

PRIVATE COMPANY LIMITED BY SHARES

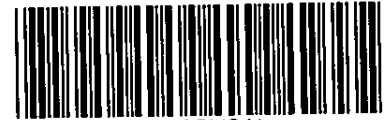
WRITTEN RESOLUTIONS

of

INDEPENDENT RETAIL DESIGN GROUP LIMITED

(Company)

TUESDAY



A25 15/10/2013 #309
COMPANIES HOUSE

Circulation Date: 24 September 2013

Pursuant to Chapter 2 of Part 13 of the Companies Act 2006, the directors of the Company propose that the resolutions below be passed (**Resolutions**) with resolutions 1 to 4 being passed as Ordinary Resolutions (**Ordinary Resolutions**) and resolutions 5 to 8 being passed as Special Resolutions (**Special Resolutions**)

ORDINARY RESOLUTIONS

- 1 THAT, the Company resolves to create new classes of A Ordinary Shares of £1 00 each in the capital of the Company, B Ordinary Shares of £1 00 each in the capital of the Company and C Ordinary Shares of £1 00 each in the capital of the Company which are hereby subject to the rights and obligations as set out in the Company's new articles of association adopted pursuant to the special resolutions set out below
- 2 THAT, 66,668 of the Ordinary Shares of £1 00 in the capital of the Company of which James Fenton is the current holder as of the Circulation Date of these Resolutions be reclassified and redesignated as 66,668 A Ordinary Shares of £1 00 in the capital of the Company
- 3 THAT, 66,668 of the Ordinary Shares of £1 00 in the capital of the Company of which James Kennaugh is the current holder as of the Circulation Date of these Resolutions be reclassified and redesignated as 66,668 B Ordinary Shares of £1 00 in the capital of the Company
- 4 THAT, 66,668 of the Ordinary Shares of £1 00 in the capital of the Company of which Vernon James Terry is the current holder as of the Circulation Date of these Resolutions be reclassified and redesignated as 66,668 C Ordinary Shares of £1 00 in the capital of the Company

SPECIAL RESOLUTIONS

- 5 THAT, the articles of association of the Company be amended by the insertion of the following new definitions in article 1 1

"A Shares" means the Ordinary A shares of £1 00 each in the capital of the Company

"B Shares" means the Ordinary B shares of £1 00 each in the capital of the Company

"C Shares" means the Ordinary C shares of £1 00 each in the capital of the

Company ”

SPECIAL RESOLUTION

- 6 THAT, the articles of association of the Company be amended by the deletion of article 7 and the insertion of the following new article 7

“7 The Company’s issued share capital is £200,004 divided into 66,668 A Shares, 66,668 B Shares and 66,668 C Shares ”

SPECIAL RESOLUTION

- 7 THAT, the articles of association of the Company be amended by the re-designation of the current clause 9 as clause 9 1 and the insertion of the following clause 9 2

“9 2 The voting rights attaching to shares in the company are as follows

9 2 1 the A Shares, B Shares and C Shares shall be full voting shares and shall entitle the holders thereof to receive notice of and to attend and vote at all general meetings of the company such that each holder of A Shares, B Shares and C shares shall be entitled to one vote in respect of each share of which he is the holder,

9 2 2 the Ordinary Shares shall be non voting shares and shall not entitle the holders thereof to attend and vote at any general meeting of the company unless the general meeting is to consider any matter which constitutes a variation of the rights attaching to the Ordinary Shares in which case each member holding Ordinary Shares shall be entitled to one vote in respect of each Ordinary Share of which he is a holder The holders of the Ordinary Shares shall (subject to the restrictions set out in this Article) be entitled to receive notice of all general meetings ”

SPECIAL RESOLUTION

- 8 THAT, the articles of association of the Company be amended by the insertion of the following clause 10 and the consequent re-numbering of the subsequent clauses

“10. Dividend Rights

10 1 in the event that the company has profits available for distribution the Company may declare and pay such dividends in such amounts and at such times as the board may in its absolute discretion determine whether in respect of the Ordinary Shares, A Shares, B Shares, and C Shares,

10 2 for the purposes of clause 10 1, the Ordinary Shares, A Shares, B Shares and C Shares shall constitute separate classes of shares for the payment of dividends ”

AGREEMENT

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

The undersigned, the persons entitled to vote on the Resolutions on 24 September 2013, hereby irrevocably agree to the Resolutions

