

THE COMPANIES ACT 2006

PRIVATE COMPANY LIMITED BY SHARES

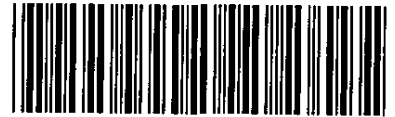
WRITTEN RESOLUTIONS

of

JOHN FERGUS & CO LIMITED

(the "Company")

THURSDAY



SCT *S3AVUFT4* #98
26/06/2014
COMPANIES HOUSE

Pursuant to Chapter 2 of Part 13 of the Companies Act 2006 (the "Act"), the directors of the Company propose that the following resolutions are passed as an ordinary resolution and two special resolutions respectively (the "Resolutions"):-

..... 17 JUNE 2014 (the "Circulation Date")

ORDINARY RESOLUTION

1. "THAT, in accordance with section 551 of the Companies Act 2006, the board of directors of the Company be generally and unconditionally authorised to allot shares in the Company up to an aggregate nominal amount of £10,394,998 provided that this authority shall, unless renewed, varied or revoked by the Company, expire on the fifth anniversary of the date of the Resolution save that the Company may, before such expiry, make an offer or agreement which would or might require shares to be allotted and the board of directors of the Company may allot shares in pursuance of such offer or agreement notwithstanding that the authority conferred by this resolution has expired.

This authority is in substitution for all previous authorities conferred on the board of directors of the Company in accordance with section 551 of the Companies Act 2006";

SPECIAL RESOLUTIONS

2. "THAT, the regulations in the form of the document circulated with this resolution be and are hereby adopted as the articles of association of the Company in substitution for and to the exclusion of the existing articles of association of the Company"; and
3. "THAT, the 2 ordinary shares of £1.00 each in the capital of the Company registered in the name of Ian Palmer be and are hereby reclassified as 2 B ordinary shares of £1.00 each in the capital of the Company, such B ordinary shares having the rights and being subject to the restrictions set out in the articles of association of the Company adopted pursuant to resolution 2 above".

AGREEMENT

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

The undersigned, being the sole member entitled to vote on the Resolutions on the Circulation Date, hereby irrevocably agrees to the Resolutions:

.....
Ian Palmer

.....17 JUNE 2014
Date

NOTES

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

By Hand: delivering the signed copy, marked for the attention of Neil Kennedy, to MacRoberts LLP, Capella Building, 60 York Street, Glasgow G2 8JX.

Post: returning the signed copy by post marked for the attention of Neil Kennedy, to MacRoberts LLP, Capella Building, 60 York Street, Glasgow G2 8JX.

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

2. Once you have indicated your agreement to the Resolutions, you may not revoke your agreement.
3. Unless, by the date falling 28 days after the Circulation Date, 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.

THE COMPANIES ACT 2006
ARTICLES OF ASSOCIATION
Of
JOHN FERGUS & CO LIMITED

macROBERTS

A handwritten signature in black ink, appearing to be 'J. F. & Co.', located in the bottom right corner of the page.

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INTERPRETATION AND LIMITATION OF LIABILITY

1. DEFINED TERMS

In the articles, unless the context requires otherwise:

"A Shares" means the A ordinary shares of £1 each in the capital of the company;

"articles" means the company's articles of association;

"Available Profits" means profits available for distribution within the meaning of part 23 of the Companies Act;

"B Shares" means the B ordinary shares of £1 each in the capital of the company;

"bankruptcy" includes individual insolvency proceedings in a jurisdiction other than England and Wales or Northern Ireland which have an effect similar to that of bankruptcy;

"chairman" has the meaning given in article 11;

"chairman of the meeting" has the meaning given in article 42.2;

"Companies Acts" means the Companies Acts (as defined in section 2 of the Companies Act 2006), in so far as they apply to the company;

"Controlling Interest" means an interest (whether direct or indirect) in Shares conferring, in aggregate, more than 50% of the total voting rights in general meeting;

"director" means a director of the company, and includes any person occupying the position of director, by whatever name called and **"directors"** means the board of directors of the company from time to time;

"Disposal" means the disposal by the company of all, or a substantial part of, its business and assets;

"distribution recipient" has the meaning given in article 34.2;

"document" includes, unless otherwise specified, any document sent or supplied in electronic form;

"electronic form" has the meaning given in section 1168 of the Companies Act 2006;

"Exit" means a Share Sale or a Disposal;

"Financial Year" means an accounting reference period (as defined in section 391 of the Act) of the company;

"fully paid" in relation to a share, means that the nominal value and any premium to be paid to the company in respect of that share have been paid to the company;

"hard copy form" has the meaning given in section 1168 of the Companies Act 2006;

"holder" in relation to shares means the person whose name is entered in the register of members as the holder of the shares;

"instrument" means a document in hard copy form;

"ordinary resolution" has the meaning given in section 282 of the Companies Act 2006;

"paid" means paid or credited as paid;

"participate", in relation to a directors' meeting, has the meaning given in article 9;

"Preferred Dividend" shall have the meaning given in article 20.2;

"Preferred Shares" means the non-redeemable convertible preferred ordinary shares of £1 each in the capital of the company;

"proxy notice" has the meaning given in article 48;

"Sale Proceeds" means the consideration payable (including any deferred and/or contingent consideration) whether in cash or otherwise to those shareholders selling shares under a Share Sale (less any fees and expenses payable by the selling shareholders under that Share Sale);

"shareholder" means a person who is the holder of a share;

"shares" means the A Shares and the B Shares and the Preferred Shares;

"Share Sale" means the sale of (or the grant of a right to acquire or to dispose of) any shares (in one transaction or as a series of transactions) which would, if completed, result in the buyer of those shares (or grantee of that right) and persons acting in concert with him together acquiring a Controlling Interest, except where the identities of the shareholders and the proportion of shares held by each of them following completion of the Share Sale are the same as the identities of the shareholders and their respective shareholdings in the company immediately before the Share Sale;

"special resolution" has the meaning given in section 283 of the Companies Act 2006;

"subsidiary" has the meaning given in section 1159 of the Companies Act 2006;

"transmittee" means a person entitled to a share by reason of the death or bankruptcy of a shareholder or otherwise by operation of law; and

"writing" means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise.

Unless the context otherwise requires, other words or expressions contained in these articles bear the same meaning as in the Companies Act 2006 as in force on the date when these articles become binding on the company.

2. LIABILITY OF MEMBERS

The liability of the members is limited to the amount, if any, unpaid on the shares held by them.

DIRECTORS' POWERS AND RESPONSIBILITIES

3. DIRECTORS' GENERAL AUTHORITY

- 3.1 Subject to the articles, the directors are responsible for the management of the company's business, for which purpose they may exercise all the powers of the company.
- 3.2 The shareholders may, by special resolution, direct the directors to take, or refrain from taking, specified action. No such special resolution invalidates anything which the directors have done before the passing of the resolution.

4. DIRECTORS MAY DELEGATE

- 4.1 Subject to the articles, the directors may delegate any of the powers which are conferred on them under the articles:
 - (a) to such person or committee;
 - (b) by such means (including by power of attorney);
 - (c) to such an extent;
 - (d) in relation to such matters or territories; and
 - (e) on such terms and conditions;

as they think fit.

