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THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION
OF
CLAVERLEY HOLDINGS LIMITED



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COMPANIES HOUSE

THE COMPANIES ACT 2006
PRIVATE LIMITED COMPANY
ARTICLES OF ASSOCIATION

OF

CLAVERLEY HOLDINGS LIMITED

(as adopted by Special Resolution on

3rd

July
June 2012)

APPLICATION OF MODEL ARTICLES

- 1 The model articles of association for private companies limited by shares contained in Schedule 1 of the Companies (Model Articles) Regulations 2008 (SI 2008/3229) as amended at the date of adoption of these articles ("**the Model Articles**") shall apply to the Company save in so far as they are excluded or modified by these articles
- 2 In these Articles the expression "the Act" means the Companies Act 2006 but so that any reference in these Articles to any provision of the Act shall be deemed to include a reference to any statutory modification or re-enactment of that provision for the time being in force

LIMITED LIABILITY

- 3 The liability of the members is limited to the amount, if any, unpaid on the shares in the Company held by them

CHANGE OF NAME

- 4 The Company may change its name by resolution of the Board

SHARE CAPITAL

- 5 Share Capital
- 5 1 The share capital of the Company at the date of adoption of these Articles is £1,800,000 divided into
 - 5 1 1 900,000 Voting Shares of 5p each,
 - 5 1 2 900,000 Preference Shares of 95p each, and
 - 5 1 3 900,000 Ordinary Shares of £1 each
- 5 2 The maximum amount payable by way of dividend or other distribution in respect of the Preference shares for any financial year of the Company shall be a net amount of £78,750 (and so in proportion for any period other than a year) and the amount of any additional dividend declared in respect of such period shall be paid to the holders of the Ordinary Shares and the maximum amount payable in respect of each Preference share in a winding-up of the Company shall be 150p. The holders of the Voting Shares shall not be entitled to participate in payments by way of dividend or other distribution save that the maximum amount payable in respect of each Voting Share in a winding-up of the Company shall be five pence per share and such sum of five pence per share shall be payable only after the holder of each Preference share shall have received 150p per share as aforesaid and after the holder of each Ordinary Share shall have received £10,000 per share
- 5 3 Subject to these articles and to section 551 of the Act, all shares shall be under the control of the directors who may allot, grant options over or otherwise deal with or

dispose of them to such persons, at such times and generally on such terms and conditions they think fit

- 5 4 Save to the extent authorised by these articles, or by an ordinary resolution of the shareholders, the directors shall not exercise any power to allot shares or to grant rights to subscribe for, or to convert any security into, any shares in the company (including the power granted by section 550 of the Act)
- 5 5 In accordance with section 567(1) of the Act, sections 561 and 562 of the Act shall not apply to the company and are hereby excluded generally in relation to the allotment by the company of equity securities (as defined in section 560(1) of the Act)
- 6 The Company shall also have a first and paramount lien on all shares, whether fully paid or not, standing registered in the name of any person indebted or under liability to the Company, whether he shall be the sole registered holder thereof or shall be one of two or more joint holders, for all monies presently payable by him or his estate to the Company
- 7 If a call remains unpaid after it has become due and payable the Directors may give to the person from whom it is due not less than fourteen clear days' notice requiring payment of the amount unpaid together with any interest which may be accrued and all expenses that may have been incurred by the Company by reason of such non-payment. The notice shall name the place where payment is to be made and shall state that if the notice is not complied with the shares in respect of which the call was made will be liable to be forfeited

TRANSFER AND TRANSMISSION OF SHARES

- 8 All transfers of shares may be effected by transfer in writing in any usual or common form or in any other form acceptable to the Directors. The instrument of transfer shall be signed by or on behalf of the transferor and (except in the case of fully paid shares) by or on behalf of the transferee. The transferor shall remain the holder of the shares concerned until the name of the transferee is entered in the register of members in respect thereof
- 9 No share shall be transferred into the name of any person who is for the time being a minor and except for transfers pursuant to Articles 10 and 11 (other than any transfer pursuant to Article 11 13) the Directors may in their absolute discretion and without assigning any reason therefore decline to register any transfer of any share whether or not a fully paid share. They may also refuse to register a transfer unless -
- (a) it is lodged at the office or at such other place as the Directors may appoint and is accompanied by the certificate for the shares to which it relates and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer,
 - (b) it is in respect of only one class of shares, and
 - (c) it is in favour of not more than four transferees
- 10
- 10 1
- 10 1 1 any share may be transferred at any time free from the pre-emption provisions of Article 11 by the Executors and/or Trustees of any Will of Malcolm Graham and/or of any Codicil thereto provided that the transfer is in accordance with or gives effect to the terms thereof
- 10 1 2 any share may be transferred at any time free from the pre-emption provisions of Article 11 -
- (a) to any lineal male descendant of the said Malcolm Graham