Signed by **JAMES FENTON**

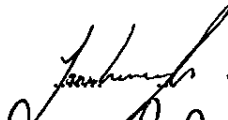
Dated



24 September 2013

Signed by **JAMES KENNAUGH**

Dated



24 September 2013

Signed by **VERNON JAMES TERRY**

Dated



24 September 2013

NOTES

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

- **By Hand** delivering the signed copy to Spearing Waite LLP, 41 Friar Lane, Leicester, LE1 5RB
- **Post** returning the signed copy by post to Spearing Waite LLP, 41 Friar Lane, Leicester, LE1 5RB

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

2 Once you have indicated your agreement to the Resolutions, you may not revoke your agreement

3 Unless, by 28 days of the Circulation Date, sufficient agreement has been received for the Resolutions to pass, it will lapse If you agree to the Resolutions, please ensure that your agreement reaches us before or during this date

4 In the case of joint holders of shares, only the vote of the senior holder who votes will be counted by the Company Seniority is determined by the order in which the names of the joint holders appear in the register of members

5 If you are signing this document on behalf of a person under a power of attorney or other authority please send a copy of the relevant power of attorney or authority when returning this document

MA
Company No. 7880916

THE COMPANIES ACT 2006

COMPANY LIMITED BY SHARES NEW ARTICLES OF ASSOCIATION

of

INDEPENDENT RETAIL DESIGN GROUP LIMITED

(Adopted by Special Resolution dated 24 September 2013)

INTERPRETATION

1 1 In these Articles, if not inconsistent with the subject or context –

“the Act”	means the Companies Act 2006 and any statutory modification or re-enactment from time to time in force,
“the Articles”	means these Articles of Association as amended from time to time,
“A Shares”	means the Ordinary A shares of £1 00 each in the capital of the Company
“B Shares”	means the Ordinary B shares of £1 00 each in the capital of the Company
“C Shares”	means the Ordinary C shares of £1 00 each in the capital of the Company
“Business Days”	means Monday to Friday inclusive but excluding statutory holidays or days on which banks generally are not open for business,
“Connected Person”	means as defined by Section 839 of the Income and Corporation Taxes Act 1988,
“Financial Year”	means the Company's financial year from time to time,
“Group”	means in relation to any company, any holding company of that company and any subsidiaries of that company or its holding company,

"Model Articles" the model articles for private companies limited by shares contained in Schedule 1 of the Companies (Model Articles) Regulations 2008 (SI 2008/3229) as amended,

"Ordinary Share" means an ordinary share of £1 00 of the Company and Ordinary Shares shall be construed accordingly,

"Member" means a party holding Shares,

"Member Related Contract" means any agreement, transaction or arrangement (including payment of any sum on an ex gratia basis) made between a Member (or a person who in relation to such person is a Connected Person) and the Company or any Member of its Group,

"Shares" means Ordinary Shares and 'Share' shall be construed accordingly,

"Year End Day" means the last day of the Financial Year

- 1 2 Any term or expression defined in the Act shall, unless the context otherwise requires, have the same meaning in these Articles
- 1 3 The singular shall include the plural and vice versa
- 1 4 The expression "Member" or "Member" includes his personal representatives
- 1 5 References to the masculine gender shall include the feminine gender

MODEL ARTICLES

- 2 1 The Model Articles shall apply to the Company save insofar as they are modified or excluded by these Articles or are inconsistent with these Articles, and, subject to any such modifications, exclusions or inconsistencies, shall together with these Articles constitute the articles of association of the Company to the exclusion of any other articles or regulations set out in any statute or in any statutory instrument or other subordinate legislation
- 2 2 Save as otherwise specifically provided in these Articles, words and expressions which have particular meanings in the Model Articles shall have the same meanings in these Articles where the context admits
- 3 Any proposed amendments to or variation of these Articles shall be deemed to be a variation of the rights attached to the Shares
- 4 Regulations 11, 12, 13, 14, 22(1), 26(1), 26(5), 41 and 52 of the Model Articles do not apply to the Company

SHARE CAPITAL

- 5 The Company does not have power to issue share warrants to bearer
- 6 The provisions of section 561(1) of the Act do not apply to the Company
- 7 The Company's issued share capital is £200,004 divided into 66,668 A Shares, 66,668 B Shares and 66,668 C Shares
- 8 All of the Ordinary Shares shall confer upon the holders the same rights and rank *pari passu* in all respects