- 4.2 If the directors so specify, any such delegation may authorise further delegation of the directors' powers by any person to whom they are delegated.
- 4.3 The directors may revoke any delegation in whole or part, or alter its terms and conditions.

5. COMMITTEES

- 5.1 Committees to which the directors delegate any of their powers must follow procedures which are based as far as they are applicable on those provisions of the articles which govern the taking of decisions by directors.

- 5.2 The directors may make rules of procedure for all or any committees, which prevail over rules derived from the articles if they are not consistent with them.

DECISION-MAKING BY DIRECTORS

6. DIRECTORS TO TAKE DECISIONS COLLECTIVELY

- 6.1 The general rule about decision-making by directors is that any decision of the directors must be either a majority decision at a meeting or a decision taken in accordance with article 7.

- 6.2 If:

(a) the company only has one director, and

(b) no provision of the articles requires it to have more than one director,

the general rule does not apply, and the director may take decisions without regard to any of the provisions of the articles relating to directors' decision-making.

7. UNANIMOUS DECISIONS

- 7.1 A decision of the directors is taken in accordance with this article when all eligible directors indicate to each other by any means that they share a common view on a matter.

- 7.2 Such a decision may take the form of a resolution in writing, copies of which have been signed by each eligible director or to which each eligible director has otherwise indicated agreement in writing.

- 7.3 References in this article to eligible directors are to directors who would have been entitled to vote on the matter had it been proposed as a resolution at a directors' meeting.

- 7.4 A decision may not be taken in accordance with this article if the eligible directors would not have formed a quorum at such a meeting.

8. CALLING A DIRECTORS' MEETING

- 8.1 Any director may call a directors' meeting by giving notice of the meeting to the directors or by authorising the company secretary (if any) to give such notice.

- 8.2 Notice of any directors' meeting must indicate:

(a) its proposed date and time;

(b) where it is to take place; and

(c) if it is anticipated that directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting.

- 8.3 Notice of a directors' meeting must be given to each director, but need not be in writing.

- 8.4 Notice of a directors' meeting need not be given to directors who waive their entitlement to notice of that meeting, by giving notice to that effect to the company not more than 7 days after the date on which the meeting is held. Where such notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it.

9. PARTICIPATION IN DIRECTORS' MEETINGS

- 9.1 Subject to the articles, directors participate in a directors' meeting, or part of a directors' meeting, when:

- (a) the meeting has been called and takes place in accordance with the articles, and
- (b) they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.

9.2 In determining whether directors are participating in a directors' meeting, it is irrelevant where any director is or how they communicate with each other.

9.3 If all the directors participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is.

10. QUORUM FOR DIRECTORS' MEETINGS

10.1 At a directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.

10.2 The quorum for directors' meetings may be fixed from time to time by the shareholders and shall be changed only by unanimous decision of the shareholders.

10.3 If the total number of directors for the time being is less than the quorum required, the directors must not take any decision other than a decision:

- (a) to appoint further directors, or
- (b) to call a general meeting so as to enable the shareholders to appoint further directors.

11. CHAIRING OF DIRECTORS' MEETINGS

11.1 The holder of a majority of the A Shares shall be entitled from time to time to nominate any director appointed by them to chair meetings of the directors.

11.2 The person so appointed for the time being is known as the chairman.

11.3 The holders of a majority of the A Shares may terminate the chairman's appointment at any time.

11.4 If the chairman is not participating in a directors' meeting within ten minutes of the time at which it was to start, the participating directors must appoint one of themselves to chair it.

12. CASTING VOTE

12.1 If the numbers of votes for and against a proposal are equal, the chairman has a casting vote.

12.2 But this does not apply if, in accordance with the articles, the chairman or other director is not to be counted as participating in the decision-making process for quorum or voting purposes.

13. CONFLICTS OF INTEREST

13.1 If a proposed decision of the directors is concerned with an actual or proposed transaction or arrangement with the company in which a director is interested, that director is not to be counted as participating in the decision-making process for quorum or voting purposes.

13.2 But if article 13.3 applies, a director who is interested in an actual or proposed transaction or arrangement with the company is to be counted as participating in the decision-making process for quorum and voting purposes.

13.3 This article applies when:

- (a) the company by ordinary resolution disapplies the provision of the articles which would otherwise prevent a director from being counted as participating in the decision-making process;
- (b) the director's interest cannot reasonably be regarded as likely to give rise to a conflict

of interest; or

- (c) the director's conflict of interest arises from a permitted cause.

13.4 For the purposes of this article, the following are permitted causes:

- (a) a guarantee given, or to be given, by or to a director in respect of an obligation incurred by or on behalf of the company or any of its subsidiaries;
- (b) subscription, or an agreement to subscribe, for shares or other securities of the company or any of its subsidiaries, or to underwrite, sub-underwrite, or guarantee subscription for any such shares or securities; and
- (c) arrangements pursuant to which benefits are made available to employees and directors or former employees and directors of the company or any of its subsidiaries which do not provide special benefits for directors or former directors.

13.5 For the purposes of this article, references to proposed decisions and decision-making processes include any directors' meeting or part of a directors' meeting.

13.6 Subject to article 13.7, if a question arises at a meeting of directors or of a committee of directors as to the right of a director to participate in the meeting (or part of the meeting) for voting or quorum purposes, the question may, before the conclusion of the meeting, be referred to the chairman whose ruling in relation to any director other than the chairman is to be final and conclusive.

13.7 If any question as to the right to participate in the meeting (or part of the meeting) should arise in respect of the chairman, the question is to be decided by a decision of the directors at that meeting, for which purpose the chairman is not to be counted as participating in the meeting (or that part of the meeting) for voting or quorum purposes.

14. RECORDS OF DECISIONS TO BE KEPT

The directors must ensure that the company keeps a record, in writing, for at least 10 years from the date of the decision recorded, of every unanimous or majority decision taken by the directors.

APPOINTMENT OF DIRECTORS

15. METHODS OF APPOINTING DIRECTORS

15.1 Subject to the terms of any agreement among the shareholders and the company from time to time, any person who is willing to act as a director, and is permitted by law to do so, may be appointed to be a director:

- (a) by ordinary resolution, or
- (b) by a decision of the directors.

15.2 In any case where, as a result of death, the company has no shareholders and no directors, the personal representatives of the last shareholder to have died have the right, by notice in writing, to appoint a person to be a director.

15.3 For the purposes of article 15.2, where 2 or more shareholders die in circumstances rendering it uncertain who was the last to die, a younger shareholder is deemed to have survived an older shareholder.

15.4 Subject to the terms of any agreement among the shareholders and the company from time to time, the holders of a majority in nominal value of the B Shares shall be entitled to appoint one person as a director of the Company and to remove any director so appointed for any reason whatsoever and to appoint another person in their place. Each such appointment and removal shall be made by notice in writing served on the company and shall take effect on the date specified in the notice, or in the absence of any such date, from the date on which the notice is

received by the company. At any general meeting of the company at which a resolution to remove any director appointed pursuant to this article 15.4 is proposed, each holder of a B Shares shall be entitled to cast, in relation to that resolution only, 10,000,000 votes.

- 15.5 Subject to the terms of any agreement among the shareholders and the company from time to time, the holders of a majority in nominal value of the A Shares shall be entitled to appoint such number of directors as they shall, in their sole discretion, see fit as and to remove any director so appointed for any reason whatsoever and to appoint another person in their place. Each such appointment and removal shall be made by notice in writing served on the company and shall take effect on the date specified in the notice, or in the absence of any such date, from the date on which the notice is received by the company.

