

Company number 07882431

PRIVATE COMPANY LIMITED BY SHARES

WRITTEN RESOLUTIONS

of SUNDRIED LTD (Company)

SATURDAY



A14 *ASE9SNCZ* #89
27/08/2016
COMPANIES HOUSE

29th September 2015

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

- Resolution 1 and 3 below are passed as special resolutions (**Special Resolutions**), and
- Resolutions 2 below is passed as an ordinary resolution (**Ordinary Resolution**)

SPECIAL RESOLUTION

THAT the draft articles of association attached to this resolution be adopted as the articles of association of the Company in substitution for, and to the exclusion of, the existing articles of association

Resolution 1. adoption of new articles of association

Under resolution 1, the Company is proposing to adopt new articles of association in substitution for the existing articles of association. The principal changes introduced by the new articles of association are to enable a convertible loan between Low Carbon Innovation Fund Limited (the lender) and the Company (the borrower)

ORDINARY RESOLUTION

Resolution 2. Authority to allot

THAT, in accordance with section 551 of the Companies Act 2006 (**CA 2006**), the directors of the Company (**Directors**) be generally and unconditionally authorised to allot shares in the Company or grant rights to subscribe for or to convert any security into shares in the Company (**Rights**) up to an aggregate nominal amount of £7,500 provided that this authority shall, unless renewed, varied or revoked by the Company, expire one month after the circulation date save that the Company may, before such expiry, make an offer or agreement which would or might require shares to be allotted or Rights to be granted and the Directors may allot shares or grant Rights in pursuance of such offer or agreement notwithstanding that the authority conferred by this resolution has expired

This authority revokes and replaces all unexercised authorities previously granted to the Directors but without prejudice to any allotment of shares or grant of Rights already made or offered or agreed to be made pursuant to such authorities

SPECIAL RESOLUTION

Resolution 3: Disapplication of pre-emption rights

THAT, subject to the passing of resolutions 1 and 2, the pre-emption rights contained in Article 3.2 of the articles of association to be adopted pursuant to resolution 1 be hereby waived and dis-applied in respect of the allotment of shares or the grant of Rights of up to an aggregate nominal amount of £3,750 within a period of 1 month from the date of this resolution, save that the Company may before the expiry of such period make an offer or agreement which would or might require shares to be allotted or Rights to be granted after the expiry of such period and the Board may allot shares or grant Rights pursuant to such offer or agreement as if this authority had not expired

AGREEMENT

Please read the notes at the end of this document before signifying your agreement to the Ordinary Resolution and Special Resolutions

The undersigned, a person entitled to vote on the above resolutions on 29th September 2015, hereby irrevocably agrees to the Ordinary Resolution and Special Resolutions

Signed by
Date

 J. Puddick
29th September 2015

NOTES

1 You can choose to agree to both the Ordinary Resolution and Special Resolutions or none of them but you cannot agree to only some of the resolutions. If you agree to all of the resolutions, please indicate your agreement by signing and dating this document where indicated above and returning it to the Company

If you do not agree to all of 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 27th October 2015, sufficient agreement has been received for the resolutions to pass, they 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

Company number 07882431

The Companies Act 2006
PRIVATE COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
of
SUNDRIED LTD

(Adopted by Written Special Resolution dated 29th September 2015)

1 Interpretation

- 1.1 In these Articles the following expressions have the following meanings unless inconsistent with the context

"acting in concert" bears the meaning given to it in The City Code on Takeovers and Mergers and the Rules Governing Substantial Acquisitions of Shares published by the Panel on Takeovers and Mergers (as amended from time to time)

"Articles" means these Articles of Association, whether as originally adopted or as from time to time altered by special resolution

"Auditors" means the auditors of the Company for the time being or, if the Company has lawfully not appointed auditors, its accountants for the time being, or, if in either case such firm is unable or unwilling to act in any particular case, such firm of chartered accountants as may be agreed between the directors of the Company and the proposing transferor (as defined in Article 4.1) or, in default of agreement, as may be appointed by the President for the time being of the Institute of Chartered Accountants in England and Wales or any successor body

"Board" means the board of directors of the Company from time to time acting by the resolution of a duly convened and quorate meeting or by unanimous decision in accordance with Article 8 of the Model Articles

"Business Days" means any day other than a Saturday, Sunday or English bank holiday

"CA 2006" means the Companies Act 2006 and any statutory modification or re-enactment thereof from time to time in force

"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" has the same meaning as in the Electronic Communications Act 2000

"Companies Acts" means the Companies Acts (as defined in section 2 CA 2006) in so far as they apply to the Company

"Controlling Interest" means an interest in Shares conferring in the aggregate 50% or more of the total voting rights conferred by all the issued Shares in the Company

"Conversion Shares" means any Shares allotted and issued pursuant to the conversion of the LCIF Loan,

"directors" means the directors for the time being of the Company or (as the context shall require) any of them acting as the Board

"eligible director" means a director who would be entitled to vote on the matter at a meeting of directors (but excluding any director whose vote is not to be counted in respect of the particular matter)

"Family Trust" means any trust which permits the settled property or the income therefrom to be applied only for the benefit of

- (a) the settlor and/or a Privileged Relation of that settlor, or
- (b) any charity or charities as default beneficiaries (meaning that such charity or charities have no immediate beneficial interest in any of the settled property or the income therefrom when the trust is created but may become so interested if there are no other beneficiaries from time to time except another such charity or charities),

and under which no power of control is capable of being exercised over the votes of any Shares which are the subject of the trust by any person other than the trustees or the settlor or the Privileged Relations of the settlor For the purposes of this definition **"settlor"** includes a testator or an intestate in relation to a Family Trust arising respectively under a settlement, testamentary disposition or an intestacy of a deceased member

"Group" means any subsidiary of any corporate member and any holding company of any corporate member or any other subsidiary of any holding company of such corporate member and references to **"members of the Group"** shall be construed accordingly

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

"holding company" has the meaning set out in section 1159 CA 2006

"Investment Fund" means a fund, partnership, company, syndicate or other entity whose principal business is to make investments and whose business is managed by an Investment Manager

"Investment Manager" means a person whose principal business is to make, manage or advise upon investments

"LCIF" means the University of East Anglia of The Registry, University of East Anglia, Earlham Road, Norwich, Norfolk NR4 7TJ as operator of the Low Carbon Innovation Fund

