

THE COMPANIES ACT 2006

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PRIVATE COMPANY LIMITED BY SHARES

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WRITTEN RESOLUTION

of

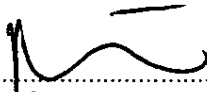
TORQUAY WATERSIDE DEVELOPMENTS LIMITED (the "Company")

On 9 October 2009 the following resolution was duly passed as a written resolution of the Company having effect as a special resolution, in accordance with the provisions of Chapter 2 of Part 13 of the Companies Act 2006 by the sole member of the Company who, at the date of circulation of the resolution, was entitled to vote on the resolution:-

SPECIAL RESOLUTION

THAT the draft regulations attached to this Resolution be adopted as the new Articles of Association of the Company in substitution for, and to the exclusion of, the existing Articles of Association (including to the exclusion of those provisions which prior to 1 October 2009 were contained in the Company's memorandum and which by virtue of section 28 of the Companies Act 2006 are to be treated as part of the Company's Articles of Association).

Signed

  
.....  
Director/Secretary

TUESDAY



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13/10/2009

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COMPANIES HOUSE

**Company No 7033270**

**THE COMPANIES ACTS 1985 AND 2006**

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**PRIVATE COMPANY LIMITED BY SHARES**

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**ARTICLES OF ASSOCIATION**

**of**

**TORQUAY WATERSIDE DEVELOPMENTS LIMITED**

**Incorporated 29<sup>th</sup> September 2009**

**(as amended by special resolution passed on  
9 October 2009)**

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**THE COMPANIES ACTS 1985 AND 2006**

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**PRIVATE COMPANY LIMITED BY SHARES**

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**ARTICLES OF ASSOCIATION**

of

**TORQUAY WATERSIDE DEVELOPMENTS LIMITED**

**(THE "COMPANY")**

**Incorporated 29<sup>th</sup> September 2009**

**(as amended by special resolution passed on  
9 October 2009)**

**PRELIMINARY**

- 1.1 The regulations contained in Table A in The Companies (Tables A to F) Regulations (as amended by SI 2007/2541 (the Companies (Tables A – F) (Amendment) Regulations 2007) and as further amended by SI 2007/2826 (the Companies (Tables A to F) (Amendment) (No. 2) Regulations 2007) ("**Table A**") apply to the Company except to the extent that they are excluded or modified by these articles. No other regulations contained in any statute or subordinate legislation apply as the regulations or articles of association of the Company.
- 1.2 The regulations of Table A numbered 8, 24, 26, 54, 60, 61, 64, 73 to 81 inclusive, 89, 90, 94 to 98 (inclusive), 109, 115 and 118 do not apply. The regulations of Table A numbered 1, 6, 46, 57, 59, 62, 65, 66, 68, 72, 88, 101, 110, 112 and 116 are modified. Subject to these exclusions and modifications, and in addition to the remaining regulations of Table A, the following are the articles of association of the Company.
- 1.3 Where an ordinary resolution of the Company is expressed to be required for any purpose, a special resolution is also effective for that purpose.
- 1.4 In these articles:-
- "Act"** means the Companies Act 1985 including any statutory modification or re-enactment thereof in force at the date of adoption of these articles and any provisions of the CA 2006 in force at the date of adoption of these articles