16. TERMINATION OF DIRECTOR'S APPOINTMENT

- 16.1 A person ceases to be a director as soon as:

- (a) that person ceases to be a director by virtue of any provision of the Companies Act 2006 or is prohibited from being a director by law;
- (b) a bankruptcy order is made against that person;
- (c) a composition is made with that person's creditors generally in satisfaction of that person's debts;
- (d) a registered medical practitioner certifies that that person has become physically or mentally incapable of acting as a director and may remain so for more than two months;
- (e) by reason of that person's mental health, a court makes an order which wholly or partly prevents that person from personally exercising any powers or rights which that person would otherwise have; and/or
- (f) notification is received by the company from the director that the director is resigning from office, and such resignation has taken effect in accordance with its terms.

17. DIRECTORS' REMUNERATION

- 17.1 Directors may undertake any services for the company that the directors decide.
- 17.2 Directors shall be entitled to such amount of remuneration for their services to the company as directors as shall be agreed from time to time among the company and the shareholders.
- 17.3 Unless the directors decide otherwise, directors are not accountable to the company for any remuneration which they receive as directors or other officers or employees of the company's subsidiaries or of any other body corporate in which the company is interested.

18. DIRECTORS' EXPENSES

- 18.1 Subject to the terms of any agreement among the shareholders and the company from time to time, the company may pay any reasonable expenses which the directors properly incur in connection with their attendance at:

- (a) meetings of directors or committees of directors,
- (b) general meetings, or
- (c) separate meetings of the holders of any class of shares or of debentures of the company,

or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the company.

19. SHARE CAPITAL AND VOTING

- 19.1 At the date of adoption of these articles, the company has an issued share capital of £10,395,000 divided into 3,635,000 A Shares, 395,000 B Shares and 6,365,000 Preferred Shares and all of which are issued. The A Shares and B Shares shall be issued fully paid and the Preferred Shares shall be issued unpaid. Calls on Preferred Shares shall only be made in accordance with article 25 and calls shall be subject always to any other agreement between the shareholders and the company from time to time.
- 19.2 Except as otherwise expressly provided in these articles, and subject to any agreement among the shareholders and the Company from time to time, the A Shares and the B Shares shall rank *pari passu* in all respects but shall constitute separate classes of shares. The rights attaching to the Preferred Shares shall be as set out in these articles.
- 19.3 The A Shares and the B Shares shall carry the right to receive notice of and to attend, speak and vote at all general meetings of the company.
- 19.4 The Preferred Shares shall not carry the right to receive notice of or to attend, speak or vote at any general meetings of the company.

OTHER RIGHTS ATTACHING TO THE SHARES

20. AS TO DIVIDENDS

- 20.1 In respect of any Financial Year, the Available Profits of the company shall be used to pay dividends as set out in this article 20.
- 20.2 The company shall, without need for a resolution of the directors, or the company in general meeting and before application of any Available Profits to reserves or for any other purpose, pay in respect of each Preferred Share a fixed preferential dividend (being the "**Preferred Dividend**") at an annual rate of 3% of the subscription price actually paid (which shall include, for the avoidance of doubt, part payments of the subscription price for any Preferred Share where such payments have been called) per Preferred Share to the person registered as its holder on the due date (such date determined in accordance with this article 20).
- 20.3 Subject to article 20.4, the Preferred Dividend shall be paid in cash on 30 April in each year, the first such payment to be made on 30 April 2018 in respect of the period from 1 May 2017 to (and including) 30 April 2018 unless the holders of a majority of the Preferred Shares in nominal value serve notice on the Company indicating that any payment of the Preferred Dividend (which would otherwise be payable) should not be paid on a due date but should accrue and be paid on another date (or dates) and with any other conditions which shall be agreed with the directors from time to time.
- 20.4 All unpaid arrears and accruals of the Preferred Dividend shall be paid on the date of an Exit or, if earlier, on the date of conversion of any Preferred Shares in accordance with article 24.3.2.
- 20.5 The company shall not declare or pay any further dividend unless and until:
- 20.5.1 all arrears and accruals of the Preferred Dividend have been paid; and
- 20.5.2 the company obtains the unanimous consent of the holders of any of the Preferred Shares that have been wholly or partly paid up, to any such dividend.
- 20.6 Subject to article 20.5 and any agreement between the company and the holders of the shares from time to time, any further Available Profits which the company may determine to distribute in respect of any Financial Year will be distributed among the holders of the A Shares and the B Shares (*pari passu* as if they constituted Shares of the same class) *pro rata* to their respective holdings of A Shares and B Shares.
- 20.7 Subject to the Companies Act, the directors may pay interim dividends provided that:
- 20.7.1 the Available Profits of the company justify the payment; and

- 20.7.2 the Company obtains the unanimous consent of the holders of any of the Preferred Shares that have been wholly or partly paid up, any such interim dividend.
- 20.8 Each dividend shall be distributed to the appropriate holders of Shares pro rata according to the number of Shares held by them respectively and shall accrue daily (assuming a 365 day year) as well after as before the commencement of a winding up. All dividends are expressed net and shall be paid in cash.
- 20.9 Unless the Company has insufficient Available Profits or the holders of a majority in nominal value of the Preferred Shares agree otherwise (or another arrangement) with the Company, the Preferred Dividend shall be paid immediately on the due date.
- 20.10 If, as a result of not having sufficient Available Profits, the company is not lawfully permitted to pay the Preferred Dividend in full on the due date, it shall pay the Preferred Dividend to the extent it is lawfully able to do so. The unpaid amount shall:
- 20.10.1 be a debt due from the company; and
- 20.10.2 accrue interest daily (assuming a 365 day year) at the rate of 2% above the base lending rate of Clydesdale Bank plc in respect of the period from the due date to the actual date of payment (both dates inclusive), compounded to the end of each calendar month and such interest shall, to the extent outstanding for the time being, be paid on the date of payment of the Preferred Dividend in respect of which the relevant interest accrues.
- 20.11 If the Company is in arrears in paying the Preferred Dividend, the first Available Profits arising shall be applied in or towards paying off any arrears of Preferred Dividend.

21. AS TO CAPITAL: LIQUIDATION PREFERENCE

- 21.1 On a return of assets on liquidation, capital reduction or otherwise (other than a conversion or purchase of Shares), the assets of the company remaining after the payment of its liabilities shall be applied (to the extent that the Company is lawfully able to do so) in the following order of priority:
- 21.1.1 first, in paying to the holders of the Preferred Shares in respect of each Preferred Share held the subscription price actually paid for that Preferred Share, together with a sum equal to any arrears and accruals of the Preferred Dividend in respect of that Preferred Share calculated down to (and including) the date of the return of capital and, if there is a shortfall of assets remaining to satisfy such payments in full, the proceeds shall be distributed to the holders of the Preferred Shares pro rata to the aggregate amounts due under this article 21.1.1 to each such Preferred Share held; and
- 21.1.2 thereafter, in distributing the balance among the holders of the A Shares and B Shares pro rata to the number of A Shares and B Shares held, as if they all constituted shares of the same class.