VOTES

- 9 1 Regulation 42 of the Model Articles shall apply to the voting rights of the Members save that if any Member purports to dispose of any interest in any Shares otherwise than in accordance with the provisions of these Articles, then the Shares concerned shall cease to entitle the holder to attend and vote at general meetings of the Company unless and until the provisions of these Articles are fully complied with
- 9 2 The voting rights attaching to shares in the company are as follows
 - 9 2 1 the A Shares, B Shares and C Shares shall be full voting shares and shall entitle the holders thereof to receive notice of and to attend and vote at all general meetings of the company such that each holder of A Shares, B Shares and C shares shall be entitled to one vote in respect of each share of which he is the holder, and
 - 9 2 2 the Ordinary Shares shall be non voting shares and shall not entitle the holders thereof to attend and vote at any general meeting of the company unless the general meeting is to consider any matter which constitutes a variation of the rights attaching to the Ordinary Shares in which case each member holding Ordinary Shares shall be entitled to one vote in respect of each Ordinary Share of which he is a holder. The holders of the Ordinary Shares shall (subject to the restrictions set out in this Article) be entitled to receive notice of all general meetings

DIVIDEND RIGHTS

- 10 1 In the event that the company has profits available for distribution the Company may declare and pay such dividends in such amounts and at such times as the board may in its absolute discretion determine whether in respect of the Ordinary Shares, A Shares, B Shares, and C Shares
- 10 2 For the purposes of clause 10 1, the Ordinary Shares, A Shares, B Shares and C Shares shall constitute separate classes of shares for the payment of dividends

PERMITTED TRANSFERS

- 11 The directors shall not register any transfer of Shares in the Company save as expressly permitted by these Articles
- 12 Any Share may be transferred at any time by a Member to any other person with the consent of the holders of all the Shares

UNISSUED SHARES

- 13 Unissued shares shall be allotted only as follows -
- 13 1 on the occasion of each allotment the Shares being allotted shall be allotted at the same price (not being at a discount), and
 - 13 2 no Shares shall be issued otherwise than to Members already holding Shares without the prior written consent of all the Members
- 14 The Company shall have a first and paramount lien on every Share for all moneys (whether presently payable or not) called or payable at a fixed time and in respect of that Share. The Company shall also have a first and paramount lien on all Shares registered in the name of any person (whether solely or jointly with others) for all moneys owing to the Company from him or his estate either alone or jointly with any other person, whether as a Member or not and whether such moneys are presently payable or not. The directors may at any time declare any Share to be wholly or partly exempt from the provisions of this Article. The Company's lien on a share shall extend to any amount payable in respect of it.

TRANSFER OF SHARES

- 15 The instrument of transfer of any Share shall be executed by or on behalf of the transferor. In the case of a partly-paid Share, the instrument of transfer must also be executed by or on behalf of the transferee. The transferor shall be deemed to remain the holder of the Share until the name of the transferee is entered in the register of Members in respect of it.
- 16 No transfer of any Shares or any interest in Shares shall be made unless the following provisions are complied with in respect of the transfer:
- (A) A Member, or person entitled to Shares by way of the death or bankruptcy of a Member (or upon the liquidation or administration or administrative receivership of any corporate Member), who wishes to transfer Shares or any interest in Shares ("the Vendor") shall give to the Company notice in writing (a "Transfer Notice"). A Transfer Notice shall constitute the directors the Vendor's agents for the sale of the Shares specified in it ("the Sale Shares") at a price ("the Sale Price") which is agreed upon by the Vendor and the directors or, in the absence of agreement, which the auditors of the Company (acting as experts and not as arbitrators) certify to be in their opinion the fair value of the Sale Shares, as at the date of the Transfer Notice, as between a willing seller and a willing buyer contracting on arm's length terms, having regard to the fair value of the business of the Company and its subsidiaries as a going concern but without taking into account (if it be the case) that the Sale Shares constitute a minority or majority interest and the Company and the directors shall instruct the auditors to give such certificate as soon as reasonably practicable.
 - (B) The auditors' certificate shall be binding upon all parties.
 - (C) If the auditors are asked to certify the Sale Price the Company shall within 21 days of the issue of the auditors' certificate send a copy to the Vendor. The Vendor shall be entitled, by notice in writing given to the Company within 14 days of the copy being sent to him, to withdraw the Transfer Notice. The cost of obtaining the certificate shall be borne by the Company. A Transfer Notice shall not otherwise be revocable without the consent of all the directors of the Company, who may impose such condition upon any consent as they think fit, including a condition that the Vendor bears all associated costs.
 - (D) Upon the Sale Price being agreed or certified and provided the Vendor does not withdraw the Transfer Notice in accordance with paragraph (C), the directors shall promptly, by notice in writing, offer the Sale Shares to all the Members (other than the