"LCIF Group" means Low Carbon Innovation Fund Limited, the University of East Anglia and any company, corporate body or organisation wholly owned directly or indirectly by the University of East Anglia,

"LCIF Loan" means a secured interest bearing convertible loan in the sum of £75,000 advanced by LCIF to the Company pursuant to the LCIF Loan Agreement,

"LCIF Loan Agreement" means a convertible loan agreement secured by Debenture entered into between LCIF and the Company on or around the date of adoption of these Articles,

"Model Articles" means the model articles for private companies limited by shares contained in Schedule 1 of The Companies (Model Articles) Regulations 2008 (S/ 2008/3229) as amended prior to the date of adoption of these Articles

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

"Permitted Transfer" means a transfer of Shares authorised by Article 5 and **"Permitted Transferee"** shall be construed accordingly

"Privileged Relation" in relation to a member means the spouse or widow or widower of the member and the member's children and grandchildren (including step and adopted children and their issue) and step and adopted children of the member's children

"relevant officer" means any director or other officer of the Company or an associated company, but excluding in each case any person engaged by the Company (or associated company) as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor)

"Rights" means rights to subscribe for, or to convert any security into, any Shares

"seal" means the common seal of the Company (if any)

"secretary" means the secretary of the Company (if any) or any other person appointed to perform the duties of the secretary of the Company, including a joint, assistant or deputy secretary

"Shares" means the Ordinary Shares

"Share Plan" means any scheme for the grant of HM Revenue & Customs approved and/or unapproved share options or Enterprise Management Incentive share options pursuant to Schedule 5 of the Income Tax (Earnings and Pensions) Act 2003 to employees and/or officers of and/or consultants to the Company or any subsidiary of the Company as established and amended from time to time

"subsidiary" has the meaning set out in section 1159 CA 2006

"United Kingdom" means Great Britain and Northern Ireland

1 2 Save as otherwise specifically provided in these Articles, words and expressions which have particular meanings in the Model Articles have the same meanings in these Articles, subject to which and unless the context otherwise requires, words and expressions which have particular meanings in CA 2006 have the same meanings in these Articles

1 3 Headings in these Articles are for convenience only and shall not affect the construction or interpretation of these Articles

- 1 4 A reference in these Articles to an “**Article**” is a reference to the relevant Article of these Articles unless expressly provided otherwise
- 1 5 Unless expressly provided otherwise, a reference to a statute, statutory provision or subordinate legislation is a reference to it as it is in force from time to time, taking account of
- 1 5 1 any subordinate legislation from time to time made under it, and
- 1 5 2 any amendment or re-enactment and includes any statute, statutory provision or subordinate legislation which it amends or re-enacts
- 1 6 Any phrase introduced by the terms “**including**”, “**include**”, “**in particular**” or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms
- 1 7 References in these Articles to “**written**” or “**in writing**” includes transmission by email or fax
- 1 8 The Model Articles apply to the Company, except in so far as they are modified or excluded by these Articles
- 1 9 Articles 11(2) and (3), 13, 14(1), (2), (3) and (4), 17(2), 44(2), 49, 52 and 53 of the Model Articles do not apply to the Company

2 Liability of the members

- 2 1 The liability of the members is limited to the amount, if any, unpaid on the Shares held by them

3 Share capital

- 3 1 Save to the extent authorised from time to time by an ordinary resolution of the shareholders or by a written resolution in accordance with section 282(2) CA 2006, the directors shall not exercise any power to allot Shares or to grant Rights
- 3 2 Save in respect of any Shares to be allotted to any person pursuant to any Share Plan and subject to any special resolution of the Company to dis-apply this Article 3 2, all Shares which the directors propose to issue (excluding options or rights to subscribe for Shares or Shares issued pursuant (in each case) to the terms of the LCIF Loan Agreement) shall be dealt with in accordance with the following provisions of this Article 3 2
- 3 2 1 any Shares proposed to be issued shall first be offered to the members (which term shall include for the purposes of this Article 3 2 and for so long as the LCIF Loan remains outstanding, LCIF as if the LCIF Loan had converted in full into Conversion Shares prior to the date of such offer) in proportion to the number of existing Shares held by them respectively (including the Conversion Shares to be issued on full conversion of the LCIF Loan),
- 3 2 2 each such offer shall be made by notice specifying the total number of Shares being offered to the members as a whole, the proportionate entitlement of the member to whom the offer is made and the price per Share (which shall be the same for each Share) and shall require each

such member to state in writing within a period (not being less than 14 days) specified in the notice whether he is willing to take any and, if so, what maximum number of the said Shares he is willing to take up (up to his proportionate entitlement),

3 2 3 an offer if not accepted within the period specified in the notice as regards any Shares, will be deemed to be declined as regards those Shares. After the expiration of such period, any Shares so deemed to be declined (or actually declined) by the members shall be offered in the proportion aforesaid to the members who have, within the said period, accepted all the Shares offered to them,

3 2 4 pursuant to such offer and further offer made in accordance with this Article 3 2 no fractions of Shares shall be issued and where any member would be entitled to a fraction of a share, the directors shall in their absolute discretion determine how such fractions of Shares shall be allocated amongst the members so as to ensure that only whole Shares are issued, and

3 2 5 any Shares not taken up following such offer and further offer made in accordance with this Article 3 2 and any Shares released from the provisions of this Article 3 2 by special resolution in accordance with this Article 3 2 shall be under the control of the directors, who may allot Shares or grant Rights to such persons, on such terms, and in such manner as they think fit

3 3 Pursuant to section 567 CA 2006, the provisions of section 561 CA 2006 (existing shareholders' right of pre-emption) and section 562 CA 2006 (communication of pre-emption offers to shareholders) shall not apply to an allotment of equity securities (as defined in section 560 CA 2006) made by the Company