22. AS TO EXITS: EXIT PROVISIONS

- 22.1 On a Share Sale, the Sale Proceeds shall be distributed in the order of priority set out in article 21. The directors shall not register any transfer of any Shares if the Sale Proceeds are not distributed in that manner (save in respect of any Shares not sold in connection with that Share Sale) provided that, if the Sale Proceeds are not settled in their entirety upon completion of the Share Sale:
- 22.1.1 the directors may register the transfer of the relevant Shares, provided that the Sale Proceeds due on the date of completion of the Share Sale have been distributed in the order of priority set out in article 21; and
- 22.1.2 each Shareholder shall take any action (to the extent lawful and within its control) required by a the holders of the Preferred Shares to ensure that the balance of the

Sale Proceeds are distributed in the order of priority set out in article 21.

- 22.2 On a Disposal, the surplus assets of the company remaining after payment of its liabilities shall be distributed (to the extent that the company is lawfully permitted to do so) in the order of priority set out in article 21, provided always that if it is not lawful for the company to distribute its surplus assets in accordance with the provisions of these articles, each Shareholder shall (to the extent lawful and within its control) take any action required by the holders of the Preferred Shares (including, but without prejudice to the generality of this article 22.2, such action as may be necessary to put the company into voluntary liquidation so that article 21 applies).

23. VARIATION OF CLASS RIGHTS

- 23.1 No variation of the rights attaching to any class of shares shall be effective except with:

23.1.1 the consent in writing of the holders of not less than three-quarters in nominal value of the issued shares of the relevant class; or

23.1.2 the sanction of a special resolution passed at a separate general meeting of the holders of the shares of the relevant class. To any such separate general meeting all the provisions of these articles as to voting and general meetings of the company shall mutatis mutandis apply, but so that the necessary quorum shall be one holder of the relevant class present in person or by proxy and holding or representing not less than one-third in nominal value of the issued shares of the relevant class, that every holder of shares of the class shall be entitled on a poll to one vote for every share held by him and that any holder of shares of the class present in person or by proxy or (being a corporation) by a duly authorised representative may demand a poll. For the purpose of this article 19.5, one holder present in person or by proxy or (being a corporation) by a duly authorised representative may constitute a meeting.

- 23.2 Each of the following shall be deemed to constitute a variation of the rights attached to each class of shares:

23.2.1 the disposal, or transfer of, all or a significant part of the company's assets or undertaking.

23.2.2 the payment of any remuneration or expenses to any person other than as proper remuneration for work done or for services provided or as proper reimbursement for expenses properly incurred in connection with the business of the company;

23.2.3 the issue of any shares, stock or debentures by the company to any person;

23.2.4 the circulation (whether as part of a notice of a general meeting or otherwise) or the presentation of a resolution to:-

- (a) approve a purchase or the redemption by the company of any of its share capital; and/or
- (b) amend the memorandum and/or articles of association of the company;
- (c) wind up the company or make any application for an administration or winding up order or any order having similar effect in a different jurisdiction in relation to the company or give notice of intention to appoint an administrator or file a notice of appointment of an administrator unless in any case the company is, at the relevant time, insolvent and the directors reasonably consider (taking into account their fiduciary duties and having sought legal advice) that it ought to be wound up; or
- (d) the alteration, increase, reduction or other variation or re-organisation of the authorised or issued share capital of the company or the variation any of the rights attached to any of the share capital of the company from time to time.

- 23.3 The rights specified in article 15.4 shall be a class right attaching to the B Shares and the

rights specified in article 15.5 shall be a class right attaching to the A Shares.

24. CONVERSION OF PREFERRED SHARES

- 24.1 Subject only to the terms of any agreement among the company and the shareholders from time to time, any holder of Preferred Shares may at any time, by notice in writing to the company, require conversion of any number of the fully paid Preferred Shares held by it at any time into A Shares. Those Preferred Shares shall convert automatically on the date of service of such notice on the company (unless such notice states that conversion is to be effective on some later date, or when any conditions specified in the notice have been fulfilled, in which case conversion shall take effect on that later date, or when such conditions have been fulfilled, as the case may be).
- 24.2 At least 10 days after the date of conversion each holder of the relevant Preferred Shares converted or to be converted shall deliver the certificate(s) (or an indemnity in a form reasonably satisfactory to the directors for any lost share certificate) for the Preferred Shares being converted (together with such other evidence (if any) as the directors may reasonably require to prove good title to those Shares) to the company at its registered office for the time being.
- 24.3 On conversion pursuant to this article 24:
- 24.3.1 the relevant Preferred Shares shall (without any further authority than that contained in these Articles) stand converted into A Shares on the basis of one A Share for each Preferred Share held (subject to adjustment to take account of any sub-division, consolidation or re-classification of either the Preferred Shares or the A Shares at any time before a conversion in accordance with this article 24) and the A Shares resulting from the conversion shall rank *pari passu* in all respects with the existing issued A Shares; and
- 24.3.2 the company shall, if it has sufficient Available Profits, pay to the holder(s) of the Preferred Shares being converted a dividend equal to all arrears and accruals of dividends in relation to those Preferred Shares (to be calculated on a daily basis down to (and including) the date of conversion). If the company has insufficient Available Profits to pay all such arrears and accruals of dividend amounts in full then it shall pay the same to the extent that it is lawfully able to do so and the balance of any such arrears or accruals shall be a debt due of the company to which article 20.10 to article 20.11 (inclusive) shall apply.
- 24.4 Forthwith following a conversion pursuant to this article 24, the company shall enter the holder(s) of the converted Preferred Shares in the register of Shareholders of the company as the holder(s) of the appropriate number of A Shares and, subject to the relevant holder of Preferred Shares delivering the relevant share certificate(s) (or indemnity or other evidence) in respect of the Preferred Shares in accordance with article 24.3, the company shall, within 10 days of conversion, forward a definitive share certificate for the appropriate number of fully paid A Shares to such holder of converted Preferred Shares, by post to his address as shown in the company's register of Shareholders, at his own risk and free of charge.

25. CALLS ON PREFERRED SHARES AND FORFEITURE

- 25.1 Subject only to the terms of any agreement among the company and the shareholders from time to time, the directors may make calls upon the holders of the Preferred Shares in respect of any moneys unpaid on those shares (whether in respect of nominal value or premium (if any)) and each shareholder shall (subject to receiving at least fourteen days' notice specifying when and where payment is to be made) pay to the company as required by the notice the amount called on his shares. A call may be required to be paid by instalments. A call may, before receipt by the company of any sum due thereunder, be revoked in whole or part and payment of a call may be postponed in whole or part. A person upon whom a call is made shall remain liable for calls made upon him notwithstanding the subsequent transfer of the shares in respect whereof the call was made.
- 25.2 A call shall be deemed to have been made at the time when the resolution of the directors authorising the call was passed.

