A do not apply
- 18 7 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
- 18 8 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 maximum number of directors fixed by or in accordance with these articles as the maximum number of directors
- 19. Alternate directors**
- 19 1 A director (other than an alternate director) may appoint another person (including another director) to be an alternate director and may remove from office an alternate director so appointed by him Regulation 65 of Table A does not apply
- 19 2 An alternate director has the same entitlement to receive notice of meetings as the entitlement of his appointor and has one vote for each director for whom he acts as alternate (in addition to his own vote if he is also a director) but will count as one person only for the purpose of determining whether a quorum is present The first sentence of regulation 66 of Table A is modified accordingly The second sentence of regulation 66 of Table A does not apply
- 19 3 An alternate director will cease to be an alternate director if his appointor ceases to be a director Regulation 67 of Table A does not apply
- 19 4 An appointment or removal of an alternate director must be made by notice to the Company from the director making or revoking the appointment or in any other manner approved by the directors Regulation 68 of Table A does not apply
- 20 Vacation of office by directors**
- 20 1 The office of a director will be vacated if a director

- (a) has a bankruptcy order made in respect of him under Part IX of the Insolvency Act 1986,
- (b) becomes prohibited by law from being a director,
- (c) resigns his office by written notice to the Company,
- (d) is a Nominated Director and is removed from office by his appointor pursuant to these articles, or
- (e) is a Nominated Director and his appointor ceases to hold Loan Notes

20 2 Regulation 81 of Table A does not apply

## **21. Proceedings of directors**

21 1 Provided that such interest has been declared in accordance with these articles a director may vote at a meeting of the directors or of a committee of the directors on any resolution concerning a matter in which he has an interest, whether direct or indirect, or in relation to which he has a duty. Having so declared any interest he may have, the director shall be counted in the quorum present when any such resolution is under consideration and if he votes on such resolution his vote shall be counted

21 2 Notice of every meeting of the directors must in so far as reasonably practicable be given orally (or in writing) to every director and alternate director (whether or not within the United Kingdom), but the accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, a director does not invalidate the proceedings at that meeting. Regulation 88 of Table A is modified accordingly

21 3 (a) A resolution in writing executed by or on behalf of all the directors entitled to receive notice of a meeting of directors or of a committee of directors is as effectual as if it had been passed at a meeting of the directors or, as the case may be, a committee of directors duly convened and held and may consist of several documents each executed by or on behalf of one or more directors, but a resolution executed by an alternate director need not also be executed by his appointor and, if it is executed by a director who has appointed an alternate director, it need not also be executed by the alternate director in that capacity

(b) Subject to the provisions of the 2006 Act and where the Company has so agreed (generally or specifically), the confirmation to the Company by the director of his assent to a resolution by electronic means, sent to the electronic address notified by the Company for this purpose, shall constitute a duly executed document for the purposes of article 22 3(a)

(c) Regulation 93 of Table A does not apply

21 4 A director may participate in a meeting of directors by means of a communications system which enables all those participating in the meeting to hear and address each other. The participation will be deemed to constitute presence in person at the meeting and the meeting will be deemed to take place where the largest number of participators is assembled or if no such group can be identified at the location of the chairman

## **22 Directors' interests**

22 1 Provided (if these articles so require) that he has declared to the directors, in accordance with the provisions of these articles, the nature and extent of his interest, a director may (save as to the extent not permitted by law from time to time), notwithstanding his office, have an interest of the following kind

- (a) where a director (or a person connected with him) is a director, employee or other officer of, or a party to any arrangement or transaction with, or in any way interested in, any body corporate promoted by the Company or in which the Company is in any way interested,
- (b) where a director (or a person connected with him) is a shareholder in, employee, director, member or other officer of, or consultant to, a parent undertaking of, or a subsidiary undertaking of a parent undertaking of, the Company,
- (c) where a director (or a person connected with him) holds and is remunerated in respect of any office or place of profit (other than the office of auditor) under the Company or body corporate in which the Company is in any way interested,
- (d) an interest which cannot reasonably be regarded as likely to give rise to a conflict of interest, or
- (e) any other interest authorised by ordinary resolution,

and such authorisations shall extend to any direct or indirect interest that conflicts or possibly may conflict with the interests of the Company which may reasonably be expected to arise out of the situations and matters so authorised and which is capable of being authorised by law. No authorisation shall be required pursuant to article 22.5 of any such situation or matter authorised by this article 22.1