Vendor) The offer shall be open for a period of 28 days from the date of the notice ("the Acceptance Period") If the offerees within the Acceptance Period apply for all or any of the Sale Shares the directors shall allocate the Sale Shares or such of the Sale Shares as are applied for amongst the applicants for any of the Sale Shares, and in the case of competition in proportion to their then existing holdings of shares (as nearly as may be without involving fractions or increasing the number allocated to any applicant beyond that applied for by him)

- (E) If pursuant to Article 16(D) above Members shall have expressed their willingness to purchase part only of the Sale Shares or no such Members shall have expressed their willingness to purchase any of the Sale Shares, the Board shall within 7 days after the expiry of the Acceptance Period give notice in the manner provided in Article 16(D) to all the Members in respect of the Sale Shares or (as the case may be) so many of them as the Members have not already expressed willingness to purchase pursuant to Article 16(D) above and the provisions of that Article shall apply to the offer of Sale Shares to all the Members
- (F) If within the Acceptance Period applications are received pursuant to this Article 16, from one or more of the other Members ("the Transferees") in respect of all or any of the Sale Shares, the directors shall promptly give notice in writing ("the Acceptance Notice") to the Vendor specifying the number of Sale Shares applied for and the place and time (being not earlier than 30 and not later than 60 days after the date of the Acceptance Notice) at which the sale shall be completed
- (G) The Vendor shall be bound to transfer the Sale Shares, or such of the Sale Shares as are applied for, to the Transferees at the time and place specified in the Acceptance Notice and payment of the Sale Price for the Sale Shares (or, if some only of the Sale Shares have been applied for, the corresponding proportion of the Sale Price for all the Sale Shares) shall be made to the directors as agents for the Vendor If the Vendor fails to transfer the Sale Shares, or such of the Sale Shares as are applied for, the chairman of the Company or some other person appointed by the directors shall be deemed to have been appointed attorney of the Vendor with full power to execute, complete and deliver, in the name and on behalf of the Vendor, transfers of the Sale Shares, or such of the Sale Shares as are applied for, to the Transferees against payment of the Sale Price, or the corresponding proportion of the Sale Price, to the Company On payment to the Company, the Transferees shall be deemed to have obtained a good discharge for this payment On execution and delivery of the transfers, the Transferees shall be entitled to require their names to be entered in the register of Members as the holders by transfer of the Sale Shares or such of the Sale Shares as are applied for If any Sale Shares are transferred to the holder of shares of the other class, they shall automatically be re-designated, on registration of the transfer, as shares of the other class unless all the issued shares of the Company would then be of only one class The Company shall pay the price into a separate bank account in the Company's name and hold it in trust for the Vendor, after deducting any fees or expenses falling to be borne by the Vendor After the names of the Transferees have been entered in the register of Members in purported exercise of the above powers, the validity of the proceedings shall not be questioned by any person
- (H) If the offer of the Sale Shares at the Sale Price is accepted in part only within the Acceptance Period, the Vendor shall be at liberty during the period of 3 months following the expiry of the Acceptance Period to transfer all or any of the remaining Sale Shares to any person at a price not being less than a due proportion of the Sale Price The directors may require to be satisfied that the Sale Shares not applied for are being transferred in pursuance of a bona fide sale for the consideration stated in the transfer without any deduction, rebate or allowance of any kind to the purchaser and, if not satisfied, may refuse to register the instrument of transfer A director who is,

or is nominated by, the Vendor shall not be entitled to vote at any board meeting at which a resolution to the sale is proposed