- 25.3 The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
- 25.4 If a call remains unpaid after it has become due and payable the person from whom it is due and payable shall be required to pay interest on the amount unpaid. Such interest shall accrue daily (assuming a 365 day year) at the rate of 2% above the base lending rate of Clydesdale Bank plc in respect of the period from the due date to the actual date of payment (both dates inclusive), compounded to the end of each calendar month.
- 25.5 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. 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.
- 25.6 If the notice is not complied with any share in respect of which it was given may, before the payment required by the notice has been made, be forfeited by a resolution of the directors and the forfeiture shall include all dividends or other moneys payable in respect of the forfeited shares and not paid before the forfeiture.
- 25.7 Subject to the provisions of the Companies Act, a forfeited share may be sold, re-allotted or otherwise disposed of on such terms and in such manner as the directors determine either to the person who was before the forfeiture the holder or to any other person and at any time before sale, re-allotment or other disposition, the forfeiture may be cancelled on such terms as the directors think fit. Where for the purposes of its disposal a forfeited share is to be transferred to any person the directors may authorise some person to execute an instrument of transfer of the share to that person.
- 25.8 A person any of whose shares have been forfeited shall cease to be a member in respect of them and shall surrender to the company for cancellation the certificate for the shares forfeited but shall remain liable to the company for all moneys which at the date of forfeiture were presently payable by him to the company in respect of those shares with interest at the rate at which interest was payable on those moneys before the forfeiture or, if no interest was so payable, at the appropriate rate (as defined in the Companies Act) from the date of forfeiture until payment but the directors may waive payment wholly or in part or enforce payment without any allowance for the value of the shares at the time of forfeiture or for any consideration received on their disposal.
- 25.9 A statutory declaration by a director that a share has been forfeited on a specified date shall be conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share and the declaration shall (subject to the execution of an instrument of transfer if necessary) constitute a good title to the share and the person to whom the share is disposed of shall not be bound to see to the application of the consideration, if any, nor shall his title to the share be affected by any irregularity in or invalidity of the proceedings in reference to the forfeiture or disposal of the share.

26. POWERS TO ISSUE DIFFERENT CLASSES OF SHARE

- 26.1 Subject to the articles, but without prejudice to the rights attached to any existing share, the company may issue shares with such rights or restrictions as may be determined by ordinary resolution.
- 26.2 The company may issue shares which are to be redeemed, or are liable to be redeemed at the option of the company or the holder, and the directors may determine the terms, conditions and manner of redemption of any such shares.

27. COMPANY NOT BOUND BY LESS THAN ABSOLUTE INTERESTS

Except as required by law, no person is to be recognised by the company as holding any share upon any trust, and except as otherwise required by law or the articles, the company is not in any way to be bound by or recognise any interest in a share other than the holder's absolute ownership of it and all the rights attaching to it.

28. SHARE CERTIFICATES

- 28.1 The company must issue each shareholder, free of charge, with one or more certificates in respect of the shares which that shareholder holds.
- 28.2 Every certificate must specify:
- (a) in respect of how many shares, of what class, it is issued;
 - (b) the nominal value of those shares;
 - (c) that the shares are fully paid; and
 - (d) any distinguishing numbers assigned to them.
- 28.3 No certificate may be issued in respect of shares of more than one class.
- 28.4 If more than one person holds a share, only one certificate may be issued in respect of it.
- 28.5 Certificates must:
- (a) have affixed to them the company's common seal, or
 - (b) be otherwise executed in accordance with the Companies Acts.

29. REPLACEMENT SHARE CERTIFICATES

- 29.1 If a certificate issued in respect of a shareholder's shares is:
- (a) damaged or defaced, or
 - (b) said to be lost, stolen or destroyed,
- that shareholder is entitled to be issued with a replacement certificate in respect of the same shares.
- 29.2 A shareholder exercising the right to be issued with such a replacement certificate:
- (a) may at the same time exercise the right to be issued with a single certificate or separate certificates;
 - (b) must return the certificate which is to be replaced to the company if it is damaged or defaced; and
 - (c) must comply with such conditions as to evidence, indemnity and the payment of a reasonable fee as the directors decide.

30. SHARE TRANSFERS

- 30.1 Subject only to the terms of any other agreement among the company and the shareholders from time to time, Shares may be transferred by means of an instrument of transfer in any usual form or any other form approved by the directors, which is executed by or on behalf of the transferor.
- 30.2 No fee may be charged for registering any instrument of transfer or other document relating to or affecting the title to any share.
- 30.3 The company may retain any instrument of transfer which is registered.
- 30.4 The transferor remains the holder of a share until the transferee's name is entered in the register of members as holder of it.

- 30.5 Subject only to the terms of any other agreement among the company and the shareholders from time to time, the directors may not refuse to register the transfer of a share.
- 30.6 Notwithstanding any other provision of these articles, if any party (for the purposes of this article 30.6, an **"acquiring party"**) shall acquire or otherwise become the holder of the shares of any shareholder or any rights in any such shares (for the purposes of this article 30.6, the **"transferring shares"**) including, for the avoidance of doubt (but without any limitation to the generality) any shareholder who is, or has at any time been, an employee, director or consultant of the company (for the purposes of this article 30.6, a **"selling shareholder"**), the acquiring party shall be deemed to be bound by and shall have the benefit of all of the rights and be subject to all of the obligations and restrictions that accrue to the selling shareholder pursuant to and in terms of any agreement amongst the company and the shareholders which may exist from time to time.

31. TRANSMISSION OF SHARES

The provisions of this article 31 shall be subject to any agreement among the shareholders and the company from time to time.

- 31.1 If title to a share passes to a transmittee, the company may only recognise the transmittee as having any title to that share.
- 31.2 A transmittee who produces such evidence of entitlement to shares as the directors may properly require:
- (a) may, subject to the articles, choose either to become the holder of those shares or to have them transferred to another person, and
 - (b) subject to the articles, and pending any transfer of the shares to another person, has the same rights as the holder had.
- 31.3 But transmittees do not have the right to attend or vote at a general meeting, or agree to a proposed written resolution, in respect of shares to which they are entitled, by reason of the holder's death or bankruptcy or otherwise, unless they become the holders of those shares.

32. EXERCISE OF TRANSMITTEES' RIGHTS

The provisions of this article 32 shall be subject to any agreement among the shareholders and the company from time to time.

- 32.1 Transmittees who wish to become the holders of shares to which they have become entitled must notify the company in writing of that wish.
- 32.2 If the transmittee wishes to have a share transferred to another person, the transmittee must execute an instrument of transfer in respect of it.
- 32.3 Any transfer made or executed under this article is to be treated as if it were made or executed by the person from whom the transmittee has derived rights in respect of the share, and as if the event which gave rise to the transmission had not occurred.

33. TRANSMITTEES BOUND BY PRIOR NOTICES

If a notice is given to a shareholder in respect of shares and a transmittee is entitled to those shares, the transmittee is bound by the notice if it was given to the shareholder before the transmittee's name has been entered in the register of members.

34. PAYMENT OF DIVIDENDS AND OTHER DISTRIBUTIONS

- 34.1 Where a dividend or other sum which is a distribution is payable in respect of a share, it must be paid by one or more of the following means:
- (a) transfer to a bank or building society account specified by the distribution recipient either in writing or as the directors may otherwise decide;

- (b) sending a cheque made payable to the distribution recipient by post to the distribution recipient at the distribution recipient's registered address (if the distribution recipient is a holder of the share), or (in any other case) to an address specified by the distribution recipient either in writing or as the directors may otherwise decide;
- (c) sending a cheque made payable to such person by post to such person at such address as the distribution recipient has specified either in writing or as the directors may otherwise decide; or
- (d) any other means of payment as the directors agree with the distribution recipient either in writing or by such other means as the directors decide.