- (b) to the Trustees of any trust under which (save only for voting powers from time to time exercisable by the Trustees) no beneficial interest in the share in question is or will at any time be vested in any person other than any lineal male descendant of the said Malcolm Graham
- 10 2 Any Member may at any time within seven days of the date of any written approval of the Directors as hereinafter referred to sell transfer or otherwise dispose of any share or the beneficial interest therein at such price (if any) and to such person or persons as may be approved in writing by all the Directors without the need to fulfil the pre-emption provisions of Article 11 Provided that any such written approval of the Directors shall not and shall not be deemed to limit or in any way restrict the rights of the Directors set out in Article 9
- 10 3 Any share held in the names of Trustees may be transferred into the names of new or additional Trustees on any change of Trustees
- 11
- 11 1 Except in the case of a transfer of shares expressly authorised by Article 10 any Member wishing to sell, transfer or otherwise dispose of any share or the beneficial interest therein ("the Transferor") shall give notice in writing ("a Transfer Notice") to the Company headed "Transfer Notice" that he intends to transfer or dispose of the same Such notice shall constitute the Company as Agent for the sale of the share to any Member and/or the Company itself willing to purchase the same at the price agreed or fixed by the auditors of the Company in accordance with Article 11 2 ("the Fair Value") A Transfer Notice may state that it is conditional upon all and not part of the shares comprised in it being sold or transferred A Transfer Notice may include several shares and in such case shall operate as if it were a separate notice in respect of each (save that the operation of a Transfer Notice as a separate notice in respect of each share comprised therein shall not prejudice any statement in the Transfer Notice that the Transfer Notice is conditional upon all and not part of the shares comprised in it being sold or transferred and in the case of any such statement shall not oblige the Transferor to sell or transfer part but not all of the shares comprised in the Transfer Notice) If the capital is divided into different classes of shares a separate Transfer Notice must be given for each class of shares A Transfer Notice may state that it is conditional upon all and not part of the shares comprised in any other Transfer Notice or Notices given by the same Transferee on the same day relating to other classes of shares being sold or transferred
- 11 2 The price at which the share shall be sold (hereinafter called "the Fair Value") will be such sum as shall have been nominated by the Transferor in the Transfer Notice and agreed to by the Directors or (in the event of no such nomination or of disagreement) as shall be certified in writing by the auditors for the time being of the Company upon the application of the Transferor or the Directors to be the fair value of the shares subject to the Transfer Notice for the purposes of a sale and purchase on the open market as between a willing vendor and a willing purchaser and for this purpose the auditors shall be given by the Directors all such information as they may reasonably require In so certifying the auditors shall be considered to be acting as experts and not as arbitrators and accordingly the Arbitration Acts, 1950 to 1979 shall not apply The auditors' fees in respect thereof shall be borne by the Company
- 11 3 In the event of an auditors' certificate being issued as to the Fair Value the Company shall give notice in writing to the Transferor of the sum so certified Within a period of seven days after service of such notice (or, in the event that the Transferor has given to the Company on the same date a number of Transfer Notices relating to different classes of shares, within a period of seven days after service of the last such notice relating to the Fair Value of any such shares) the Transferor may by further notice in writing to the Company revoke the Transfer Notice as to the whole (but not part) of the shares comprised therein (or, in the event that the Transferor has given a number of Transfer Notices to the Company on the same date relating to different classes of shares the Transferor may by further notice in writing to the Company revoke all or any of such Transfer Notices but in each case only as to the whole (but not part) of the