<b>"Business Day"</b>	means a day (other than a Saturday or Sunday) when banks in the City of London are open for business
<b>"CA 2006"</b>	means the Companies Act 2006
<b>"Conflict Situation"</b>	means any matter which (unless authorised in accordance with these articles) might result in a director infringing his duties under section 175 of the CA 2006 to avoid a situation in which he has, or can have, a direct or indirect interest that conflicts, or may possibly conflict, with the interests of the Company and which may reasonably be regarded as likely to give rise to a conflict of interest
<b>"control"</b>	has the meaning attributed by section 840 of the Income and Corporation Taxes Act 1988
<b>"Disposal"</b>	in relation to a share includes, without limitation: <ul style="list-style-type: none"> <li>(i) sale, assignment or transfer;</li> <li>(ii) creating or permitting to subsist any pledge, charge, mortgage, lien or other security interest or encumbrance;</li> <li>(iii) creating any trust or conferring any interest;</li> <li>(iv) any agreement, arrangement or understanding in respect of votes or the right to receive dividends;</li> <li>(v) the renunciation or assignment of any right to receive a share or any legal or beneficial interest in a share; and</li> <li>(vi) any agreement to do any of the above, except an agreement to transfer shares which is conditional on compliance with the terms of any Relevant Agreement</li> </ul>
<b>"MDL"</b>	means MDL Developments Limited (company no. 01556329)
<b>"MDL Director"</b>	has the meaning set out in article 25
<b>"MDL Share"</b>	means a MDL share of £1 in the capital of the Company
<b>"NJG"</b>	means Nicolas James Group Limited (company no. 04973721)
<b>"NJG Director"</b>	has the meaning set out in article 25
<b>"NJG Group"</b>	means (i) NJG and its subsidiary undertakings (ii) any other company under the direct or indirect control of Nicolas James Roach from time to time and (iii) any firm, organisation or entity in which Nicolas James Roach is a substantial member or has a material interest (which for these purposes means that he is entitled to exercise or otherwise control 20 per cent. or more of the voting rights in the firm, organisation or entity concerned), and <b>"NJG Group Company"</b> shall be construed accordingly
<b>"NJG Share"</b>	means a NJG share of £1 in the capital of the Company

**"Pre-Authorised Situations"** means the following Conflict Situations:

(a) in respect of a NJG Director:

- (i) holding any office, employment or engagement with any NJG Group Company;
- (ii) participating in any scheme, transaction or arrangement for the benefit of the employees or former employees of any NJG Group Company or the Company (including any pension fund or retirement, death or disability scheme or any bonus or employee benefit scheme);
- (iii) holding, or otherwise being interested, directly or indirectly, actually or potentially, in any shares or debentures or other securities or interests (or any rights to acquire or options over or any other rights in respect of any shares or debentures) in any NJG Group Company; and
- (iv) being, and acting as a representative of, NJG for the purposes of monitoring and evaluating NJG's investment in the Company which may include (i) attending and voting at meetings of the directors (or any committee thereof) of the Company at which any relevant matter will or may be discussed and receiving board papers relating thereto; (ii) receiving confidential information and other documents and information relating to the Company, using and applying such information in performing his duties as a director, officer or employee of, or consultant to, an NJG Group Company; and (iii) giving or withholding consent or giving any direction or approval under these articles or any Relevant Agreement; and
- (v) conducting business in his own name in connection with any matter which does not materially adversely affect the interests of the Company; and

(b) in respect of a MDL Director:

- (i) holding any office, employment or engagement with any YIT Group Company;
- (ii) participating in any scheme, transaction or arrangement for the benefit of the employees or former employees of any YIT Group Company or the Company (including any pension fund or retirement, death or disability scheme or any bonus or employee benefit scheme);
- (iii) holding, or otherwise being interested, directly or indirectly, actually or potentially, in any shares or debentures or other securities or interests (or any rights to acquire or options over or any other rights in respect of any shares or debentures) in any YIT Group Company; and
- (iv) being, and acting as a representative of, MDL for the purposes of monitoring and evaluating MDL's

investment in the Company which may include (i) attending and voting at meetings of the directors (or any committee thereof) of the Company at which any relevant matter will or may be discussed and receiving board papers relating thereto; (ii) receiving confidential information and other documents and information relating to the Company, using and applying such information in performing his duties as a director, officer or employee of, or consultant to, a YIT Group Company; and (iii) giving or withholding consent or giving any direction or approval under these articles or any Relevant Agreement

**"Relevant Agreement"**

means any existing or future agreement between (or any written resolution, consent or approval executed by) members holding shares in the capital of the Company which carry at least 75 per cent. of the aggregate voting rights attached to all shares in issue at the date of the relevant agreement and which relates (in whole or in part) to the management of the Company and which is binding upon those members who are signatories, and which (expressly or by implication) supplements and/or prevails over any provisions of these articles

**"YIT Group"**

means Yattendon Investment Trust PLC and its subsidiary undertakings, and any other company under the direct or indirect control of Yattendon Investment Trust PLC, from time to time and "YIT Group Company" shall be construed accordingly