4 Transfer of Shares - transfer procedure

4 1 Subject to Articles 4 11, 5 (permitted transfers), 6 (compulsory transfers), 7 (drag along) or 8 (tag along), any person ("**proposing transferor**") proposing to transfer any Shares shall give notice in writing ("**transfer notice**") to the Company that he desires to transfer the same and specifying the price per Share at which he is willing to sell them. The transfer notice shall constitute the Company the agent of the proposing transferor for the sale of some or all of the Shares comprised in the transfer notice together with all rights then attached thereto to the members of the Company willing to purchase the same ("**purchasing members**") at the price specified therein or if no price is specified then such price as is certified in accordance with Article 4 4. A transfer notice shall not be revocable except with the sanction of the directors given any time prior to completion of the transfer of the Shares in question, or unless notified in writing to the Company by the proposing transferor not more than three days following receipt by him of notice of the certified fair value of each Share (if relevant) provided such transfer notice has not been deemed served pursuant to any provision of these Articles

4 2 The Shares comprised in any transfer notice shall be offered to all members, other than the proposing transferor and any other person holding Shares who has given or is deemed to have given a transfer notice) as nearly as may be in proportion to the number of Shares, held by them. Such offer shall be made by notice in writing ("**offer notice**") with the period of 15 Business Days from the date of the transfer notice

4 3 The offer notice shall

- 4 3 1 state the identity of the proposing transferor, the number of Shares comprised in the transfer notice and the price per Share specified in the transfer notice and inform the members that Shares are offered to them in accordance with the provisions of this Article 4,
- 4 3 2 contain a statement to the effect that the Shares are offered in the first instance in the proportion referred to in the opening sentence of Article 4 2 but go on to invite each member to state in his reply whether he wishes to purchase more or less Shares than his proportionate entitlement and if so what number, and
- 4 3 3 state the period in which the offer may be accepted (not being less than 10 Business Days or more than 25 Business Days after the date of the offer notice)

For the purpose of this Article an offer shall be deemed to be accepted (subject to revocation of the transfer notice as provided in Article 4 1) on the day on which the acceptance is received by the Company and may, if so specified in the acceptance, be accepted by a member in respect of a lesser number of Shares than his full proportionate entitlement. If all the members do not accept the offer in respect of their respective proportions in full the Shares not so accepted shall be used to satisfy any claims for additional Shares (notified in response to the invitation referred to in Article 4 3 2) as nearly as may be in proportion to the number of Shares already held by the members claiming additional Shares, provided that no member shall be obliged to take more Shares than he shall have applied for. If any Shares shall not be capable of being offered to the members in proportion to their existing holdings, except by way of fractions, the same shall be offered to the relevant members, or some of them, in such proportions as the directors may think fit.

- 4 4 If no price is specified in the transfer notice, then the sale price shall be agreed between the directors and the proposing transferor within 15 Business Days after receipt of the transfer notice. If no such agreement is possible forthwith upon the expiry of such 15 Business Day period the Company shall instruct the Auditors to certify the fair value of the Shares comprised in the transfer notice at the date of that notice and the costs of producing such certificate shall be apportioned among the proposing transferor and the purchasing members (but borne solely by the proposing transferor in the case of any revocation of a transfer notice) or borne by any one or more of them as the Auditors in their absolute discretion shall decide. In certifying the fair value as aforesaid no account shall be taken of the fact (if relevant) that the Shares in question constitute a minority holding. In certifying the fair value the Auditors shall be considered to be acting as expert and not as arbitrator or arbiter and accordingly any provisions of law or statute relating to arbitration shall not apply. Forthwith upon receipt of the certificate of the Auditors, the Company shall by notice in writing inform all members of the price at which the Shares comprised in the transfer notice are offered for sale.
- 4 5 If purchasing members shall be found for all the Shares comprised in the transfer notice within the appropriate period specified in Article 4 3, the Company shall not later than five Business Days after the expiry of such appropriate period give notice in writing ("**sale notice**") to the proposing transferor specifying the purchasing members and the number of Shares to be purchased by each purchasing member and the proposing transferor shall be bound upon payment of the price due in respect of all the Shares comprised in the transfer notice (whether to the proposing transferor

or to the Company on trust for the proposing transferor) to transfer the Shares to the purchasing members

4 6 If in any case the proposing transferor after having become bound as aforesaid makes default in transferring any Shares, the Company may receive the purchase money on his behalf, and is irrevocably authorised to appoint any person to execute a transfer of such Shares on behalf of and as agent for the proposing transferor in favour of the purchasing members. The receipt of the Company for the purchase money shall be a good discharge to the purchasing members. The Company shall pay the purchase money into a separate bank account and shall hold the same on trust for the proposing transferor

4 7 If the Company shall not have found purchasing members for some or all of the Shares comprised in the transfer notice within the appropriate period specified in Article 4 3, then the proposing transferor shall, during the period of three months following the expiry of the time so specified, be at liberty to transfer all (but not some only) of the unsold Shares comprised in the transfer notice to any person or persons provided that

4 7 1 the price per Share obtained upon such Share transfer shall in no circumstances be less than the price per Share specified in the transfer notice served in accordance with Article 4 1 or as certified in accordance with Article 4 4,

4 7 2 the proposing transferor shall upon request furnish such information to the directors as they shall require in relation to the price per Share obtained as aforesaid, and

4 7 3 where proposed transferee(s) is or are concerned, engaged or interested directly or indirectly in any capacity whatsoever in any trade or business competing with the business of the Group, the proposing transferor must obtain the prior written approval of the Board prior to any such transfer(s)

The directors may require to be satisfied that such Shares are being transferred in pursuance of a bona fide sale for the consideration stated in the transfer without deduction, rebate or allowance whatsoever to the purchaser, and if not so satisfied, may refuse to register the instrument of transfer

4 8 Any transfer or purported transfer of a Share made otherwise than in accordance with the foregoing provisions of Articles 4 1 to 4 7 (inclusive), Articles 4 11, 5 (permitted transfers), 6 (compulsory transfers), 7 (drag along) or 7 1 (tag along) shall, unless the directors unanimously agree otherwise, be null and void and of no effect

4 9 If and when required by notice in writing by the holder or holders of (in aggregate) a majority in nominal value of the other Shares in the Company so to do ("**transfer call notice**") a member who transfers or purports to transfer any Share in the Company in breach of the provisions of these Articles shall be bound to give a transfer notice in respect of the Shares (without specifying a price per Share) which he has transferred or purported to transfer in breach of these Articles

In the event of such member failing to serve such a transfer notice within five days of the date of the transfer call notice such member shall be deemed to have given a transfer notice at the expiration of such period of five days and to have specified therein as the price per Share the fair value of each Share to be certified in accordance with Article 4 4. The provisions of Articles 4 2 to 4 7 (inclusive) shall

apply mutatis mutandis. A transfer notice given or deemed given under this Article 4.9 shall be irrevocable unless the directors give their consent to the contrary.