22.2 Regulations 85 and 86 shall not apply

22.3 For the purposes of this article, an interest of which a director is not aware and of which it is unreasonable to expect him to be aware shall not be treated as an interest of his

22.4 In any situation permitted by this article (save as otherwise agreed by him) a director shall not by reason of his office be accountable to the Company for any benefit which he derives from that situation and no such contract, arrangement or transaction shall be avoided on the grounds of any such interest or benefit

22.5 A matter which would otherwise constitute or give rise to a breach by a director of his duty under section 175 of the CA 2006 may be authorised by the directors to the extent the specific conflict has been disclosed to the directors

22.6 Where a director has an interest which can reasonably be regarded as likely to give rise to a conflict of interest, the director may take such additional steps as may be necessary or desirable for the purpose of managing such conflict of interest, including compliance with any procedures laid down from time to time by the directors for the purpose of managing conflicts of interest generally and/or any specific procedures approved by the directors for the purpose of or in connection with the situation or matter in question, including without limitation

- (a) absenting himself from any discussions, whether in meetings of the directors or otherwise, at which the relevant situation or matter falls to be considered, and
- (b) excluding himself from documents or information made available to the directors generally in relation to such situation or matter and/or arranging for such documents or information to be reviewed by a professional adviser to ascertain the extent to which it might be appropriate for him to have access to such documents or information

22 7 Subject to section 182 of the 2006 Act, a director shall declare the nature and extent of any interest permitted by article 22 1 at a meeting of the directors, or by general notice in accordance with section 184 (notice in writing) or section 185 (general notice) of the 2006 Act or in such other manner as the directors may determine, except that no declaration of interest shall be required by a director in relation to an interest

- (a) falling under article 22 1(d),
- (b) if, or to the extent that, all the other directors are already aware of such interest, or
- (c) if, or to the extent that, it concerns the terms of his service contract (as defined by section 227 of the 2006 Act) that have been or are to be considered by a meeting of the directors, or by a committee of directors appointed for the purpose under these articles

22 8 Provided (if these articles so require) that he has declared to the directors, in accordance with the provisions of these articles, the nature and extent of his interest (and subject to any restrictions on voting or counting in a quorum imposed by the directors in authorising a Relevant Interest), a director may vote at a meeting of the directors or of a committee of the directors on any resolution concerning a matter in which he has an interest, whether direct or indirect, or in relation to which he has a duty, and shall also be counted in reckoning whether a quorum is present at such a meeting Regulation 94 of Table A shall not apply

22 9 Subject to section 239 of the 2006 Act, the Company may by ordinary resolution ratify any contract, transaction or arrangement, or other proposal, not properly authorised by reason of a contravention of any provisions of this article

- (a) For the purposes of this article
- (b) a conflict of interest includes a conflict of interest and duty and a conflict of duties,
- (c) section 252 of the 2006 Act shall determine whether a person is connected with a director,

a general notice 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

## **23. Secretary**

Subject to the provisions of the Act and/or the 2006 Act, the directors may appoint a secretary 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 Regulation 99 of Table A shall not apply

## **24. Notices (including notices relating to offers of Shares)**

24 1 Subject to the requirements set out in the 2006 Act and subject to article 24 2, any notice given or document sent or supplied to or by any person under these articles, or otherwise sent by the Company under the Act or the 2006 Act, may be given, sent or supplied

- (a) in hard copy form, or

(b) in electronic form,

or partly by one of these means and partly by another of these means

Notices shall be given and documents supplied in accordance with the procedures set out in the 2006 Act, except to the extent that a contrary provision is set out in this article 25

*Notices in hard copy form*

24 2 Any notice or other document in hard copy form given or supplied under these articles may be delivered or sent by first class post (airmail if overseas)