- (I) If the offer of the Sale Shares at the Sale Price is not accepted in whole or in part within the Acceptance Period, the Vendor shall be at liberty during the period of 3 months following the expiry of the Acceptance Period to transfer all or any of the Sale Shares to any person at a price not being less than the Sale Price. The directors may require to be satisfied that the Sale Shares are being transferred in pursuance of a bona fide sale for the consideration stated in the transfer without any deduction, rebate or allowance of any kind to the Purchaser. If not satisfied, the directors may refuse to register the relevant instrument of transfer. A director who is, or is nominated by, the Vendor shall not be entitled to vote at any board meeting at which a resolution relating to the sale is proposed.
- (J) Upon transferring any of the Sale Shares to the Transferee or to a third party in accordance with the provisions of this Article the Vendor shall procure that all directors appointed by it to the board of the Company resign and, pending registration of the transfer, shall assist (if necessary) in procuring that directors nominated by the transferee are appointed in their place.
- (K) Notwithstanding the above, the directors may decline to register a transfer of a share on which the Company has a lien.
- (L) The restrictions on transfer contained in this Article shall not apply to
 - (i) a transfer approved in writing by all the Members,
 - (ii) a transfer from one Member to another Member
 - (iii) a transfer by a corporate Member ("the transferor company") to an associated company ("the transferee company") (that is to say, a holding company or wholly-owned subsidiary of the transferor company and any other wholly-owned subsidiary of any holding company). If the transferor company and the transferee company cease to be associated, the transferee company shall be deemed to have given a Transfer Notice immediately prior to that event in respect of all shares transferred to it unless it retransfers the shares to the transferor company.
 - (iv) a transfer by a corporate Member to a company formed to acquire the whole or a substantial part of its undertaking and assets as part of a scheme of amalgamation or reconstruction. It must be proved to the reasonable satisfaction of the directors that the transfer bona fide falls within one of these exceptions.
- (M) For the purposes of this Article 16 the following shall be deemed to be a Relevant Event
 - (i) a direction (by way of renunciation, nomination or otherwise) by a Member entitled to an allotment or transfer of shares to the effect that all or any of the shares be allotted, issued or transferred to some person other than himself,
 - (ii) a sale or other disposition of any beneficial interest in a share (whether or not for consideration) by a Member otherwise than in accordance with the above provisions and whether or not made in writing,
 - (iii) a corporate Member entering into liquidation (other than a Members' voluntary liquidation for the purpose of reconstruction or amalgamation) or an

administrative receiver or a receiver being appointed over any of its assets or an administration order being made against it, or

- (iv) the death or bankruptcy of a Member who is an individual
- (N) If a Relevant Event occurs in relation to a Member, he shall be deemed to have given a Transfer Notice in respect of all Shares of each class held by him or by any nominee for him immediately prior to the event
- (O) If a corporate Member ceases to be controlled by the person who at the time when it became a Member had control, the Member shall be deemed immediately prior to that event to have served a Transfer Notice in respect of all the shares held by it, unless all the other Members otherwise agree in writing. For the purposes of this paragraph, a person shall be deemed to have control of a corporation if the corporation is a subsidiary of that person or would have been a subsidiary if that person had itself also been a corporation
- (P) Any Transfer Notice deemed to have been given under paragraph (L)(iii), (N) or (O) of this Article 16 shall be deemed to contain a provision, binding on the Company, that unless all the Sale Shares comprised in it are sold by the Company pursuant to this Article none shall be sold. Paragraph (C) of this Article shall not apply in so far as it entitles the Vendor to withdraw the Transfer Notice. Where a Member gives a Transfer Notice in circumstances where a Transfer Notice would otherwise be deemed to have been given by him he shall not be entitled to withdraw it
- (Q) For the purpose of ensuring that a transfer of Shares is duly authorised, or that no circumstances have arisen whereby a Transfer Notice is deemed to have been given, the directors may require a Member, the legal representatives of a deceased Member, the liquidator of a corporate Member or a person named as transferee in a transfer lodged for registration to furnish to the Company such information and evidence as the directors think fit regarding any matter they deem relevant to that purpose. If the information or evidence is not furnished to the satisfaction of the directors within a reasonable time after the request, the directors shall be entitled to refuse to register the transfer in question. In a case where no transfer is in question or if the information or evidence discloses that a Transfer Notice ought to be given in respect of any shares, the directors shall be entitled within a reasonable time to require, by notice in writing given to the registered holder, that a Transfer Notice be given in respect of the shares concerned. A director who is, or is nominated by, the Vendor or the holder of the shares concerned shall not be entitled to vote at any board meeting at which a resolution considering the registration of a transfer or (in case no transfer is in question) to require by notice in writing that a Transfer Notice be given in respect of the shares concerned is proposed. If the directors require that a Transfer Notice be given and it is not duly given within one month from the date of its being required, the Transfer Notice shall be deemed to have been given at the expiration of the month and the provisions of this Article shall take effect accordingly
- (R) Subject to paragraph (Q) of this Article, the directors shall register any transfer made pursuant to or permitted by this Article but shall refuse to register any other transfer