- 4.10 The directors may, in their absolute discretion, decline to register any transfer which would otherwise be permitted under the foregoing provisions of this Article 4 if it is a transfer of a Share on which the Company has a lien or of a Share (not being a fully paid Share) to a person of whom they shall not approve. For the avoidance of doubt the directors shall not refuse to register a transfer of Shares made pursuant to Articles 4.1 to 4.7 (inclusive) and Articles 4.11, 5 (permitted transfers), 6 (compulsory transfers), 7 (drag along) or 8 (tag along).
- 4.11 The provisions of Articles 4.1 to 4.10 (inclusive) may be waived in any particular case if the holders of at least 75% in nominal value of the Shares give their consent in writing.

5 Permitted transfers

5.1 Notwithstanding any other provisions of these Articles

- 5.1.1 any member (being an individual) may at any time transfer all or any Shares held by him to a Privileged Relation,
- 5.1.2 any member may at any time transfer all or any Shares held by him to trustees to be held upon a Family Trust of which he is the settlor,
- 5.1.3 where any Shares are held by trustees upon a Family Trust
- (i) on any change of trustees such Shares may be transferred to the new trustees of that Family Trust,
 - (ii) such Shares may be transferred at any time to the settlor or to another Family Trust of which he is the settlor or to any Privileged Relation of the settlor,
- 5.1.4 any member being a corporation may at any time transfer all (but save with the prior consent in writing of a majority of the directors, not some only) of the Shares held by it
- (i) to any subsidiary of the member, or
 - (ii) to any company of which the member is a subsidiary or any subsidiary of any such company,
- 5.1.5 LCIF (or its nominee) may transfer the legal and/or beneficial interest in any of the Shares held by it to any new nominee of LCIF or to any member of the LCIF Group and vice versa any Shares may be transferred by any member of the LCIF Group to any other member of the LCIF Group,
- 5.1.6 any member (or a nominee of a member or a member of that member's Group) who is
- (i) an Investment Manager,
 - (ii) an Investment Fund, or

(iii) a nominee of an Investment Manager or an Investment Fund

may transfer any Shares held by it to

(A) where the member (or nominee of such member of that member's Group) is an Investment Manager or nominee of an Investment Manager

- 1) any participant or partner in or member of any Investment Fund in respect of which the Shares are held (but only in connection with the dissolution of such Investment Fund or any distribution of assets of the Investment Fund pursuant to the operation of the Investment Fund in the ordinary course),
- 2) any Investment Fund whose business is managed by the Investment Manager who is or whose nominee is the transferor, or
- 3) any other Investment Manager who manages the business of the Investment Fund in respect of which the Shares are held,

(B) where the member (or nominee of such member of that member's Group) is an Investment Fund or nominee of an Investment Fund

- 1) any participant (directly or indirectly) or partner in or member of the Investment Fund which is or whose nominee is the transferor (but only in connection with the dissolution of such Investment Fund or any distribution of assets of the Investment Fund pursuant to the operation of the Investment Fund in the ordinary course),
- 2) any other Investment Fund whose business is managed by the same Investment Manager as manages the Investment Fund which is or whose nominee is the transferor, or
- 3) the Investment Manager who manages the business of the Investment Fund which is or whose nominee is the transferor

and vice versa any Shares may be transferred by any of the persons in paragraphs (A) or (B) to any member who falls in the categories set out in Article 5 1 5 above,

and the directors shall, save as may be required by law, register any transfer to which this Article 5 applies

6 Compulsory transfers

6 1 If any member (other than LCIF) (i) is adjudicated as bankrupt by a court of competent jurisdiction, (ii) makes any voluntary arrangement or composition with its

creditors or (iii) either suffers or resolves for the appointment of a liquidator, administrator or administrative receiver over it or any material part of its assets (other than as part of a bona fide restructuring or reorganisation) ("**Compulsory Event**") a transfer notice shall be deemed to have been immediately given in respect of

- 6 1 1 all the Shares registered in the name of the relevant member immediately prior to such Compulsory Event, and
 - 6 1 2 all Shares held immediately prior to such Compulsory Event by the relevant member's Permitted Transferees and/or personal representatives (other than Shares which the directors are satisfied were not acquired by such holders either
 - (i) directly or indirectly from the relevant member, or
 - (ii) by reason of their connection with the relevant member (and the decision of the Board in this respect will be final), and
 - 6 1 3 all Shares acquired by the relevant member or his Permitted Transferees and/or his personal representatives after the relevant Compulsory Event under any Share Plan
- 6 2 Where there is a deemed transfer notice following a Compulsory Event, the sale price of the Shares the subject of a deemed transfer notice shall be the higher of
- 6 2 1 fair value as agreed by the Board (not including the relevant member if also a member of the Board) and the relevant member the subject of the deemed transfer notice within 30 days of the happening of the relevant Compulsory Event, or
 - 6 2 2 the price certified by the Auditors in accordance with Article 5 4
- 6 3 If a corporate member ceases to be within the control (as such term is defined by section 1124 Corporation Tax Act 2010) of the person(s) who controlled such company on the date on which it became a member of the Company it shall (unless the holders of at least 75% in nominal value of the Shares shall agree in writing otherwise) be deemed to have immediately given a transfer notice in respect of all the Shares as shall then be registered in its name, provided that this Article 6 3 shall not apply to LCIF or any of its Permitted Transferees
- 6 4 If and whenever a Privileged Relation to whom Shares have been transferred ceases to be a Privileged Relation of the shareholder who made the transfer, that transferee must not later than five Business Days after such cessation, transfer the Shares held by it to the original transferor without restriction as to price or otherwise, failing which a transfer notice shall be deemed to have been given in respect of the relevant Shares
- 6 5 If and whenever any Shares held by trustees upon a Family Trust cease to be so held upon a Family Trust (otherwise than in consequence of a transfer to the settlor, to any Privileged Relation of the settlor or other Permitted Transfer) or there ceases to be any beneficiaries of the Family Trust other than a charity or charities, the trustees must not later than five Business Days after such cessation, transfer the Shares held by them to the original transferor without restriction as to price or otherwise, failing which a transfer notice shall be deemed to have been given in respect of the relevant Shares