34.2 In the articles, "the distribution recipient" means, in respect of a share in respect of which a dividend or other sum is payable:

- (a) the holder of the share;
- (b) if the share has two or more joint holders, whichever of them is named first in the register of members; or
- (c) if the holder is no longer entitled to the share by reason of death or bankruptcy, or otherwise by operation of law, the transmittee.

35. NO INTEREST ON DISTRIBUTIONS

35.1 The company may not pay interest on any dividend or other sum payable in respect of a share unless otherwise provided by:

- (a) the terms on which the share was issued, or
- (b) the provisions of another agreement between the holder of that share and the company.

36. UNCLAIMED DISTRIBUTIONS

36.1 All dividends or other sums which are:

- (a) payable in respect of shares, and
- (b) unclaimed after having been declared or become payable,

may be invested or otherwise made use of by the directors for the benefit of the company until claimed.

36.2 The payment of any such dividend or other sum into a separate account does not make the company a trustee in respect of it.

36.3 If:

- (a) twelve years have passed from the date on which a dividend or other sum became due for payment, and
- (b) the distribution recipient has not claimed it,

the distribution recipient is no longer entitled to that dividend or other sum and it ceases to remain owing by the company.

37. NON-CASH DISTRIBUTIONS

37.1 Subject to the terms of issue of the share in question and subject to any agreement among the shareholders and the company from time to time, the company may, by ordinary resolution on the recommendation of the directors, decide to pay all or part of a dividend or other distribution

payable in respect of a share by transferring non-cash assets of equivalent value (including, without limitation, shares or other securities in any company).

37.2 For the purposes of paying a non-cash distribution, the directors may make whatever arrangements they think fit, including, where any difficulty arises regarding the distribution:

- (a) fixing the value of any assets;
- (b) paying cash to any distribution recipient on the basis of that value in order to adjust the rights of recipients; and
- (c) vesting any assets in trustees.

38. WAIVER OF DISTRIBUTIONS

Distribution recipients may waive their entitlement to a dividend or other distribution payable in respect of a share by giving the company notice in writing to that effect, but if:

- (a) the share has more than one holder, or
- (b) more than one person is entitled to the share, whether by reason of the death or bankruptcy of one or more joint holders, or otherwise,

the notice is not effective unless it is expressed to be given, and signed, by all the holders or persons otherwise entitled to the share.

CAPITALISATION OF PROFITS

39. AUTHORITY TO CAPITALISE AND APPROPRIATION OF CAPITALISED SUMS

39.1 Subject to the articles and subject to any agreement among the shareholders and the company from time to time, the directors may, if they are so authorised by an ordinary resolution:

- (a) decide to capitalise any profits of the company (whether or not they are available for distribution) which are not required for paying a preferential dividend, or any sum standing to the credit of the company's share premium account or capital redemption reserve; and
- (b) appropriate any sum which they so decide to capitalise (a "**capitalised sum**") to the persons who would have been entitled to it if it were distributed by way of dividend (the "**persons entitled**") and in the same proportions.

39.2 Capitalised sums must be applied:

- (a) on behalf of the persons entitled, and
- (b) in the same proportions as a dividend would have been distributed to them.

39.3 Any capitalised sum may be applied in paying up new shares of a nominal amount equal to the capitalised sum which are then allotted credited as fully paid to the persons entitled or as they may direct.

39.4 A capitalised sum which was appropriated from profits available for distribution may be applied in paying up new debentures of the company which are then allotted credited as fully paid to the persons entitled or as they may direct.

39.5 Subject to the articles and subject to any agreement among the shareholders and the company from time to time the directors may:

- (a) apply capitalised sums in accordance with articles 39.3 and 39.4 partly in one way and partly in another;

- (b) make such arrangements as they think fit to deal with shares or debentures becoming distributable in fractions under this article (including the issuing of fractional certificates or the making of cash payments); and
- (c) authorise any person to enter into an agreement with the company on behalf of all the persons entitled which is binding on them in respect of the allotment of shares and debentures to them under this article.

ORGANISATION OF GENERAL MEETINGS

40. ATTENDANCE AND SPEAKING AT GENERAL MEETINGS

- 40.1 A person is able to exercise the right to speak at a general meeting when that person is in a position to communicate to all those attending the meeting, during the meeting, any information or opinions which that person has on the business of the meeting.
- 40.2 A person is able to exercise the right to vote at a general meeting when:
 - (a) that person is able to vote, during the meeting, on resolutions put to the vote at the meeting, and
 - (b) that person's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting.
- 40.3 The directors may make whatever arrangements they consider appropriate to enable those attending a general meeting to exercise their rights to speak or vote at it.
- 40.4 In determining attendance at a general meeting, it is immaterial whether any two or more members attending it are in the same place as each other.
- 40.5 Two or more persons who are not in the same place as each other attend a general meeting if their circumstances are such that if they have (or were to have) rights to speak and vote at that meeting, they are (or would be) able to exercise them.

41. QUORUM FOR GENERAL MEETINGS

The quorum for all general meetings shall be all the holders of all the A Shares and all the B Shares in each case present in person, by proxy or by duly authorised representative. No business other than the appointment of the chairman of the meeting is to be transacted at a general meeting if the persons attending it do not constitute a quorum.

42. CHAIRING GENERAL MEETINGS

- 42.1 The holders of a majority of the A Shares shall appoint a chairman to chair general meetings.
- 42.2 The person chairing a meeting in accordance with this article is referred to as "the chairman of the meeting".
- 42.3 The chairman shall not have a casting vote.

43. ATTENDANCE AND SPEAKING BY DIRECTORS AND NON-SHAREHOLDERS

- 43.1 Directors may attend and speak at general meetings, whether or not they are shareholders.
- 43.2 The chairman of the meeting may permit other persons who are not:
 - (a) shareholders of the company, or
 - (b) otherwise entitled to exercise the rights of shareholders in relation to general meetings,

to attend and speak at a general meeting.

44. ADJOURNMENT

- 44.1 If the persons attending a general meeting within half an hour of the time at which the meeting was due to start do not constitute a quorum, or if during a meeting a quorum ceases to be present, the chairman of the meeting must adjourn it.
- 44.2 The chairman of the meeting may adjourn a general meeting at which a quorum is present if:
- (a) the meeting consents to an adjournment, or
 - (b) it appears to the chairman of the meeting that an adjournment is necessary to protect the safety of any person attending the meeting or ensure that the business of the meeting is conducted in an orderly manner.
- 44.3 The chairman of the meeting must adjourn a general meeting if directed to do so by the meeting.
- 44.4 When adjourning a general meeting, the chairman of the meeting must:
- (a) either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the directors, and
 - (b) have regard to any directions as to the time and place of any adjournment which have been given by the meeting.
- 44.5 If the continuation of an adjourned meeting is to take place more than 14 days after it was adjourned, the company must give at least 7 clear days' notice of it (that is, excluding the day of the adjourned meeting and the day on which the notice is given):
- (a) to the same persons to whom notice of the company's general meetings is required to be given, and
 - (b) containing the same information which such notice is required to contain.
- 44.6 No business may be transacted at an adjourned general meeting which could not properly have been transacted at the meeting if the adjournment had not taken place.

VOTING AT GENERAL MEETINGS

45. VOTING: GENERAL

A resolution put to the vote of a general meeting must be decided on a show of hands unless a poll is duly demanded in accordance with the articles.