DRAG-ALONG RIGHTS

- 17 (A) If a member or members of the Company who own 70% or more of the total number in aggregate of the Shares outstanding and in issue ("the 70% Shareholders") receive or have agreed to a bona fide arm's length offer for 70% or more of the total number of the Shares outstanding and in issue (the "Offer") from a third party ("the Purchaser") the 70% Shareholders may by serving a notice (the "Compulsory Purchase Notice") on the remaining holders of Shares (the "Minority Shareholders") requiring all the Minority Shareholders to sell their Shares ("the Compulsory Purchase Shares") at the same

price and on the same terms that have been offered to the 70% Shareholders, to one or more persons identified in the Compulsory Purchase Notice provided that such price shall not be less than the greater of -

- (i) the highest consideration offered for each Share whose proposed transfer led to the Offer, or
- (ii) the highest consideration paid by any member of the Purchaser for any Shares in the twelve months up to the Offer,

but adjusted according to the rights and restrictions applicable to each different class of Compulsory Purchase Shares (the "Compulsory Purchase Price")

- (B) The provisions of Article 16 (Transfer of Shares) shall not apply to any transfer of ownership of Shares as a result of an Offer
- (C) The Shares of the Minority Shareholders shall be sold and purchased in accordance with the following provisions, namely -
 - (i) by a date 14 days after the service of the Compulsory Purchase Notice (the "Completion Date"), the Minority Shareholders shall deliver stock transfer forms in respect of, and the relevant share certificates for, the Compulsory Purchase Shares held by them, to the Company,
 - (ii) on the Completion Date the Company shall pay the Minority Shareholders, on behalf of each of the persons identified as purchasers in the Compulsory Purchase Notice (the "Offerors"), monies received in respect of the Compulsory Purchase Shares ("Purchase Monies") to the extent the Offerors have put the Company in the requisite funds. The Company's receipt for the price shall be a good discharge to the Offerors. The Company shall hold any Purchase Monies received on trust for the Minority Shareholders,
 - (iii) to the extent that Offerors have not, by the Completion Date, put the Company in funds to pay for the Compulsory Purchase Shares, the Minority Shareholders shall be entitled to the return of the stock transfer forms and share certificates for the Compulsory Purchase Shares and the Minority Shareholders shall have no further rights or obligations under this Article 17 in respect of those Compulsory Purchase Shares, and
 - (iv) if a Minority Shareholder fails to deliver stock transfer forms for Compulsory Purchase Shares to the Company by the Completion Date, the directors may authorise any director to execute the necessary transfer(s) on his behalf and, against receipt by the Company (on trust for such Minority Shareholder) of the purchase moneys payable for the relevant shares, deliver such transfer(s) to the proposed transferee or his nominee and register such transferee or his nominee as the holder thereof, and after such transferee or his nominee has been registered as the holder the validity of such proceedings shall not be questioned by any person. The defaulting Minority Shareholder shall thereafter surrender his share certificate for the Compulsory Purchase Shares to the Company upon receiving written notice to do so from the Company. On surrender, the Company shall pay the Purchase Monies received in respect of such Compulsory Purchase Shares to the Minority Shareholder.
- (D) Any dispute on the price payable for the Compulsory Purchase Shares shall be referred to the Auditors (which expression in this Article 17 shall include, if none have been appointed, the Accountants of the Company) or at the sole and absolute discretion of the directors, to an independent expert chosen by the directors of the

Company The Auditors, or independent expert (as the case may be) shall act as an expert and not as an arbitrator and the Auditors' or independent expert's decision (as the case may be) shall be final and binding The costs of the Auditors or independent expert (as the case may be) shall be paid by the Company