- 6 6 For the purposes of Articles 6 4 and 6 5 the expression "**relevant Shares**" means and includes the Shares originally transferred to the trustees or Privileged Relation and any additional Shares issued or transferred to the trustees or Privileged Relation by virtue of the holding of the relevant Shares or any of them

7 **Drag Along**

- 7 1 If the holders of more than 75% of the Shares in issue for the time being ("**Selling Shareholders**") wish to transfer all of their interest in Shares ("**Sellers' Shares**") to a bona fide arm's length purchaser ("**Proposed Buyer**"), the Selling Shareholders have the option to require all the other holders of Shares ("**Called Shareholders**") to sell and transfer all their Shares to the Proposed Buyer (or as the Proposed Buyer directs) in accordance with the provisions of this Article ("**Drag Along Option**")
- 7 2 The Selling Shareholders may exercise the Drag Along Option by giving written notice to that effect ("**Drag Along Notice**") at any time before the transfer of the Sellers' Shares to the Proposed Buyer. The Drag Along Notice shall specify
- 7 2 1 that the Called Shareholders are required to transfer all their Shares ("**Called Shares**") pursuant to this Article 7,
- 7 2 2 the Proposed Buyer,
- 7 2 3 the consideration payable for the Called Shares calculated in accordance with Article 7 4, and
- 7 2 4 the proposed date of the transfer
- 7 3 Once issued, a Drag Along Notice shall be irrevocable. However, a Drag Along Notice shall lapse if, for any reason, the Selling Shareholders have not sold the Sellers' Shares to the Proposed Buyer within 25 Business Days of serving the Drag Along Notice. The Selling Shareholders may serve further Drag Along Notices following the lapse of any particular Drag Along Notice.
- 7 4 The consideration (in cash or otherwise) for which the Called Shareholders shall be obliged to sell each of the Called Shares shall be that to which they would be entitled if the total consideration proposed to be paid by the Proposed Buyer were distributed to the holders of the Called Shares and the Sellers' Shares in proportion to the number of Shares held.
- 7 5 No Drag Along Notice shall require a Called Shareholder to agree to any terms except those specifically set out in this Article 7.
- 7 6 Completion of the sale of the Called Shares shall take place on the same date as the date proposed for completion of the sale of the Sellers' Shares unless all of the Called Shareholders and the Selling Shareholders agree otherwise.
- 7 7 Provided that the Proposed Buyer is ready, willing and able to complete the sale of the Called Shares on the completion date determined in accordance with Article 7 6, the rights of pre-emption set out in these Articles and the requirement for an offer under Article 8 shall not apply to any transfer of shares to a Proposed Buyer (or as they may direct) pursuant to a sale for which a Drag Along Notice has been duly served.

- 7 8 On the completion date determined in accordance with Article 7 6, the Called Shareholders shall deliver stock transfer forms for the Called Shares, together with the relevant share certificate (or a suitable indemnity for any lost share certificate) to the Company and, against delivery of such documents, the Company shall pay the Called Shareholders, on behalf of the Proposed Buyer, the amounts they are due pursuant to Article 7 4 to the extent that the Proposed Buyer has put the Company in the requisite funds. The Company's receipt of the price shall be a good discharge to the Proposed Buyer. The Company shall hold the amounts due to the Called Shareholders pursuant to Article 7 4 in trust for the Called Shareholders without any obligation to pay interest.
- 7 9 To the extent that the Proposed Buyer has not, on the completion date determined in accordance with Article 7 6, put the Company in funds to pay the consideration due pursuant to Article 7 4, the Called Shareholders shall be entitled to the return of the stock transfer form and share certificate (or suitable indemnity) for the relevant Called Shares and the Called Shareholders shall have no further obligations under this Article 7 in respect of their Shares.
- 7 10 If any Called Shareholder does not, on completion of the sale of the Called Shares, execute transfer(s) in respect of all of the Called Shares held by him, the defaulting Called Shareholder shall be deemed to have irrevocably appointed any person nominated for the purpose by the Selling Shareholders to be his agent to execute all necessary transfer(s) on his behalf and, against receipt by the Company (on trust for such holder) of the consideration payable for the Called Shares, deliver such transfer(s) to the Proposed Buyer (or as they may direct) as the holder thereof. After the Proposed Buyer (or their nominee) has been registered as the holder of such Shares, the validity of such proceedings shall not be questioned by any such person. Failure to produce a share certificate shall not impede the registration of shares under this Article 7.
- 7 11 Following the issue of a Drag Along Notice, on any person becoming a shareholder of the Company pursuant to the exercise of a pre-existing option to acquire Shares or on the conversion of any convertible security of the Company (a "**New Shareholder**"), a Drag Along Notice shall be deemed to have been served on the New Shareholder on the same terms as the previous Drag Along Notice. The New Shareholder shall then be bound to sell and transfer all Shares acquired by him to the Proposed Buyer (or as the Proposed Buyer may direct) and the provisions of this Article 7 shall apply with the necessary changes to the New Shareholder, except that completion of the sale of the Shares shall take place immediately on the Drag Along Notice being deemed served on the New Shareholder.

8 Tag Along

- 8 1 Save for any Permitted Transfer under Article 5 and save where a Drag Along Notice has been served pursuant to Article 7 in relation to the relevant sale or transfer, no sale or transfer of the legal or beneficial interest in any Shares in the Company may be made or validly registered if as a result of such sale or transfer and registration thereof either
- 8 1 1 a Controlling Interest would be obtained in the Company by any person or group of persons acting in concert, or
- 8 1 2 where any person or group of persons acting in concert already own a Controlling Interest, such Controlling Interest is increased by a further 1 per cent.

unless the proposed transferee or transferees or his or their nominees are independent third party bona fide purchasers acting in good faith and has or have offered to purchase the entire issued and to be issued Shares in the Company at the Specified Price (calculated as set out below)

8 2 If any part of the Specified Price is to be paid except by cash then LCIF may, at its option, elect to take a price per Share of such cash sum as may be agreed by it and the proposed transferee having regard to the transaction as a whole