- (a) to the Company or any other company at its registered office, or
- (b) to the address notified to or by the Company for that purpose, or
- (c) in the case of an intended recipient who is a Shareholder or his legal personal representative or trustee in bankruptcy, to such Shareholder's address as shown in the Company's register of members, or
- (d) in the case of an intended recipient who is a director or alternate, to his address as shown in the register of directors, or
- (e) to any other address to which any provision of the Companies Acts (as defined in the 2006 Act) authorises the document or information to be sent or supplied, or
- (f) where the Company is the sender, if the Company is unable to obtain an address falling within one of the addresses referred to in (a) – (e) above, to the intended recipient's last address known to the Company

24 3 Any notice or other document in hard copy form given or supplied under these articles will be deemed to have been served and be effective

- (a) if delivered, at the time of delivery, and
- (b) if posted, on receipt or 48 hours after the time it was posted, whichever occurs first

*Notices in electronic form*

24 4 Subject to the provisions of the 2006 Act, any notice or other document in electronic form given or supplied under these articles may

- (a) if sent by fax or email (provided that a fax number or an address for email has been notified to or by the Company for that purpose), be sent by the relevant form of communication to that address,
- (b) if delivered or sent by first class post (airmail if overseas) in an electronic form (such as sending a disk by post), be so delivered or sent as if in hard copy form under article 25 2, or
- (c) be sent by such other electronic means and to such address(es) as the Company may specify by notice (in hard copy or electronic form) to all Shareholders from time to time

24 5 Any notice or other document in electronic form given or supplied under these articles shall be deemed to have been served and be effective

- (a) if sent by facsimile or email (where a fax number or an address for email has been notified to or by the Company for that purpose), on receipt or 48 hours after the time it was sent, whichever occurs first,
- (b) if posted in an electronic form, on receipt or 48 hours after the time it was posted, whichever occurs first,
- (c) if delivered in an electronic form, at the time of delivery, and
- (d) if sent by any other electronic means as referred to in article 24 5(c), at the time such delivery is deemed to occur under the 2006 Act

24 6 Where the Company is able to show that any notice or other document given or sent under these articles by electronic means was properly addressed with the electronic address supplied by the intended recipient, the giving or sending of that notice or other document shall be effective notwithstanding any receipt by the Company at any time of notice either that such method of communication has failed or of the intended recipient's non-receipt

*General*

24 7 In the case of joint holders of a share all notices must be given to the joint holder whose name stands first in the register of members of the Company in respect of the joint holding (the "**Primary Holder**") Notice so given constitutes notice to all the joint holders

24 8 Anything agreed or specified by the Primary Holder in relation to the service, sending or supply of notices, documents or other information shall be treated as the agreement or specification of all the joint holders in their capacity as such (whether for the purposes of the 2006 Act or otherwise)

24 9 Regulations 111, 112 and 115 of Table A do not apply

**25. Winding up**

In regulation 117, the words "with the like sanction" shall be inserted immediately before the words "determine how the division"

**26. Indemnity**

26 1 Subject to the provisions of and to the fullest extent permitted by the 2006 Act

- (a) the directors may exercise all the powers of the Company to indemnify any person who is, or was at any time a director or other officer (excluding the Auditors) of the Company or any Group Company against all liabilities which he may incur or which may attach to him in or in connection with the performance or purported performance of his duties or the exercise, or the purported exercise, of his powers,
- (b) the directors may exercise all the powers of the Company to provide any director or other officer (excluding the Auditors) of the Company with funds to meet expenditure incurred or to be incurred by him of the kind referred to in sections 205(1)(a) and 206(a) of the 2006 Act and otherwise take any action to enable such director to avoid incurring such expenditure, and

- (c) where the Company or any Group Company is or was at any time a trustee of an occupational pensions scheme (as defined in section 235(6) of the 2006 Act) the directors may exercise all the powers of the Company to indemnify any person who is or was at any time a director of that company against all liabilities incurred by him in connection with that company's activities as trustee of the occupational pension scheme

26 2 Regulation 118 of Table A does not apply

## 27 Insurance

27 1 Without prejudice to article 27, the directors may exercise all the powers of the Company to purchase and maintain insurance for, or for the benefit of, any person who is or was at any time