- shares comprised in each such Notice) After the expiration of such period of seven days a Transfer Notice shall not be revocable except with the sanction of the Directors
- 11 4 Upon the Fair Value being fixed as aforesaid and provided the Transferor shall not have revoked the Transfer Notice the Company shall forthwith by notice in writing (an "Offer Notice") inform each existing member (other than the Transferor) of the number and the Fair Value of the shares comprised in the Transfer Notice The Offer Notice shall first offer ("the First Offer") the shares comprised in the Transfer Notice to the Members (other than the Transferor) then holding the remaining shares of the same class, inviting each of them to state in writing to the Company within twenty one days of the Offer Notice whether he is willing to purchase any, and if so what maximum number, of the shares comprised in the Transfer Notice
- 11 5 If the said members holding shares of the same class as those comprised in the Transfer Notice shall within the period so specified apply for any of the said shares the Directors shall allocate the said shares (or as many of them as shall be applied for as aforesaid) to or amongst the applicants and in case of competition pro rata (as nearly as possible) in proportion to their existing holdings of shares of that class provided that no applicants shall be obliged to take more than the maximum number of shares specified by him as aforesaid
- 11 6 Where the capital is divided into different classes of shares the Offer Notice shall also contain a further offer ("the Second Offer") offering the shares comprised in the Transfer Notice (in the event of any or all of them not being allocated to or amongst members holding shares of the same class as those comprised in the Transfer Notice and not being purchased by the Company pursuant to Article 11 15) to
- 11 6 1 in the case of a Transfer Notice comprising Voting Shares, the holders of Ordinary Shares
- 11 6 2 in the case of a Transfer Notice comprising Preference Shares, the holders of Voting Shares
- 11 6 3 in the case of a Transfer Notice comprising Ordinary Shares, the holders of Voting Shares
- and inviting each of the relevant offerees to state in writing to the Company within twenty one days of the Offer Notice whether he is willing to purchase any, and if so what maximum number, of the shares comprised in the Transfer Notice
- 11 7 If the relevant offerees under the Second Offer shall within the period so specified apply for any of the shares comprised in the Transfer Notice the Directors shall allocate such of those shares as have not been allocated to members holding shares of the same class pursuant to Article 11 5 or been the subject of a decision of the Directors pursuant to Article 11 15 (or as many of such shares as have not been so allocated or have not been the subject of such a decision by the Directors as shall be applied for pursuant to the Second Offer) to or amongst such applicants and in case of competition pro rata (as nearly as possible) in proportion to their existing holdings of the relevant class of shares which entitled them to be offerees under the Second Offer provided that no applicant shall be obliged to take more than the maximum number of shares specified by him as aforesaid
- 11 8 Where the capital is divided into different classes of shares the Offer Notice shall also contain a further offer ("the Third Offer") offering the shares comprised in the Transfer Notice (in the event of any or all of them not being allocated to or amongst applicants pursuant to the First Offer and/or the Second Offer and not being the subject of a decision of the Directors pursuant to Article 11 15) to
- 11 8 1 in the case of a Transfer Notice comprising Preference Shares to the holders of Ordinary Shares
- 11 8 2 in the case of a Transfer Notice comprising Ordinary Shares to the holders of Preference Shares

and inviting each of the relevant offerees to state in writing to the Company within twenty one days of the Offer Notice whether he is willing to purchase any, and if so what maximum number, of the shares comprised in the Transfer Notice For the avoidance of doubt it is hereby declared that there shall be no Third Offer of any Voting Shares comprised in any Transfer Notice