46. ERRORS AND DISPUTES

- 46.1 No objection may be raised to the qualification of any person voting at a general meeting except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting is valid.
- 46.2 Any such objection must be referred to the chairman of the meeting, whose decision is final.

47. POLL VOTES

- 47.1 A poll on a resolution may be demanded:
- (a) in advance of the general meeting where it is to be put to the vote, or
 - (b) at a general meeting, either before a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared.

47.2 A poll may be demanded by:

- (a) the chairman of the meeting;
- (b) the directors;
- (c) two or more persons having the right to vote on the resolution; or
- (d) a person or persons representing not less than one tenth of the total voting rights of all the shareholders having the right to vote on the resolution.

47.3 A demand for a poll may be withdrawn if:

- (a) the poll has not yet been taken, and
- (b) the chairman of the meeting consents to the withdrawal.

47.4 Polls must be taken immediately and in such manner as the chairman of the meeting directs.

48. CONTENT OF PROXY NOTICES

48.1 Proxies may only validly be appointed by a notice in writing (a "proxy notice") which:

- (a) states the name and address of the shareholder appointing the proxy;
- (b) identifies the person appointed to be that shareholder's proxy and the general meeting in relation to which that person is appointed;
- (c) is signed by or on behalf of the shareholder appointing the proxy, or is authenticated in such manner as the directors may determine; and
- (d) is delivered to the company in accordance with the articles and any instructions contained in the notice of the general meeting to which they relate.

48.2 The company may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes.

48.3 Proxy notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions.

48.4 Unless a proxy notice indicates otherwise, it must be treated as:

- (a) allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting, and
- (b) appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself.

49. DELIVERY OF PROXY NOTICES

49.1 A person who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a general meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid proxy notice has been delivered to the company by or on behalf of that person.

49.2 An appointment under a proxy notice may be revoked by delivering to the company a notice in writing given by or on behalf of the person by whom or on whose behalf the proxy notice was given.

49.3 A notice revoking a proxy appointment only takes effect if it is delivered before the start of the meeting or adjourned meeting to which it relates.

- 49.4 If a proxy notice is not executed by the person appointing the proxy, it must be accompanied by written evidence of the authority of the person who executed it to execute it on the appointor's behalf.

50. AMENDMENTS TO RESOLUTIONS

- 50.1 An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if:
- (a) notice of the proposed amendment is given to the company in writing by a person entitled to vote at the general meeting at which it is to be proposed not less than 48 hours before the meeting is to take place (or such later time as the chairman of the meeting may determine), and
 - (b) the proposed amendment does not, in the reasonable opinion of the chairman of the meeting, materially alter the scope of the resolution.
- 50.2 A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if:
- (a) the chairman of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed, and
 - (b) the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.
- 50.3 If the chairman of the meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the chairman's error does not invalidate the vote on that resolution.

ADMINISTRATIVE ARRANGEMENTS

51. MEANS OF COMMUNICATION TO BE USED

- 51.1 Subject to the articles, anything sent or supplied by or to the company under the articles may be sent or supplied in any way in which the Companies Act 2006 provides for documents or information which are authorised or required by any provision of that Act to be sent or supplied by or to the company.
- 51.2 Subject to the articles, any notice or document to be sent or supplied to a director in connection with the taking of decisions by directors may also be sent or supplied by the means by which that director has asked to be sent or supplied with such notices or documents for the time being.
- 51.3 A director may agree with the company that notices or documents sent to that director in a particular way are to be deemed to have been received within a specified time of their being sent, and for the specified time to be less than 48 hours.

52. COMPANY SEALS

The company may have a company seal from time to time.

53. NO RIGHT TO INSPECT ACCOUNTS AND OTHER RECORDS

Subject to the terms of any agreement between the shareholders and the Company from time to time and except as provided by law or authorised by the directors or an ordinary resolution of the company, no person is entitled to inspect any of the company's accounting or other records or documents merely by virtue of being a shareholder.

54. PROVISION FOR EMPLOYEES ON CESSATION OF BUSINESS

The directors may decide to make provision for the benefit of persons employed or formerly

employed by the company or any of its subsidiaries (other than a director or former director or shadow director) in connection with the cessation or transfer to any person of the whole or part of the undertaking of the company or that subsidiary.

DIRECTORS' INDEMNITY AND INSURANCE

55. INDEMNITY

55.1 Subject to article 55.2, a relevant director of the company or an associated company may be indemnified out of the company's assets against:

- (a) any liability incurred by that director in connection with any negligence, default, breach of duty or breach of trust in relation to the company or an associated company,
- (b) any liability incurred by that director in connection with the activities of the company or an associated company in its capacity as a trustee of an occupational pension scheme (as defined in section 235(6) of the Companies Act 2006), and/or
- (c) any other liability incurred by that director as an officer of the company or an associated company.

55.2 This article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law.

55.3 In this article:

- (a) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate, and
- (b) a "relevant director" means any director or former director of the company or an associated company.

56. INSURANCE

56.1 The directors may decide to purchase and maintain insurance, at the expense of the company, for the benefit of any relevant director in respect of any relevant loss.

56.2 In this article:

- (a) a "relevant director" means any director or former director of the company or an associated company,
- (b) a "relevant loss" means any loss or liability which has been or may be incurred by a relevant director in connection with that director'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, and
- (c) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate.

payable in respect of a share by transferring non-cash assets of equivalent value (including, without limitation, shares or other securities in any company).

37.2 For the purposes of paying a non-cash distribution, the directors may make whatever arrangements they think fit, including, where any difficulty arises regarding the distribution:

- (a) fixing the value of any assets;
- (b) paying cash to any distribution recipient on the basis of that value in order to adjust the rights of recipients; and
- (c) vesting any assets in trustees.

38. WAIVER OF DISTRIBUTIONS

Distribution recipients may waive their entitlement to a dividend or other distribution payable in respect of a share by giving the company notice in writing to that effect, but if:

- (a) the share has more than one holder, or
- (b) more than one person is entitled to the share, whether by reason of the death or bankruptcy of one or more joint holders, or otherwise,

the notice is not effective unless it is expressed to be given, and signed, by all the holders or persons otherwise entitled to the share.

CAPITALISATION OF PROFITS

39. AUTHORITY TO CAPITALISE AND APPROPRIATION OF CAPITALISED SUMS

39.1 Subject to the articles and subject to any agreement among the shareholders and the company from time to time, the directors may, if they are so authorised by an ordinary resolution:

- (a) decide to capitalise any profits of the company (whether or not they are available for distribution) which are not required for paying a preferential dividend, or any sum standing to the credit of the company's share premium account or capital redemption reserve; and
- (b) appropriate any sum which they so decide to capitalise (a "**capitalised sum**") to the persons who would have been entitled to it if it were distributed by way of dividend (the "**persons entitled**") and in the same proportions.

39.2 Capitalised sums must be applied:

- (a) on behalf of the persons entitled, and
- (b) in the same proportions as a dividend would have been distributed to them.

39.3 Any capitalised sum may be applied in paying up new shares of a nominal amount equal to the capitalised sum which are then allotted credited as fully paid to the persons entitled or as they may direct.

39.4 A capitalised sum which was appropriated from profits available for distribution may be applied in paying up new debentures of the company which are then allotted credited as fully paid to the persons entitled or as they may direct.