- 1.5 Words and expressions contained in these articles which are not defined in paragraph 1.4 have, unless the contrary is indicated, the same meaning as in the Act, but excluding any modification to or re-enactment of the Act not in force at the date of adoption of these articles and regulation 1 of Table A shall be modified accordingly.
- 1.6 References to shares are, unless the context otherwise requires, to shares in the capital of the Company of all and whatever denomination or classification.
- 1.7 In these articles, a reference to:
- 1.7.1 a person includes a reference to a body corporate, association or partnership;
  - 1.7.2 the singular includes the plural and vice versa and to one gender includes the other; and
  - 1.7.3 references to days are to calendar days not working days.
- 1.8 The headings in these articles are for information purposes only and shall not affect their construction or interpretation.
- 1.9 These articles shall be subject to the terms of any Relevant Agreement. If and to the extent that there is any conflict between these articles and the terms of any Relevant Agreement, the terms of any Relevant Agreement shall prevail.

**PRIVATE COMPANY**

2. The Company is a private company limited by shares and accordingly any invitation to the public to subscribe for any shares or debentures of the Company is prohibited.

**SHARE CAPITAL**

- 3.1 The authorised share capital of the Company at the date of adoption of these articles is £1,000 divided into 500 NJG Shares and 500 MDL Shares.

- 3.2 The NJG Shares and the MDL Shares for the time being in issue shall constitute separate classes of shares respectively for the purposes of these articles and the Act, but, except as otherwise provided by these articles, the NJG Shares and MDL Shares shall rank *pari passu* in all respects.
- 3.3 The rights conferred upon the holders of the NJG Shares and MDL Shares shall be deemed to be varied by:-
- 3.3.1 the reduction of the capital paid up on any of those shares;
- 3.3.2 by the creation or issue of further shares ranking in priority to them for the payment of a dividend or of capital; or
- 3.3.3 any amendment to the memorandum of association or these articles, but shall not be deemed to be varied by:-
- (a) the creation or issue of further shares ranking subsequent to them; or
- (b) by the Company purchasing an equal number of NJG Shares and MDL Shares.
- 4.1 Subject to the Act, the directors have general and unconditional authority to allot (with or without conferring rights of renunciation), grant options over, offer or otherwise deal with or dispose of any unissued shares of the Company (whether forming part of the original or any increased share capital) to such persons, at such times and on such terms and conditions as the directors may decide but no share may be issued at a discount.
- 4.2 The directors have general and unconditional authority, pursuant to section 80 of the Act, to exercise all powers of the Company to allot relevant securities for a period expiring on the fifth anniversary of the date of adoption of this article unless previously renewed, varied or revoked by the Company in general meeting.
- 4.3 The maximum amount of relevant securities which may be allotted pursuant to the authority conferred by paragraph 4.2 is £999 being the amount of the authorised but as yet unissued share capital of the Company at the date of adoption of this article.
- 4.4 By the authority conferred by paragraph 4.2 or by any renewal of the authority, the directors may before the authority expires make an offer or agreement which would or might require relevant securities of the Company to be allotted after it expires and may allot relevant securities in pursuance of that offer or agreement.
5. The pre-emption provisions of section 89(1) of the Act and the provisions of sub-sections (1) to (6) inclusive of section 90 of the Act do not apply to any allotment of the Company's equity securities.

#### **SHARE CERTIFICATES**

6. Every certificate shall either be sealed with a seal (if any) or be signed by a director and the secretary or by two directors, and the second sentence of regulation 6 of Table A shall be modified accordingly.

#### **LIEN**

7. The Company shall have a first and paramount lien on every share, whether fully paid or not, registered in the name of any person, whether as sole or joint holder, indebted to the Company for all moneys due to the Company, whether in respect of that share or not. The directors may at any time declare any share to be wholly or in part exempt from the provisions of this article. The Company's lien, if any, on a share shall extend to any amount payable in respect of it. The registration of a transfer of a share shall operate as a waiver of any lien of the Company thereon.

#### **TRANSFERS**

8. Notwithstanding any other provision of these articles, no Disposal of any share shall be permitted except for a transfer which is made in accordance with the terms of any Relevant Agreement.

9. The directors shall register any transfer of shares made in accordance with these articles and any Relevant Agreement. The directors shall refuse to register any transfer of shares which is not made in accordance with these articles and any Relevant Agreement.
10. The directors may require the holder of shares or the person named as transferee in any transfer lodged for registration to furnish the directors with such information as the directors may reasonably consider necessary for the purpose of ensuring that a transfer of shares is permitted under these articles and any Relevant Agreement. If the information is not provided within 28 days of the request, the directors may refuse to register the transfer of the shares in question.