- 11 9 If the relevant offerees under the Third Offer shall within the period so specified apply for any of the shares comprised in the Transfer Notice the Directors shall allocate such of those shares as have not been allocated to applicants pursuant to the First and/or Second Offer or been the subject of a decision of the Directors pursuant to Article 11 15 (or as many of such shares as have not been so allocated or have not been the subject of such a decision of the Directors as shall be applied for pursuant to the Third Offer) to or amongst such applicants and in case of competition pro rata (as nearly as possible) in proportion to their existing holdings of the relevant class of shares which entitled them to be offerees under the Third Offer provided that no applicant shall be obliged to take more than the maximum number of shares specified by him as aforesaid
- 11 10 The Company shall within fifty six days of the date of the Offer Notice by notice in writing inform each existing member (including the Transferor) either
- 11 10 1 of the allocation of the shares comprised in the Transfer Notice pursuant to the foregoing provisions of this Article and of the number of such shares (if any) to be purchased by the Company pursuant to Article 11 15),or
- 11 10 2 11 10 2 if the Transfer Notice indicated that the Transfer Notice was conditional upon all and not part of the shares comprised therein being sold or transferred and/or was conditional upon all and not part of the shares comprised in any other Transfer Notice or Notices given by the same Transferor on the same day relating to other classes of shares being sold or transferred and the Company has not found applicants for all the relevant shares and is not to purchase pursuant to Article 11 15 all such shares for which there are not applicants, that such is the case
- 11 11 If the Company has given a notice under 11 10 1 and shall within the period of sixty three days after the date of the Offer Notice deliver to the Transferor a transfer or transfers or any of the shares comprised therein the Transferor shall be bound upon payment of the Fair Value for any of such shares comprised within any particular transfer to deliver that transfer of the share duly signed to the person named as the transferee in the transfer (hereinafter called "the Purchaser") together with the definitive certificate for the same Provided that if the Transfer Notice indicated that the Transfer Notice was conditional upon all and not part of the shares comprised therein being sold or transferred and/or upon all and not part of the shares comprised in any other Transfer Notice or Notices given by the Transferor to the Company on the same date relating to different classes of shares being sold or transferred, the Transferor shall not be bound to deliver the transfer of any share comprised in the Transfer Notice until payment of the full value for all such shares
- 11 12 In the case of the Transferor after becoming bound to transfer any shares pursuant to Article 11 11 making default in transferring the share within fourteen days of the delivery of the transfer the Company may receive the purchase money and the Transferor shall be deemed to have appointed any one Director or the Secretary of the Company as his agent to sign a transfer of the share to the Purchaser and upon the signing of such transfer the Company shall hold the purchase money in trust for the Transferor The receipt of the Company for the purchase money shall be a good discharge to the Purchaser and after his name has been entered in the Register of members in purported exercise of this aforesaid power the validity of the proceedings shall not be questioned by any person Provided that if the Transfer Notice stated that it was conditional upon all and not part of the shares comprised therein being sold or transferred and/or upon all and not part of the shares comprised in any other Transfer Notice or Notices given by the Transferor to the Company on the same date relating to different classes of shares the Company shall not be entitled to sign a transfer and give a good discharge as aforesaid unless and until all the purchase monies for all the relevant shares required to be sold have been received by the Company

- 11 13 If within the time limit set under Article 11 11 hereof the Company shall not deliver to the Transferor a transfer or transfers of the share or shares comprised therein, or if through no default of the Transferor any such transfer or transfers is not duly completed within ninety one days of the date of the Offer Notice, the Transferor may at any time within two calendar months of the expiry of the time limit under the said Article 11 11 or the expiry of the ninety one day period (as the case may be) but subject to Article 9 hereof sell and transfer such share or shares, or so many of them in respect of which no such transfer has been so delivered or completed (as the case may be), to any person but so that the price paid shall not be less than the Fair Value provided that
- 11 13 1 if the Transfer Notice shall state that it is conditional upon all and not part of the shares comprised in it being sold or transferred he shall be entitled only to transfer all but not part of the shares comprised in the Transfer Notice
- 11 13 2 if the Transfer Notice shall state that it is conditional upon all and not part of the shares comprised in any other Transfer Notice or Notices given by the Transferor to the Company on the same date relating to different classes of shares being sold or transferred he shall be entitled only to transfer shares comprised in the Transfer Notice if all but not part of the shares comprised in such other Transfer Notice or Notices are transferred at the same time at their respective Fair Values
- 11 13 3 before approving any transfer the Directors may require the Transferor and the Transferee respectively to make declarations pursuant to the Statutory Declarations Act, 1835 that the consideration paid by the Transferee for the transfer of the shares is not subject to any deduction or rebate
- If the Transferor cannot find a purchaser at the Fair Value he may give a fresh Transfer Notice
- 11 14 If any Purchaser shall fail (other than by reason of the default of the Transferor) to complete any purchase arising under Articles 11 11 and 11 12 within seventy days after the date of the Offer Notice the shares allocated to that Purchaser shall be re-allocated to the other applicants for such shares in accordance with their respective priorities and applications pursuant to the First Offer, the Second Offer or the Third Offer as the case may be so that such shares shall be allocated precisely as if the defaulting Purchaser had not applied for (or in a case where the defaulting Purchaser is the Company had not chosen pursuant to Article 11 15 to purchase) any of the shares in the Transfer Notice pursuant to the issue of the original Offer Notice and the Company shall forthwith notify all members (including the Transferor) in writing of any such re-allocation and deliver to the Transferor appropriate forms of transfer to which the provisions of Articles 11 11 and 11 12 shall forthwith apply as if such transfers had been delivered to the Transferor within the original period of sixty three days after the Offer Notice
- 11 15 In the case of any shares available to be allocated pursuant to a Second or Third Offer the Directors may decide within twenty eight days of the date of the Offer Notice to put a resolution to the Company in accordance with Article 16 to purchase at the Fair Value a stated number (being all or any part) of the shares so available and/or such number thereof as the Company shall by such resolution determine The Directors need only allocate among applicants pursuant to such Second or Third offers (as the case may be) any shares which the Company does not so resolve to purchase If no Notice of a General Meeting of the Company to consider any such Resolution is given within such period of twenty eight days the Directors shall be bound to allocate all shares available for allocation to applicants pursuant to Second or Third Offers as aforesaid to such applicants in accordance with the provisions of this Article 11 The Directors shall notify the Transferor and the other members of the numbers of shares (if any) the Company has resolved to purchase in any notice issued under Article 11 10 1 and the provisions of Articles 11 11, 11 12 and 11 13 shall apply in full to the purchase of any shares by the Company pursuant to this Article 11 15 as they apply to purchase of any shares by any member of the Company so that the term the Purchaser shall (where appropriate) include the Company The Directors may accordingly (subject to Article 16) at any time apply any part of the assets of the Company in purchasing any share or shares or in accepting a surrender of any shares in the capital of the Company from a member