8 3 In this Article 8 the "**Specified Price**" means

8 3 1 the consideration (in cash or otherwise) per Share equal to that offered or paid or payable by the proposed transferee or his or their nominees for the Shares of the relevant class being acquired, plus

8 3 2 the relevant proportion of any other consideration (in cash or otherwise) received or receivable by the holders of such other Shares of the relevant class which having regard to the substance of the transaction as a whole can reasonably be regarded as an addition to the price paid or payable, plus all arrears and accruals of the dividends on such Share calculated down to the date of the sale or transfer

In the event of disagreement the calculation of the Specified Price shall be referred to the Auditors for determination whose decision shall be final and binding. If LCIF reasonably considers that the proposed transfer is not bona fide arms length and representing a reasonable market value for the Shares the Specified Price shall be an amount determined by the Auditors as being a fair value for such Shares in accordance (mutatis mutandis) with the provisions of Article 4 4

9 General meetings

9 1 The directors may call general meetings and, on the requisition of members pursuant to the provisions of CA 2006, shall forthwith proceed to convene a general meeting in accordance with the provisions of CA 2006. 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

10 Notice of general meetings

10 1 All general meetings shall be called by at least 14 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 90 per cent in nominal value of the Shares giving that right

The notice shall specify the time, date and place of the meeting and the general nature of the business to be dealt with at the meeting and shall include details of the right to appoint a proxy. Subject to the provisions of these 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

10 2 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

11 Proceedings at general meetings

- 11 1 No business shall be transacted at any meeting unless a quorum is present. 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 save that, if and for so long as the Company has only one person as a member, one member present in person or by proxy shall be a quorum.
- 11 2 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 and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the meeting shall be dissolved.
- 11 3 The chairman, if any, of the Board 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 15 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.
- 11 4 If no director is willing to act as chairman, or if no director is present within 15 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.
- 11 5 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.
- 11 6 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 14 days or more, at least five clear Business 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.
- 11 7 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 CA 2006, a poll may be demanded
- 11 7 1 by the chairman of the meeting, or
- 11 7 2 by at least two members having the right to vote on the resolution, or
- 11 7 3 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 on the resolution, or
- 11 7 4 by a member or members holding Shares conferring a right to vote on the resolution 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

- 11 8 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
- 11 9 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
- 11 10 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
- 11 11 In the case of an equality of votes, whether on a show of hands or on a poll, the chairman shall not be entitled to a casting vote in addition to any other vote he may have
- 11 12 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 30 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
- 11 13 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 five clear Business Days' notice shall be given specifying the time and place at which the poll is to be taken

12 Votes of members

- 12 1 Subject to any rights or restrictions for the time being attached to any class or classes of Shares, on a show of hands every member entitled to vote who (being an individual) is present in person or by proxy (not being himself a member entitled to vote) or (being a corporate body) is present by a representative or proxy (not being himself a member entitled to vote) shall have one vote and, on a poll, every member shall have one vote for each Share of which he is the holder
- 12 2 No member shall be entitled to vote at any general meeting or at any separate meeting of the holders of any class of Shares, either in person or by proxy, in respect of any Share held by him unless all monies presently payable by him in respect of that Share have been paid

12 3 Proxies

- 12 3 1 Article 45(1)(d) of the Model Articles shall be deleted and replaced with the words "is delivered to the Company in accordance with the Articles not less than 48 hours before the time appointed for holding the meeting or

adjourned meeting at which the right to vote is to be exercised and in accordance with any instructions contained in the notice of the general meeting (or adjourned meeting) to which they relate"

- 12 3 2 Article 45(1) of the Model Articles shall be amended by the insertion of the words "and a proxy notice which is not delivered in such manner shall be invalid, unless the directors, in their discretion, accept the notice at any time before the meeting" as a new paragraph at the end of that article

13 Alternate directors

13 1 Appointment and removal of alternate directors

- 13 1 1 Any director ("**appointor**") may appoint as an alternate any other director, or any other person approved by resolution of the directors, to

- (i) exercise that director's powers, and
- (ii) carry out that director's responsibilities

in relation to the taking of decisions by the directors, in the absence of the alternate's appointor

- 13 1 2 Any appointment or removal of an alternate must be effected by notice in writing to the Company signed by the appointor, or in any other manner approved by the directors

- 13 1 3 The notice must

- (i) identify the proposed alternate, and
- (ii) in the case of a notice of appointment, contain a statement signed by the proposed alternate that he is willing to act as the alternate of the director giving the notice

13 2 Rights and responsibilities of alternate directors

- 13 2 1 An alternate director may act as alternate director to more than one director and has the same rights in relation to any decision of the directors as the alternate's appointor(s)

- 13 2 2 Except as the Articles specify otherwise, alternate directors

- (i) are deemed for all purposes to be directors,
- (ii) are liable for their own acts and omissions,
- (iii) are subject to the same restrictions as their appointors, and
- (iv) are not deemed to be agents of or for their appointors

and, in particular, each alternate director shall be entitled to receive notice of all meetings of directors (but not meetings of committees of directors) of which his appointor is a member (subject to his giving to the Company an

address within the United Kingdom at which notices may be served on him

13 2 3 A person who is an alternate director but not, in the absence of such appointment, a director

- (i) may be counted as participating for the purposes of determining whether a quorum is present (but only if that person's appointor is not participating),
- (ii) may participate in a unanimous decision of the directors (but only if his appointor is an eligible director in relation to that decision, but does not participate), and
- (iii) shall not be counted as more than one director for the purposes of Articles 13 2 3(i) and 13 2 3(ii)

13 2 4 A director who is also an alternate director is entitled, in the absence of his appointor, to a separate vote on behalf of his appointor, in addition to his own vote on any decision of the directors (provided that his appointor is an eligible director in relation to that decision), but shall not count as more than one director for the purposes of determining whether a quorum is present

13 2.5 An alternate director shall not be entitled as such to receive any remuneration from the Company, save that he may be paid by the Company such part (if any) of the remuneration otherwise payable to his appointor as such appointor may by notice in writing to the Company from time to time direct

13 3 Termination of alternate directorship

13 3 1 An alternate director's appointment as an alternate terminates

- (i) when the alternate's appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate,
- (ii) on the occurrence, in relation to the alternate, of any event which, if it occurred in relation to the alternate's appointor, would result in the termination of the appointor's appointment as a director,
- (iii) on the death of the alternate's appointor, or
- (iv) when the alternate's appointor's appointment as a director terminates