### **PROCEEDINGS AT GENERAL MEETINGS**

- 11.1 No business shall be transacted at any general meeting unless a quorum is present.
- 11.2 A quorum shall be two members present in person or by proxy or a representative duly authorised of whom one member shall be a holder of NJG Shares and one member shall be a holder of MDL Shares.
- 11.3 A corporation which is a member of the Company may, by resolution of its directors or other governing body, authorise such person as it thinks fit to act as its representative at any meeting of the Company or at any meeting of any class of members of the Company. The person so authorised is entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual member. Unless the directors otherwise decide, a copy of such authority certified notarially or in some other way approved by the directors shall be left at or sent by post or facsimile transmission to the office or such other place within the United Kingdom as the directors may determine before such representative is entitled to exercise any power on behalf of the corporation which he represents.
- 11.4 If within half an hour of the time appointed for a meeting a quorum is not present the meeting shall stand adjourned to the same day fourteen days later at the same time and place and if at an adjourned meeting a quorum is not present within half an hour of the time appointed for the meeting the members present and entitled to vote shall constitute a quorum.
- 11.5 Notice of a meeting adjourned for absence of a quorum shall be given to all members. If a general meeting at which a quorum is present is adjourned it shall not be necessary to give any notice of the adjourned meeting and regulation 45 of Table A shall be modified accordingly.
12. A poll may be demanded by the chairman or by any member present in person or by proxy or a representative and entitled to vote and regulation 46 of Table A shall be modified accordingly.
13. In the case of an equality of votes, whether on a show of hands or on a poll, the chairman shall not have a second or casting vote.
14. No resolution of the Company which is required by any Relevant Agreement to be approved by any particular majority of the members (or any of them) and/or in accordance with any particular procedure shall be validly passed unless and until approved by such majority and/or in accordance with such procedure.

### **VOTES OF MEMBERS**

- 15.1 Subject to any rights or restrictions attached to any shares and to paragraphs 15.2 and 15.3 below, 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.
- 15.2 No share of any class shall confer any right to vote upon a resolution for the removal from office of a director appointed by holders of shares of another class.
- 15.3 If at any meeting a member is not present in person or by proxy or a representative the votes exercisable on a poll in respect of the shares of the same class held by members present in person



or by proxy or a representative shall be pro tanto increased (fractions of a vote by any member being permitted) so that those shares shall together entitle those members to the same aggregate number of votes as would be cast in respect of all the shares of that class if all the holders of those shares were present in person.

16. Regulation 57 of Table A is modified by the inclusion after the word "shall" of the phrase ", unless the directors otherwise determine,".
17. Regulation 59 of Table A is modified by the addition at the end of the following sentence: "Appointment of a proxy does not preclude a member from attending and voting at the meeting or at any adjournment of it."
18. The appointment of a proxy shall be in writing in any usual form or in any other form which the directors may approve and shall be executed by or on behalf of the appointor.
19. Regulation 62 of Table A shall be modified by the substitution in paragraph (a) of the words "at any time" in place of "not less than 48 hours" and by the substitution in paragraph (b) of the words "at any time" in place of "not less than 24 hours".

#### **NUMBER OF DIRECTORS**

20. Unless otherwise determined by ordinary resolution, the number of directors (other than alternate directors) is not subject to any maximum and the minimum number is two, and such that at all times there are an equal number of NJG Directors and MDL Directors.

#### **ALTERNATE DIRECTORS**

21. An NJG Director or a MDL Director absent from a meeting may appoint any person (except an existing director representing the other class of shares) to act as his alternate at the meeting. For the purposes of the meeting the alternate director:
  - 21.1 shall be the NJG Director or MDL Director by whom he is appointed and may vote in place of the NJG Director or MDL Director; and
  - 21.2 where the person appointed as an alternate is already a director in his own right, shall also be a director (and may vote) in his own right. Regulation 65 of Table A is modified accordingly.
22. An alternate director who is absent from the United Kingdom shall be entitled to receive notice of all meetings of directors and meetings of committees of directors and regulation 66 of Table A is modified accordingly.
23. Regulation 68 of Table A is modified by the addition at the end of the following sentence: "Any such notice may be left at or sent by post or facsimile transmission to the office or such other place as may be designated for the purpose by the directors."