(whether such purchase or surrender is made under this Article 11 15 or otherwise howsoever)

11 16 The provisions of Articles 8, 9, 10 and 11 shall apply to transfers renunciations and nominations of shares and/or of the right to subscribe for shares in like manner as they apply to transfers of shares

11 17 For the avoidance of doubt it is hereby recorded that any member shall be entitled to discuss and/or canvass the sale transfer or other disposal of any share or any beneficial interest therein without being regarded as having given a formal Transfer Notice within Article 11 1

GENERAL MEETINGS

12

12 1 All general meetings other than annual general meetings shall be called general meetings The Directors may call general meetings whenever they think fit and shall in any event do so when and in the manner required by the Act The accidental omission to give notice or to send or supply any document or other information relating to any meeting to a person entitled to receive the same when so required or the non receipt of any such notice, document or other information by any such person shall not invalidate the convening of or the proceedings at that meeting

12 2 Every notice convening a general meeting shall comply with the provisions of the Act as to giving information to members in regard to their right to appoint proxies, and notices of and other communications relating to any general meeting which any Member is entitled to receive shall be sent to the Directors and to the Auditors for the time being of the Company

12 3 Any form of proxy given by or on behalf of a corporation, whether or not a company within the meaning of the Act, need not be given under seal but may be signed by any duly authorised representative

13 Save as hereinafter provided -

13 1 at any general meeting of the Company on a show of hands every Member who is present in person (including a corporation present by a representative) shall have one vote and on a poll every Member who is present in person or by proxy shall have one vote for every share of whatever nominal value of which he is the holder

13 2 on a poll being taken at a meeting of the Company or at a meeting of any class of Members, a Member entitled to more than one vote need not, if he votes, use all his votes or cast all the votes he uses in the same way

14 The holders of the Preference Shares and of the Ordinary Shares shall be entitled to receive notice of and to attend and speak at all general meetings of the Company but shall not be entitled to vote thereat

15 The Company shall not except by Special Resolution -

- (a) increase the share capital by such sum to be divided into shares of such amount as the resolution may prescribe,
- (b) consolidate its shares into shares of a larger amount than its existing shares,
- (c) sub-divide its shares into shares of a smaller amount than its existing shares,
- (d) cancel any shares which at the date of the passing of the resolution have not been taken or agreed to be taken by any person,
- (e) reduce its share capital including share premium account in any way,

- (f) create any redeemable shares
- 16 The Company may not, save with the authority of a Special Resolution, purchase its own shares (including any redeemable shares) and/or make any payment whatsoever (whether out of distributable profits of the Company or the proceeds of a fresh issue of shares or otherwise howsoever) in respect of the purchase of its own shares (including any redeemable shares)
- 17 If a quorum is not present within half an hour from the time appointed for a General Meeting the General Meeting shall stand adjourned to the same day in the next week at the same time and place or to such other time and place as the Directors may determine, and if at the adjourned General Meeting a quorum is not present within half an hour from the time appointed therefor such adjourned General Meeting shall be dissolved