13 4 A director may not appoint any person to be an alternate director in respect of any committee of the directors

14 Appointment of directors

14 1 The Company may by ordinary resolution appoint any person who is willing to act to be a director, either to fill a vacancy or as an additional director

- 14 2 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 determined in accordance with Article 14 4 as the maximum number of directors for the time being in force
- 14 3 If, immediately following and as a result of the death of a member, the Company has no members and if at that time it has no directors, the personal representatives of the deceased member may appoint any person to be a director and the director who is appointed will have the same rights and be subject to the same duties and obligations as if appointed by ordinary resolution in accordance with Article 14 1 If two members die in circumstances rendering it uncertain which of them survived the other, such deaths shall, for the purposes of this Article, be deemed to have occurred in order of seniority and accordingly the younger shall be deemed to have survived the elder
- 14 4 Unless otherwise determined by ordinary resolution, the maximum number of directors shall be four (4) for the time being

15 Termination of director's appointment

- 15 1 A person ceases to be a director as soon as
- 15 1 1 he ceases to be a director by virtue of any provision of CA 2006 or these Articles or he becomes prohibited by law from being a director, or
 - 15 1 2 he becomes bankrupt or makes any arrangement or composition with his creditors generally, or
 - 15 1 3 he is, or may be, suffering from mental disorder and a registered medical practitioner who is treating that person gives a written opinion to the Company stating that that person has become physically or mentally incapable of acting as a director and may remain so for more than three months, or
 - 15 1 4 he resigns his office by notice to the Company, or
 - 15 1 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 the directors resolve that his office be vacated

16 Gratuities and pensions

- 16 1 The directors may exercise any powers of the Company to give and provide pensions, annuities, gratuities or any other benefits whatsoever to or for past or present directors or employees (or their dependants) of the Company or any subsidiary or associated undertaking (as defined in section 1151(3) CA 2006) of the Company and the directors shall be entitled to retain any benefits received by them or any of them by reason of the exercise of any such powers

17 Proceedings of the directors

- 17 1 Notice of every meeting of the directors shall be given to each director and his alternate, including directors and alternate directors who may for the time being be absent from the United Kingdom and have given the Company an address within the United Kingdom for service

- 17.2 Subject to Article 17.3, the quorum for the transaction of the business of the directors shall be two eligible directors provide that if and for so long as there is a sole director, he may exercise all the powers and authorities vested in the directors by these Articles and accordingly the quorum for the transaction of business in such circumstances shall be one. A person who holds office only as an alternate director shall, if his appointor is not present, be counted in the quorum.
- 17.3 For the purposes of any meeting (or part of a meeting) held pursuant to Article 19.1 to authorise a director's conflict, if there is only one eligible director in office other than the conflicted director(s), then the quorum for such meeting (or part of a meeting) shall be one eligible director.
- 17.4 If the number of votes for and against a proposal at a meeting of the directors are equal, the chairman or other director chairing the meeting shall not have a casting vote.
- 17.5 Any director including an alternate director may participate in a meeting of the directors or a committee of the directors of which he is a member by means of a conference telephone or similar communications equipment whereby all persons participating in the meeting can hear each other and participation in a meeting in this manner shall be deemed to constitute presence in person at such meeting and, subject to these Articles and CA 2006, he shall be entitled to vote and be counted in a quorum accordingly. Such a meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no such group, where the chairman of the meeting then is.
- 17.6 Where decisions of the directors are taken by electronic means, such decisions shall be recorded by the directors in permanent form, so that they may be read with the naked eye.

18 Transactions or arrangements with the Company

- 18.1 Subject to the provisions of CA 2006, and provided that he has disclosed to the directors the nature and extent of any interest of his (unless the circumstances referred to in sections 177(5), 177(6), 182(5) or 182(6) CA 2006 apply, in which case no disclosure is required), a director notwithstanding his office
- 18.1.1 may be a party to or otherwise interested in any contract, transaction or arrangement with the Company or in which the Company is in any way interested,
- 18.1.2 may be a director or other officer of or employed by or be a party to any contract, transaction or arrangement with or otherwise interested in any body corporate promoted by the Company or in which the Company is in any way interested,
- 18.1.3 may, or any firm or company of which he is a member or director may, act in a professional capacity for the Company or any body corporate in which the Company is in any way interested,
- 18.1.4 shall not, save as he may otherwise agree, by reason of his office be accountable to the Company for any remuneration or benefit which he (or any person connected with him (as defined in section 252 CA 2006)) derives from any office, service or employment or from any contract, transaction or arrangement or from any interest in any body corporate

which he is permitted to hold or enter into by virtue of Articles 18 1 1, 18 1 2 or 18 1 3 and no such contract, transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit nor shall the receipt of any such remuneration or benefit constitute a breach of section 176 CA 2006, and

18 1 5 shall, subject to Articles 19 1 and 19 5, be an eligible director for the purposes of any proposed decision of the directors (or committee of the directors) and shall be entitled to vote at a meeting of directors (or of a committee of the directors) or participate in any unanimous decision of the directors on any matter referred to in any of Articles 18 1 1 to 18 1 4 (inclusive) or on any resolution which in any way concerns or relates to a matter in which he has, directly or indirectly, any kind of interest whatsoever and if he shall vote on any resolution as aforesaid his vote shall be counted

18 2 For the purposes of Article 18 1

18 2 1 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,

18 2 2 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, and

18 2 3 an interest of a person who is for any purpose of CA 2006 (excluding any statutory modification not in force when these Articles were adopted) 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

19 Directors' conflicts of interest

19 1 The directors may, in accordance with the requirements set out in this Article, authorise any matter proposed to them by any director which would, if not authorised, involve a director breaching his duty under section 175 CA 2006 to avoid conflicts of interest ("**Conflict Situation**") For the purposes of the Articles, a conflict of interest includes a conflict of interest and duty and a conflict of duties, and interest includes both direct and indirect interests

19 2 Any authorisation under this Article will be effective only if

19 2 1 the matter in question shall have been proposed by any director for consideration at a meeting of directors in the same way that any other matter may be proposed to the directors under the provisions of these Articles or in such other manner as the directors may determine, and