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

24. Regulation 72 of Table A is modified by the addition at the end of the regulation of the following sentence: "Where a provision of the articles refers to the exercise of a power, authority or discretion by the directors and that power, authority or discretion has been delegated by the directors to a committee, the provision shall be construed as permitting the exercise of the power, authority or discretion by the committee."

#### **APPOINTMENT AND REMOVAL OF DIRECTORS**

- 25.1 The holders for the time being of a majority of the NJG Shares may from time to time appoint persons to be directors and these directors and any alternate shall be called "**NJG Directors**". The holders for the time being of a majority of the MDL Shares may from time to time appoint persons to be directors and these directors and any alternate shall be called "**MDL Directors**". At all times there shall be an equal number of NJG Directors and MDL Directors.

- 25.2 If there is a vacancy for the appointment of an NJG Director or a MDL Director and the holders of the majority of the NJG Shares or the MDL Shares (as the case may be) have not filled the vacancy in the manner set out in this article within ninety days of the creation of the vacancy, the Company shall convene a separate class meeting of the holders of NJG Shares or MDL Shares (as the circumstances require) to elect a replacement NJG Director or MDL Director. The provisions of these articles relating to general meetings shall apply to a separate class meeting, except that a quorum for the meeting shall be the holders of shares of the relevant class, present in person or by proxy or a representative.
- 25.3 Each NJG Director and MDL Director may at any time be removed from office by the holders of a majority of the NJG Shares or MDL Shares (as the case may be).
- 25.4 A director appointed by a class of members pursuant to this article shall cease to be a director from the date on which the members of the class at the time of his appointment cease to be members.
- 25.5 Any appointment or removal of a director shall be made by notice in writing served on the Company and signed by the persons appointing or removing the director. In the case of a corporation the notice may be signed on its behalf by a director or the secretary of the corporation or by its duly appointed attorney or duly authorised representative. The notice shall take effect, subject to any contrary intention expressed in the notice, when the notice effecting the same is delivered to the Company.
26. The directors shall not be subject to retirement by rotation. Regulations 73, 74 and 75 of Table A shall not apply, and reference in any other regulation to retirement by rotation shall be disregarded.

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

27. The office of a director is vacated if:-
- 27.1 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
- 27.2 he becomes bankrupt or makes any arrangement or composition with his creditors generally; or
- 27.3 he becomes, in the opinion of all his co-directors, incapable by reason of mental disorder of discharging his duties as a director; or
- 27.4 he resigns his office by notice to the Company; or
- 27.5 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 his alternate director (if any) shall not during such period have attended any such meetings instead of him, and the directors resolve that his office be vacated.

#### **REMUNERATION OF DIRECTORS**

28. A director who, at the request of the directors, goes or resides abroad, makes a special journey or performs a special service on behalf of the Company may be paid such reasonable additional remuneration (whether by way of salary, percentage of profits or otherwise) and expenses as the directors may decide.

#### **PROCEEDINGS OF DIRECTORS**

29. Regulation 88 of Table A is modified by the exclusion of the third sentence and the substitution for it of the following sentences: "Every director shall receive notice of a meeting, whether or not he is absent from the United Kingdom." and by the exclusion of the fourth sentence and the substitution of the following sentence: "In the case of an equality of votes the chairman shall not have a second or casting vote."
30. The quorum for the transaction of business at any meeting of the board shall be at least one NJG Director (or his alternate) and at least one MDL Director (or his alternate) present at the time when

the relevant business is transacted. If such a quorum is not present within 30 minutes from the time appointed for the meeting or if during the meeting such a quorum ceases to be present, the meeting shall be adjourned for ten Business Days.