- (a) a director of any Relevant Company, or
- (b) a trustee of any pension fund or retirement, death or disability scheme for the benefit of any employee of any Relevant Company or of any employees' share scheme in which employees of any such Relevant Company are interested,

including (without limitation) insurance against any liability referred to in article 27 attaching to him in relation to any Relevant Company, or any such pension fund, retirement or other scheme or employees' share scheme

27 2 In Article 28 1, "**Relevant Company**" means the Company or any other undertaking which is or was at any time

- (a) the holding company of the Company, or
- (b) a subsidiary of the Company or of such holding company, or
- (c) a company in which the Company has an interest (whether direct or indirect)

## 28 Special Article

28 1 Notwithstanding anything contained in these articles, whether expressly or impliedly contradictory to the provisions of this Special Article (to the effect that any provision contained in this Special Article shall override any other provision of these articles)

- (a) The directors shall not decline to register any transfer of shares, nor may they suspend registration thereof, where such transfer
  - (i) is to any bank, institution or other person which has been granted a security interest in respect of such shares, or to any nominee of such a bank, institution or other person (or a person acting as agent or security trustee for such person) ("**Secured Institution**") (and a certificate by any such person or an employee of any such person that a security interest over the shares was so granted and the transfer was so executed shall be conclusive evidence of such facts), or
  - (ii) is delivered to the Company for registration by a Secured Institution or its nominee in order to perfect its security over the shares, or
  - (iii) is executed by a Secured Institution or its nominee pursuant to a power of sale or other power existing under such security,

and the directors shall forthwith register any such transfer or shares upon receipt and furthermore notwithstanding anything to the contrary contained in these articles no transferor of any shares in the Company or proposed transferor of such shares to a Secured Institution or its nominee and no Secured Institution or its nominee shall (in either such case) be required to offer the shares which are or are to be the subject of any transfer as aforesaid to the shareholders for the time being of the Company or any of them and no such shareholder shall have any right under the articles or otherwise howsoever to require such shares to be transferred to them whether for any valuable consideration or otherwise



## **SCHEDULE**

### **Table A: Companies Act 1985**

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**COMPANIES ACT 1985 TABLE A**

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**TABLE A**

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**REGULATIONS FOR MANAGEMENT OF A COMPANY LIMITED  
BY SHARES**

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**INTERPRETATION**

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 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 [Repealed]
- 37 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**

- 38 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

- 39 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**

- 40 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

- 41 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

- 42 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

- 43 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

- 44 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

- 45 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

- 46 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
- 47 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
- 48 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
- 49 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
- 50 [Repealed]
- 51 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
- 52 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
- 53 [Repealed]

#### VOTES OF MEMBERS

- 54 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
- 55 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
- 56 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

57 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

58 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.

59 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.

60 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, , 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 200• and at any  
 adjournment thereof

Signed on 200. "

81 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,                     , 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                      200\*, 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            200• "

62 The appointment of a proxy and any authority under which it is executed or a copy of such authority certified notanally 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

(b) in the case of an appointment contained in an electronic communication where an address has been specified for the purpose of receiving electronic communications

(i) in the notice convening the meeting, or



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

- (c) 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
- (d) 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

- 63 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

- 64 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

- 65 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
- 66 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
- 67 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
- 68 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
- 69 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

- 70 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.
- 71 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

- 72 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

- 73 [Repealed]
- 74 [Repealed]
- 75 [Repealed]
- 76 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.
- 77 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.
- 78 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.
- 79 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.
- 80 [Repealed]

#### DISQUALIFICATION AND REMOVAL OF DIRECTORS

- 81 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

- 82 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

- 83 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

- 84 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
- 85 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 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

86 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**

87 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**

88 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.

89 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.

90 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.

91 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.

92 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.

93 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.

94 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 benefit scheme which has been approved, or is conditional upon approval, by the Board of HM Revenue & Customs 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

95 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

96 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

97 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

98 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

99 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

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

- (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

- 101 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

- 102 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.
- 103 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.
- 104 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.
- 105 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.
- 106 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.
- 107 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.
- 108 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

- 109 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

- 110 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

- 111 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 purposes to the person giving the notice

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

- 112 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

- 113 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

- 114 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

- 115 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

- 116 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**

- 117 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**

- 118 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.