DIRECTORS

- 18 A Director shall not require a share qualification but nevertheless shall be entitled to attend and speak at any General Meeting of the Company
- 19
- 19 1 Any Director (other than an alternate Director) may appoint any other Director, or any other person approved by unanimous resolution of the Directors and willing to act, to be an alternate Director and may remove from office an alternate Director so appointed by him. Every appointment and removal of an alternate Director shall be in writing signed by the appointor and (subject to any approval required) shall (unless the Directors agree otherwise) only take effect upon receipt of such written appointment or removal at the registered office of the Company
- 19 2 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
- 19 3 An alternate Director shall (whether or not in the United Kingdom at any particular time) be entitled to receive notice of all meetings of Directors and of all meetings of committees of Directors of which his appointor is a member, to attend and vote at any such meeting at which the Director appointing him is not personally present, and generally to perform all the functions of his appointor as a Director in his absence and to receive notice of all General Meetings
- 19 4 An alternate Director shall cease to be an alternate Director if his appointor ceases to be a Director. The appointment of an alternate Director shall automatically determine on the happening of any event which if he were a Director would cause him to vacate such office
- 19 5 A Director, or any such other person as is mentioned in Article 19 2 may act as an alternate Director to represent more than one Director, and an alternate Director shall be entitled at any meeting of the Directors or of any committee of the Directors to one vote for every Director whom he represents in addition to his own vote (if any) as a Director, but he shall count as only one for the purpose of determining whether a quorum is present
- 19 6 Save as otherwise provided in the Articles, an alternate Director shall be deemed for all purposes to be a Director and shall alone be responsible for his own acts and defaults and he shall not be deemed to be the agent of the Director appointing him
- 20 The Directors may grant special remuneration to any member of the Board who, being called upon, shall be willing to render any special or extra services to the Company in connection with the conduct of any of the affairs of the Company. Such special remuneration may be made payable to such Director in addition to or in substitution for

his ordinary remuneration as a Director and may be made payable by a lump sum or by way of salary, commission or a percentage of profits or by any or all of those modes

21

21 1 Notwithstanding anything to the contrary in these articles, the Directors may, in accordance with (but subject to) the provisions of section 175 of the Act and this Article 21, authorise any matter which would, if not authorised, result in a Director (the "**Conflicted Director**") being in breach of his duty under section 175 of the Act to avoid a situation in which he has, or could have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company (a "**Conflict**")

21 2 Any authorisation given under Article 21 1 (an "**Authorisation**") will only be effective if

- (a) any requirement as to the quorum at the meeting of the Directors at which the matter is considered is met without counting the Conflicted Director (or any other interested Director), and
- (b) the matter was agreed to without the Conflicted Director (or any other interested director) voting or would have been agreed to if his (or any other interested Director's) vote had not been counted

21 3 The Directors may at any time

- (a) make any Authorisation subject to such terms and conditions as they think fit, and
- (b) vary or terminate any Authorisation (provided that this will not affect anything done by the relevant Conflicted Director in accordance with that Authorisation before any such variation or termination)

21 4 Unless as a term of the relevant Authorisation the Directors provide otherwise, a Conflicted Director who has received an Authorisation in relation to a Conflict

- (a) may vote at any future meeting of the Directors (or any committee of the Directors) on any resolution in respect of that Conflict (and if he does vote his vote shall be counted) and shall be taken into account in determining whether a quorum is present at that meeting,
- (b) may absent himself from the whole or any part of a meeting of the Directors (or any committee of the Directors) at which anything relating to that Conflict may be discussed,
- (c) shall not be required to disclose to the Company (or use for its benefit) any confidential information he obtains, otherwise than in his capacity as a Director, as a result of that Conflict where to do so would be a breach of any duty of confidence owed by him to a third party, and
- (d) shall not be liable to account to the Company for any benefit he derives as a result of that Conflict

22 If a Director (the "**Interested Director**") is in any way directly or indirectly interested in a proposed or existing transaction or arrangement with the Company (the "**Transaction**") he must declare the nature and extent of that interest to the other Directors in accordance with the provisions of the Act