31. At least seven days' written notice shall be given to each of the members of the board of any meeting of the board, provided always that a shorter period of notice may be given with the written approval of at least one NJG Director (or his alternate) and at least one MDL Director (or his alternate). Any such notice shall contain, inter alia, an agenda identifying in reasonable detail the matters to be discussed at the meeting and shall be accompanied by copies of any relevant papers to be discussed at the meeting. Any matter which is to be submitted to the board for a decision which is not identified in reasonable detail as aforesaid shall not be decided upon, unless otherwise agreed in writing by all of the members of the board.
32. Each notice convening a meeting of the directors shall be sent to the address notified from time to time by each director to the secretary (or if none has been supplied, to his last known address).
33. Meetings of directors shall make decisions by passing resolutions. A resolution is passed if:
  - 33.1 more votes are cast for it than against it; and
  - 33.2 at least one NJG Director and at least one MDL Director have voted in favour of it.
34. If the shareholders are not represented at any meeting of the board by an equal number of NJG Directors and MDL Directors (whether present in person or by alternate), then one of the directors so nominated by the shareholder which is represented by fewer directors shall be entitled at that meeting to such additional vote or votes as shall result in the directors so present representing each shareholder having in aggregate an equal number of votes.
35. A director or his alternate may validly participate in a meeting of the directors or a committee of directors through the medium of conference telephone or similar form of communications equipment if all persons participating in the meeting are able to hear and speak to each other throughout the meeting. A person participating in this way is deemed to be present in person at the meeting and is counted in a quorum and entitled to vote. Subject to the Act, all business transacted in this way by the directors or a committee of directors is for the purposes of these articles deemed to be validly and effectively transacted at a meeting of the directors or of a committee of directors although fewer than two directors or alternate directors are physically present at the same place. The meeting is deemed to take place where the largest group of those participating is assembled or, if there is no such group, where the chairman of the meeting then is.
36. If and for so long as there is a sole director, he may exercise all the powers conferred on the directors by these articles by resolution in writing signed by him, and regulations 88, 89, 91 and 93 of Table A do not apply. If and for so long as there is a sole director, regulation 92 of Table A shall be deleted in its entirety and the following shall be substituted therefor: "All acts done by a sole director or by a person acting as a sole director shall, notwithstanding that it be afterwards discovered that there was a defect in the appointment of such director or that such director was disqualified from holding office, or had vacated office, or was not entitled to vote, be as valid as if such director had been duly appointed and was qualified and had continued to be a director and had been entitled to vote."
37. Subject to:
  - 37.1 the provisions of sections 177 and 182 of the CA 2006; and
  - 37.2 to the terms of any authorisation of a conflict made in accordance with the provisions of articles 38-48,

a director may 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. The director shall be counted in the quorum present at a meeting when any such resolution is under consideration and if he votes his vote shall be counted.

## POWERS OF DIRECTORS TO AUTHORISE CONFLICTS OF INTEREST

38. The directors may authorise, to the fullest extent permitted by law, any matter proposed to them which would otherwise result in a director infringing his duty under section 175 of the CA 2006 to avoid a situation in which he has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company and which may reasonably be regarded as likely to give rise to a conflict of interest.
39. To the fullest extent possible by law and subject to the other provisions of the articles, for the purposes of section 180(4)(a) of the CA 2006, any director shall be authorised in respect of the Pre-Authorised Situations.
40. Authorisation of a matter under article 38 is effective only if:-
- 40.1 the matter has been proposed to the directors by its being submitted in writing for consideration at a meeting of the directors or for the authorisation of the directors by resolution in writing and in accordance with the board's normal procedures or in such other manner as the board may approve;
- 40.2 any requirement as to quorum at the meeting of the directors at which the matter is considered is met without counting the director in question and any other interested director; and
- 40.3 the matter has been agreed to without the director in question and any other interested director voting or would have been agreed to if their votes had not been counted.
41. Where proposals concerning the authorisation by the directors of Conflict Situations of two or more directors under article 38 are under consideration, such directors' interests may be divided and considered separately for each director and each such director may form part of the quorum and vote in relation to each resolution except any resolution(s) concerning his own Conflict Situation(s) (provided he is not otherwise precluded from voting or forming part of the quorum).
42. Any authorisation of a matter under article 38 shall extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter so authorised.
43. The board may authorise a matter pursuant to article 38 on such terms and for such duration, or impose such limits or conditions on it, as it may decide and vary the terms or duration of such an authorisation (including any limits or conditions imposed on it) or revoke it. A director shall comply with any obligations imposed on him by the directors pursuant to any such authorisation.
44. Any terms imposed by the board under article 43 may include (without limitation):-
- 44.1 whether the director may vote (or be counted in the quorum) at a meeting of the board or any committee or sub-committee of the board in relation to any resolution relating to the relevant matter;
- 44.2 whether the director is to be given any documents or other information in relation to the relevant matter; and
- 44.3 whether the director is to be excluded from discussions in relation to the relevant matter at a meeting of the board or any committee or sub-committee of the board or otherwise.
45. The director shall not be required to disclose any confidential information obtained in relation to the relevant matter (other than through his position as a director of the Company) to the Company or to use or apply it in performing his duties as a director if to do so would result in a breach of a duty or obligation of confidence owed by him in relation to or in connection with that matter.
46. A director does not infringe any duty he owes to the Company by virtue of sections 171 to 177 of the CA 2006 if he acts in accordance with such terms, limits and conditions (if any) as the board may impose in respect of its authorisation of the director's conflict of interest or possible conflict of interest under article 38.