TAG ALONG RIGHTS

- 18 (A) This Article 18 applies when a transfer of Shares made under these Articles would, if registered, result in a person and/or any other person -
- (i) who in relation to him is a "connected person", as defined in section 839 of the Income and Corporation Taxes Act 1988, or
 - (ii) with whom he is acting in concert, as defined in The City Code on Takeovers and Mergers,
- (each being "a Purchaser") holding or increasing a holding to 70% or more of the total number in aggregate of the Shares in issue
- (B) No transfer to which this Article 18 applies may be made or registered unless--
- (i) it is agreed to in writing by the holders of all the Shares in issue taken together, or
 - (ii) the proposed transferee has made an offer to buy all the other shares in issue on the terms set out in Article 18(D) below (the "Tag-Along Offer") and the Tag- Along Offer has closed and each accepted Tag-Along Offer has been completed, unless failure to complete is the fault of the offeree
- (C) The provisions of Article 16 (Transfer of Shares) shall not apply to any transfer of Shares as a result of a Tag-Along Offer
- (D) The terms of the Tag-Along Offer shall be as follows -
- (i) the Tag-Along Offer shall be open for acceptance for 21 days or more,
 - (ii) the consideration for each Share shall be a price which is the higher of -
 - 1 the highest consideration offered for each Share whose proposed transfer led to the Tag-Along Offer, and
 - 2 the highest consideration paid by any member of the purchasing group for a Share in the twelve months up to the Tag-Along Offer, but adjusted according to the rights and restrictions applicable to each class of Share
 - (iii) The Tag-Along Offer may be conditional on the Tag-Along Offer resulting in Purchasers together holding or increasing their shareholding to a specified proportion of the Shares in issue
- (E) Any dispute on the appropriate consideration for the Shares which are the subject of the Tag-Along Offer shall be referred to the Auditors (which expression in this Article 18 shall include, if none have been appointed, the Accountants of the Company) or at the sole and absolute discretion of the directors, an independent expert chosen by the directors of the Company The Auditors or independent expert shall act as an expert and not as an arbitrator and the Auditors' or independent expert's decision shall be final and binding The costs of the Auditors or independent expert (as the case may be) shall be paid by the Company

- (F) Within 7 days after the Tag-Along Offer ceases to be open for acceptance (the "Closing Date")
- (i) the Company shall notify the Purchasers of the names and addresses of the shareholders who have accepted the Tag-Along Offer (each a "Selling Shareholder"),
 - (ii) the Company shall notify each Selling Shareholder that he/it is to dispose of all of his/its shares (the "Sale Shares"), and
 - (iii) the Company's notices shall state the place and time, between 7 and 14 days later, on which the sale and purchase of the Sale Shares held by each Selling Shareholders are to be completed
- (G) If any Selling Shareholder does not transfer their Sale Shares in accordance with Article 18(F), the directors may authorise any director to transfer such Sale Shares on the Selling Shareholder's behalf to the proposed transferee against receipt by the Company of the consideration for such Sale Shares. The Company shall hold such consideration on trust for the Selling Shareholder. The Company's receipt of the consideration shall be a good discharge to the Purchaser. The directors shall then authorise registration of the transfer once appropriate stamp duty has been paid. The defaulting Selling Shareholder shall upon receiving written notice from the Company surrender its share certificate for the Sale Shares to the Company. On such surrender, the Company shall pay to such Selling Shareholder consideration received by it in respect of such Sale Shares.

GENERAL MEETINGS

- 18 The powers of consolidation, division, sub-division and cancellation of the share capital of the Company conferred by the Act shall be exercised by special resolution.
- 19 No business shall be transacted at any general meeting unless the requisite quorum is present. The Member or Members present in person or by proxy (or, in the case of a corporate Member, by representative) shall be a quorum for all purposes, provided that such Member or Members hold 60% or more of the Shares. Where all the Members have waived in writing the quorum requirement, the waiver shall be effective for the meeting or particular business, or otherwise, as specified in the waiver.
- 20 If within half an hour from the time appointed for a general meeting a quorum is not present, the meeting shall stand adjourned to the same day (or, if that day is a holiday, to the next following working day) in the next week but one and at the same time and place or to such other date, time and place as the directors determine (not being more than 30 days nor less than 10 days after the date appointed for the general meeting unless agreed by the holders of not less than nine tenths in nominal value of the Shares entitled to vote at the meeting). If at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, then the meeting shall be terminated.
- 21 Where a meeting is adjourned under Article 20 for 10 days or more, not less than 7 days' notice of the adjourned meeting shall be given as in the case of an original meeting.