23 Subject to the provisions of the Act, Article 22 and the terms of any relevant Authorisation, an Interested Director

- (a) may vote at any meeting of the Directors (or any committee of the Directors) on any resolution in respect of the relevant Transaction (and if he

does vote his vote shall be counted) and shall be taken into account in determining whether a quorum is present at that meeting, and

- (b) shall not be liable to account to the Company for any benefit he derives as a result of that Transaction

- 24 Notice of every Meeting of Directors setting out the business to be transacted thereat shall be given to every Director (including without limitation any Director absent from the United Kingdom) and no business except that in respect of which notice has been given shall be transacted at that Meeting save with the consent of all the Directors of the Company whether or not they are present at such meeting
- 25 A telex cable or telegram approval of a circulated proposal shall rank as a signed document by a Director for the purpose of constituting a written resolution
- 26 Every Director for the time being of the Company shall hold office until his office shall be vacated by or pursuant to the Regulations of the Company
- 27 Any person may be appointed or elected as a Director whatever may be his age and no Director shall be required to vacate his office by reason of his attaining or having attained the age of seventy years or any other age

POSTPONEMENT OF RESOLUTIONS

28

- 28 1 No resolution shall be passed at a Board Meeting if at least one Director shall have indicated before or at that Board Meeting that he considers that the resolution requires the sanction of the Company in General Meeting In such circumstances, the resolution under consideration shall (unless sanctioned under Article 28 2) be postponed until the next meeting of the Directors and at such meeting (and any subsequent meeting) any one Director shall (unless such resolution has been previously sanctioned under Article 31 2) have a like power to require the sanction of the Company in General Meeting The exercise of such power of reference shall not prevent the Board from considering any further item(s) of business

No purchaser lender or other person dealing with the Company shall be concerned to see or enquire whether the necessary sanctions to any transaction herein referred to have been obtained

- 28 2 For the purposes of this Article 28 the sanction of the Company in General Meeting as aforesaid shall not be capable of being given except

- 28 2 1 by a resolution passed by a majority of not less than nine tenths of votes cast by such Members as, being entitled to do so, vote in person or, where proxies are allowed, by proxy at a general meeting of which not less than twenty-one days' notice, specifying the intention to propose the resolution as aforesaid has been given, and in relation to any such meeting the relevant provisions of the Act (as from time to time modified and/or re-enacted) shall apply in all respects (save as specifically set out above) as if the resolution were a special resolution, or

- 28 2 2 by the unanimous written consent of the holders of all the Voting Shares from time to time in issue

The special rights attached to each Voting Share from time to time in issue shall not be or be deemed to be varied by any resolution from time to time proposed to vary and/or remove this Article 28 or any part or parts thereof

- 29 If at any general meeting a poll is duly demanded on a resolution to remove a Director from office, such Director shall on the poll being taken be entitled in respect of any Voting Shares registered in his name to so many additional votes as shall, together with the votes attaching to the Voting Shares registered in his name, equal 51% of the total number of votes cast on such resolution Provided that no Director not having any Voting

Shares registered in his name shall be entitled to any votes on a resolution for his removal. The special voting rights conferred by this Article shall not be or be deemed to be varied by any resolution from time to time proposed to vary and/or remove this Article 32 or any part or parts thereof and no Director shall be entitled to any additional votes to those normally attaching to any shares registered in his name on any such resolution as aforesaid.