47. A director shall not, save as otherwise agreed by him, be accountable to the Company for any benefit which he (or a person connected with him) derives from any matter authorised by the directors under article 38 and any contract, transaction or arrangement relating thereto shall not be liable to be avoided on the grounds of any such benefit.
48. A reference in these articles to a conflict of interest includes a conflict of interest and duty and a conflict of duties.
49. For the purposes of these articles 37 to 48:
- 49.1 an interest of a person connected with a director for the purposes of the CA 2006 shall be treated as an interest of the director; and
- 49.2 an interest of the appointor of an alternate director shall be treated as an interest of the alternate director (together with any interest which the alternative director has otherwise).

#### **THE SEAL**

50. In the first sentence of regulation 101 of Table A the words "The seal" shall be deleted and the words "Any seal adopted by the Company" shall be substituted therefor.

#### **DIVIDENDS**

51. The directors may deduct from a dividend or other amounts payable to a person in respect of a share any amounts due from him to the Company on account of a call or otherwise in relation to a share.

#### **CAPITALISATION OF PROFITS**

52. The directors may, with the authority of an ordinary resolution of the Company, resolve that any shares allotted under regulation 110 of Table A to any member in respect of a holding by him of any partly-paid shares rank for dividend, so long as such shares remain partly paid, only to the extent that such partly-paid shares rank for dividend and regulation 110 of Table A is modified accordingly.

#### **NOTICES**

53. Regulation 112 of Table A is modified by the deletion of the third sentence and the substitution for it of the following: "A member whose registered address is not within the United Kingdom is entitled to have notices given to him at that address."
54. A notice sent to a member (or another person entitled to receive notices under the articles) by post to an address within the United Kingdom is deemed to be given:-
- 54.1 24 hours after posting, if pre-paid as first class, or
- 54.2 48 hours after posting, if pre-paid as second class.

A notice sent to a member (or other person entitled to receive notices under these articles) by post to an address outside the United Kingdom is deemed to be given 72 hours after posting, if pre-paid as airmail.

Proof that an envelope containing any notice was properly addressed, pre-paid and posted is conclusive evidence that the notice was given. A notice not sent by post but left at a member's registered address is deemed to have been given on the day it was left.

55. A notice sent to a member (or another person entitled to receive notices under the articles) by using electronic communications is deemed to be given at the expiration of 24 hours after the time it was sent.

Proof that any 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.

56. Regulation 116 of Table A is modified by the deletion of the words "within the United Kingdom".

#### **INDEMNITY**

57. Subject to the provisions of the Act, but without prejudice to any indemnity to which he may otherwise be entitled, every officer or auditor of the Company shall be indemnified out of the assets of the Company against all costs, charges, losses and liabilities incurred by him in the execution of his duties or the exercise of his powers, authorities and discretions including (without prejudice to the generality of the foregoing) a liability incurred:-
- 57.1 defending proceedings (whether civil or criminal) in which judgment is given in his favour or in which he is acquitted, or which are otherwise disposed of without a finding or admission of material breach of duty on his part, or
- 57.2 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.
58. The directors may exercise all the powers of the Company to purchase and maintain insurance for the benefit of a person who is an officer or employee, or former officer or employee, of the Company or of a company which is a subsidiary of the Company or in which the Company has an interest (whether direct or indirect), or who is or was trustee of a retirement benefits scheme or another trust in which an officer or employee or former officer or employee is or has been interested, indemnifying him against liability for negligence, default, breach of duty or breach of trust or any other liability which may lawfully be insured against by the Company. No director or former director shall be accountable to the Company or its members for any benefit provided pursuant to this article and the receipt of any such benefit shall not disqualify any person from being or becoming a director of the Company.