DIRECTORS

- 22 The directors shall unless otherwise determined by a special resolution of the Company be not more than 3 in number.
- 23 Such person as shall be nominated by the holder or holders of at least 60% of the Shares shall be the Chairman of the Company.

- 24 A director does not require a shareholding qualification, but is nevertheless entitled to notice of and to attend and speak at any general meeting and receive a copy of any Written Resolution circulated to the Members

POWERS AND DUTIES OF DIRECTORS

- 25 Subject to the provisions of the Act, a director may contract with and participate in the profits of any contract or arrangement with the Company as if he were not a director. A director may vote in respect of the contract or arrangement, where he has previously disclosed his interest to the Company, or in respect of his appointment to any office or place of profit under the Company. He may also be counted in the quorum at any meeting at which the matter is considered

ALTERNATE DIRECTORS

- 26 A director (other than an alternate director) may appoint any person to be an alternate director and may remove from office an alternate director appointed by him. When an alternate director is also a director or acts as an alternate director for more than one director, he shall have one vote for every director represented by him (in addition to his own vote if he is himself a director). When acting, he shall be considered as two directors for the purpose of making a quorum if the quorum exceeds two

DISQUALIFICATION OF DIRECTORS

- 27 Regulation 18 of the Model Articles shall be amended by substituting the following for paragraph (d) -

(d) he becomes, in the opinion of all his co-directors, incapable by reason of mental disorder of discharging his duties as a director,

and by inserting the following paragraph (g) -

(g) he is otherwise duly removed from office

- 28 A director shall not be required to vacate his office or be ineligible for re-election, and no person shall be ineligible for appointment as a director, by reason only of his attaining or having attained any particular age

PROCEEDINGS OF DIRECTORS

- 29 Regulation 9(3) of the Model Articles shall be amended by inserting the following sentence after "Notice of a directors' meeting must be given to each director" -

'including directors who are absent from the United Kingdom and have given the Company their addresses outside the United Kingdom'

and inserting the following sentence after "but need not be in writing"

'Directors who are absent from the United Kingdom shall be entitled to receive 14 days' notice of every meeting'

- 30 Questions arising at any meeting of the directors or of any committee shall be decided by a majority of votes of the directors present
- 31 The quorum necessary for the transaction of business at any meeting of the directors or of any committee is two directors

- 32 Notice of any meeting of the directors may be given by telephone. The contemporaneous linking together by telephone of a number of the directors being not less than the quorum shall be deemed to constitute a meeting of the directors wherever in the world they are, so long as -
- 32 1 the Chairman or his alternate director shall be present at the meeting in order to constitute a quorum,
- 32 2 at the commencement of the meeting each director acknowledges the presence thereof to all the other directors taking part,
- 32 3 each of the directors taking part are able to hear each other of them subject as hereinafter mentioned throughout the meeting,
- 32 4 the directors present at the commencement of the meeting do not leave the meeting by disconnecting the telephone, but the meeting shall be deemed to have been conducted validly notwithstanding that the telephone of any director is accidentally disconnecting during the meeting and the proceedings thereof shall be deemed to be as valid as if the telephone had not been disconnected, and
- 32 5 a minute of the proceedings shall be sufficient evidence thereof and of the observance of all necessary formalities if certified by both the chairman and the company secretary

CAPITALISATION OF PROFITS

- 33 The words 'special resolution' shall be substituted for the words 'ordinary resolution' in regulation 36 of the Model Articles

NOTICES

- 34 Any notice required by these Articles to be given by the Company may be given by any visible form on paper, including facsimile and electronic mail. A notice communicated by immediate transmission shall be deemed to be given at the time it is transmitted to the person to whom it is addressed

INDEMNITY

- 35 Subject to the provisions of the Act but without prejudice to any indemnity to which a director may otherwise be entitled, every director, secretary, auditor or other officer of the Company is entitled to be indemnified by the Company against all losses and liabilities sustained or incurred by him in the execution of his duties or in the exercise of his powers or otherwise in connection with his office, including any liability incurred by him (a) in defending any 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 any finding or admission of any material breach of duty on his part, or (b) in connection with any application in which relief is granted to him by the court from liability in respect of any act or omission done or alleged to be done by him as an officer or employee of the Company. The Company may purchase and maintain for any person to whom this Article applies insurance against any liability in respect of which he is entitled to be indemnified