19 2 2 any requirement as to the quorum at the meeting of the directors at which the matter is considered is met without counting the director in question or any other interested director, and

- 19 2 3 the matter was agreed to without their voting or would have been agreed to if their vote had not been counted
- 19.3 Any authorisation of a Conflict Situation under this Article may (whether at the time of giving the authorisation or subsequently)
- 19 3 1 extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the Conflict Situation so authorised, and/or
- 19 3 2 be subject to such terms and for such duration, or impose such limits or conditions as the directors may determine, and/or
- 19 3 3 be terminated or varied by the directors at any time
- This will not affect anything done by the director prior to such termination or variation in accordance with the terms of the authorisation
- 19 4 In authorising a Conflict Situation the directors may decide (whether at the time of giving the authorisation or subsequently) that if a director has obtained any information through his involvement in the Conflict Situation otherwise than as a director of the Company and in respect of which he owes a duty of confidentiality to another person the director is under no obligation to
- 19 4 1 disclose such information to the directors or to any director or other officer or employee of the Company, and/or
- 19 4 2 use or apply any such information in performing his duties as a director
- where to do so would amount to a breach of that confidence
- 19 5 Where the directors authorise a Conflict Situation they may provide, without limitation (whether at the time of giving the authorisation or subsequently) that the director.
- 19 5 1 is excluded from discussions (whether at meetings of directors or otherwise) related to the Conflict Situation, and/or
- 19 5 2 is not given any documents or other information relating to the Conflict Situation, and/or
- 19 5 3 may or may not vote (or may or may not be counted in the quorum) at any future meeting of directors in relation to any resolution relating to the Conflict Situation
- 19 6 Where the directors authorise a Conflict Situation
- 19 6 1 the director will be obliged to conduct himself in accordance with any terms imposed by the directors in relation to the Conflict Situation, and
- 19 6 2 the director will not infringe any duty he owes to the Company by virtue of sections 171 to 177 CA 2006 provided he acts in accordance with such terms, limits and conditions (if any) as the directors impose in respect of its authorisation
- 19 7 A director is not required, by reason of being a director (or because of the fiduciary relationship established by reason of being a director), to account to the Company for any remuneration, profit or other benefit which he derives from or in connection with

a Conflict Situation which has been authorised by the directors or by the Company in general meeting (subject in each case to any terms, limits or conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds

20 The seal

- 20 1 If the Company has a seal it shall be used only with the authority of the directors or of a committee of the directors. The directors may determine who shall sign any instrument to which the seal is affixed and unless otherwise so determined, every instrument to which the seal is affixed shall be signed by one director and by the secretary or another director

21 Means of communication to be used

- 21 1 Any notice, document or other information shall be deemed served on or delivered to the intended recipient

21 1 1 if properly addressed and sent by prepaid United Kingdom first class post to an address in the United Kingdom, 24 hours after it was posted (or five Business Days after posting either to an address outside the United Kingdom or from outside the United Kingdom to an address within the United Kingdom, if (in each case) sent by reputable international overnight courier addressed to the intended recipient, provided that delivery in at least five Business Days was guaranteed at the time of sending and the sending party receives a confirmation of delivery from the courier service provider),

21 1 2 if properly addressed and delivered by hand, when it was given or left at the appropriate address,

21 1 3 if properly addressed and sent or supplied by electronic means, one hour after the document or information was sent or supplied, and

21 1 4 if sent or supplied by means of a website, when the material is first made available on the website or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on the website

For the purposes of this Article, no account shall be taken of any part of a day that is not a working day

- 21 2 In proving that any notice, document or other information was properly addressed, it shall be sufficient to show that the notice, document or other information was delivered to an address permitted for the purpose by CA 2006

22 Indemnity

- 22 1 Subject to the provisions of, and so far as may be consistent with, the Companies Acts and any other provision of law, but without prejudice to any indemnity to which a relevant officer may otherwise be entitled, the Company shall indemnify every relevant officer out of the Company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a relevant officer in the actual or purported execution and/or discharge of his duties and/or the actual or purported exercise of his powers and/or otherwise in relation to or in connection with his duties, powers or office including (without prejudice to the generality of the foregoing) any

liability incurred by him in relation to any proceedings, whether civil or criminal, which relate to anything done or omitted or alleged to have been done or omitted by him as a relevant officer PROVIDED that in the case of any director, any such indemnity shall not apply to any liability of that director

22 1 1 to the Company or to any of its associated companies,

22 1 2 to pay any fine imposed in criminal proceedings or any sum payable to a regulatory authority by way of penalty in respect of non-compliance with any requirement of a regulatory nature (however arising), or

22 1 3 incurred

(i) in defending any criminal proceedings in which he is convicted or any civil proceedings brought by the Company, or any of its associated companies, in which judgment is given against him, or

(ii) in connection with any application under any statute for relief from liability in respect of any such act or omission in which the court refuses to grant him relief

in each case where the conviction, judgment or refusal of relief by the court is final within the meaning stated in section 234 CA 2006

23 Insurance

23 1 The directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any relevant officer in respect of any relevant loss

23 2 The directors may authorise the directors of companies within the same group of companies as the Company to purchase and maintain insurance at the expense of the Company for the benefit of any relevant officer of such company in respect any relevant loss

23 3 In this Article a "**relevant loss**" means any loss or liability which has been or may be incurred by a relevant officer in connection with that relevant officer's duties or powers in relation to the Company, any associated company or any pension fund or employees' share scheme of the Company or associated company

24 Data protection

24 1 Each of the shareholders of the Company (from time to time) consent to the processing of their personal data by the Company, its shareholders and directors ("**Recipient**") for the purpose of due diligence exercises, compliance with applicable laws, regulations and procedures and the exchange of information amongst themselves. A Recipient may process such personal data either electronically or manually. The personal data which may be processed for such purposes under this Article shall include any information (but excepting all "sensitive data" as defined in the Data Protection Act 1998 for which it is recognised separate consent would be obtained) which may have a bearing on the prudence or commercial merits of investing, or disposing of any Shares (or other investment or security) in the Company. Subject to any confidentiality undertakings given to them by a Recipient, each of the Company's shareholders and directors (from time to time) consent to the transfer of such personal data to persons acting on behalf of any Recipient and to the

offices of any Recipient within the European Economic Area for the purposes stated above, where it is necessary or desirable to do so