CAPITALISATION OF PROFITS

- 30 The Directors may with the authority of an ordinary resolution of the Company in general meeting
- 30 1 subject as hereinafter provided, resolve to capitalise any undivided profits of the Company (whether or not the same are available for distribution and including profits standing to any reserve) or any sum standing to the credit of the Company's share premium account or capital redemption reserve,
- 30 2 appropriate the profits or sum resolved to be capitalised to the members who would have been entitled to it if it were distributed by way of dividend and in the same proportion and apply such profits or sum on their behalf, either in or towards paying up the amounts, if any for the time being unpaid on any shares held by them respectively, or in paying up in full unissued shares or debentures of the Company of a nominal amount equal to such profits or sum and allot and distribute such shares or debentures credited as fully paid-up, to and amongst such members or as they may direct, in those proportions, or partly in one way and partly in the other provided that
- 30 2 1 the share premium account and the capital redemption reserve and any such profits which are not available for distribution may, for the purpose of this Article 33 2 1, only be applied in the paying up of unissued shares to be issued to members credited as fully paid, and
- 30 2 2 in the case where any sum is applied in paying amounts for the time being unpaid on any shares of the Company or in paying up in full debentures of the Company, the amount of the net assets of the Company at the time is not less than the aggregate of the called up share capital of the Company and is undistributable reserves as shown in the latest audited accounts of the Company or such other accounts as may be relevant and would not be reduced below that aggregate by the payment thereof,
- 30 3 resolve that any shares allotted under this Article 30 to any member in respect of a holding by him of any partly paid shares shall, so long as such shares remain partly paid rank for dividends only to the extent that such partly paid shares rank for dividend,
- 30 4 make such provisions by the issue of fractional certificates or by payment in cash or otherwise as the Directors think fit for the case of shares or debentures becoming distributable under this Article 30 in fractions (including the sale of fractional entitlements for the benefit of the Company),
- 30 5 authorise any person to enter on behalf of all the members concerned into an agreement with the Company providing for the allotment to them respectively, credited as fully paid-up, of any shares or debentures to which they may be entitled upon such capitalisation (any agreement made under such authority being thereupon effective and binding on all such members),
- 30 6 generally do all acts and things required to give effect to such resolution as aforesaid

NOTICES

- 31 A notice may be given to the Company or to any officer of the Company by leaving the same at or by sending it by post in a prepaid envelope to the registered office of the Company

WINDING UP

- 32 If the Company is wound up, the liquidator may, with the sanction of an extraordinary resolution of the Company and any other sanction required by the Act, divide among the members in specie the whole or any part of the assets of the Company and may, for that purpose, value any assets and with like sanction determine (subject to Article 4) how the division shall be carried out as between the members or different classes of members. The liquidator may, with the like sanction, vest the whole or any part of the assets in trustees upon such trusts for the benefit of the members as he with the like sanction determines, but no member shall be compelled to accept any assets upon which there is a liability.

SECRETARY

- 32 1 The secretary shall be appointed by the Directors in accordance with the Act for such term, at such remuneration and upon such conditions as they may think fit and any secretary so appointed may be removed by them but without prejudice to any claim for damages for breach of contract or of any contract of service between him and the Company. If thought fit, two or more persons may be appointed as joint secretaries. Any provision of the Act of these Articles requiring or authorising a thing to be done by or to a Director and the secretary shall not be satisfied by it being done by or to the same person acting both as Director and as, or in the place of, the secretary.

INDEMNITY

- 33 Subject to the Act, but without prejudice to any indemnity to which the person concerned may otherwise be entitled, every Director, auditor, secretary or other officer of the Company shall be indemnified out of the assets of the Company against all costs, charges, losses, expenses and liabilities which he may sustain or incur
- 33 1 in or about the actual or purported execution and discharge of his duties or his powers and discretions or otherwise in relation thereto or in connection therewith,
- 33 2 in defending any proceedings, civil or criminal, which relate to anything done or omitted or alleged to have been done or omitted by him as an officer or employee of the Company and in which judgment is given in his favour (or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part) or in which he is acquitted, and
- 33 3 in connection with any application in which relief is granted to him by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company
- 34 To the extent permitted by the Act, the Directors shall have the power to purchase and maintain at the expense of the Company insurance for or for the benefit of any persons who are or were at any time Directors, auditors, secretary, other officers or employees of the Company, or of any subsidiary or holding company of the Company, including (without prejudice to the generality of the foregoing) insurance against any costs, charges, expenses, losses and liabilities suffered or incurred by such persons in respect of any act or omission in the actual or purported discharge of their duties or their powers and discretions and otherwise in relation to their offices with the Company or any such subsidiary or holding company.

CORPORATIONS ACTING BY REPRESENTATIVES

- 35 Any corporation which is a member of the Company may, by resolution of its directors or other governing body, authorise any person or persons to act as its representative or representatives at any meetings of the Company or of any class of members thereof. The provisions of the Act shall apply to determine the powers that may be exercised at any such meeting by any person or persons so authorised.

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- 36 The corporation shall, for the purposes of these Articles, be deemed to be present in person at any such meeting if any person or persons so authorised is or are present at it and all references to attendance and voting in person shall be construed accordingly
- 37 A director, the secretary or some person authorised for the purpose by the secretary may require any representative to produce a certified copy of the resolution so authorising him before permitting him to exercise his powers