39.5 Subject to the articles and subject to any agreement among the shareholders and the company from time to time the directors may:

- (a) apply capitalised sums in accordance with articles 39.3 and 39.4 partly in one way and partly in another;

- (b) make such arrangements as they think fit to deal with shares or debentures becoming distributable in fractions under this article (including the issuing of fractional certificates or the making of cash payments); and
- (c) authorise any person to enter into an agreement with the company on behalf of all the persons entitled which is binding on them in respect of the allotment of shares and debentures to them under this article.

ORGANISATION OF GENERAL MEETINGS

40. ATTENDANCE AND SPEAKING AT GENERAL MEETINGS

- 40.1 A person is able to exercise the right to speak at a general meeting when that person is in a position to communicate to all those attending the meeting, during the meeting, any information or opinions which that person has on the business of the meeting.
- 40.2 A person is able to exercise the right to vote at a general meeting when:
- (a) that person is able to vote, during the meeting, on resolutions put to the vote at the meeting, and
 - (b) that person's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting.
- 40.3 The directors may make whatever arrangements they consider appropriate to enable those attending a general meeting to exercise their rights to speak or vote at it.
- 40.4 In determining attendance at a general meeting, it is immaterial whether any two or more members attending it are in the same place as each other.
- 40.5 Two or more persons who are not in the same place as each other attend a general meeting if their circumstances are such that if they have (or were to have) rights to speak and vote at that meeting, they are (or would be) able to exercise them.

41. QUORUM FOR GENERAL MEETINGS

The quorum for all general meetings shall be all the holders of all the A Shares and all the B Shares in each case present in person, by proxy or by duly authorised representative. No business other than the appointment of the chairman of the meeting is to be transacted at a general meeting if the persons attending it do not constitute a quorum.

42. CHAIRING GENERAL MEETINGS

- 42.1 The holders of a majority of the A Shares shall appoint a chairman to chair general meetings.
- 42.2 The person chairing a meeting in accordance with this article is referred to as "the chairman of the meeting".
- 42.3 The chairman shall not have a casting vote.

43. ATTENDANCE AND SPEAKING BY DIRECTORS AND NON-SHAREHOLDERS

- 43.1 Directors may attend and speak at general meetings, whether or not they are shareholders.
- 43.2 The chairman of the meeting may permit other persons who are not:
- (a) shareholders of the company, or
 - (b) otherwise entitled to exercise the rights of shareholders in relation to general meetings,

to attend and speak at a general meeting.

44. ADJOURNMENT

- 44.1 If the persons attending a general meeting within half an hour of the time at which the meeting was due to start do not constitute a quorum, or if during a meeting a quorum ceases to be present, the chairman of the meeting must adjourn it.
- 44.2 The chairman of the meeting may adjourn a general meeting at which a quorum is present if:
- (a) the meeting consents to an adjournment, or
 - (b) it appears to the chairman of the meeting that an adjournment is necessary to protect the safety of any person attending the meeting or ensure that the business of the meeting is conducted in an orderly manner.
- 44.3 The chairman of the meeting must adjourn a general meeting if directed to do so by the meeting.
- 44.4 When adjourning a general meeting, the chairman of the meeting must:
- (a) either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the directors, and
 - (b) have regard to any directions as to the time and place of any adjournment which have been given by the meeting.
- 44.5 If the continuation of an adjourned meeting is to take place more than 14 days after it was adjourned, the company must give at least 7 clear days' notice of it (that is, excluding the day of the adjourned meeting and the day on which the notice is given):
- (a) to the same persons to whom notice of the company's general meetings is required to be given, and
 - (b) containing the same information which such notice is required to contain.
- 44.6 No business may be transacted at an adjourned general meeting which could not properly have been transacted at the meeting if the adjournment had not taken place.

VOTING AT GENERAL MEETINGS

45. VOTING: GENERAL

A resolution put to the vote of a general meeting must be decided on a show of hands unless a poll is duly demanded in accordance with the articles.

46. ERRORS AND DISPUTES

- 46.1 No objection may be raised to the qualification of any person voting at a general meeting except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting is valid.
- 46.2 Any such objection must be referred to the chairman of the meeting, whose decision is final.

47. POLL VOTES

- 47.1 A poll on a resolution may be demanded:
- (a) in advance of the general meeting where it is to be put to the vote, or
 - (b) at a general meeting, either before a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared.

- 47.2 A poll may be demanded by:
- (a) the chairman of the meeting;
 - (b) the directors;
 - (c) two or more persons having the right to vote on the resolution; or
 - (d) a person or persons representing not less than one tenth of the total voting rights of all the shareholders having the right to vote on the resolution.

- 47.3 A demand for a poll may be withdrawn if:
- (a) the poll has not yet been taken, and
 - (b) the chairman of the meeting consents to the withdrawal.

47.4 Polls must be taken immediately and in such manner as the chairman of the meeting directs.

48. CONTENT OF PROXY NOTICES

- 48.1 Proxies may only validly be appointed by a notice in writing (a "proxy notice") which:
- (a) states the name and address of the shareholder appointing the proxy;
 - (b) identifies the person appointed to be that shareholder's proxy and the general meeting in relation to which that person is appointed;
 - (c) is signed by or on behalf of the shareholder appointing the proxy, or is authenticated in such manner as the directors may determine; and
 - (d) is delivered to the company in accordance with the articles and any instructions contained in the notice of the general meeting to which they relate.
- 48.2 The company may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes.
- 48.3 Proxy notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions.
- 48.4 Unless a proxy notice indicates otherwise, it must be treated as:
- (a) allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting, and
 - (b) appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself.

49. DELIVERY OF PROXY NOTICES

- 49.1 A person who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a general meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid proxy notice has been delivered to the company by or on behalf of that person.
- 49.2 An appointment under a proxy notice may be revoked by delivering to the company a notice in writing given by or on behalf of the person by whom or on whose behalf the proxy notice was given.
- 49.3 A notice revoking a proxy appointment only takes effect if it is delivered before the start of the meeting or adjourned meeting to which it relates.

- 49.4 If a proxy notice is not executed by the person appointing the proxy, it must be accompanied by written evidence of the authority of the person who executed it to execute it on the appointor's behalf.

50. AMENDMENTS TO RESOLUTIONS

- 50.1 An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if:
- (a) notice of the proposed amendment is given to the company in writing by a person entitled to vote at the general meeting at which it is to be proposed not less than 48 hours before the meeting is to take place (or such later time as the chairman of the meeting may determine), and
 - (b) the proposed amendment does not, in the reasonable opinion of the chairman of the meeting, materially alter the scope of the resolution.
- 50.2 A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if:
- (a) the chairman of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed, and
 - (b) the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.
- 50.3 If the chairman of the meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the chairman's error does not invalidate the vote on that resolution.

ADMINISTRATIVE ARRANGEMENTS

51. MEANS OF COMMUNICATION TO BE USED

- 51.1 Subject to the articles, anything sent or supplied by or to the company under the articles may be sent or supplied in any way in which the Companies Act 2006 provides for documents or information which are authorised or required by any provision of that Act to be sent or supplied by or to the company.
- 51.2 Subject to the articles, any notice or document to be sent or supplied to a director in connection with the taking of decisions by directors may also be sent or supplied by the means by which that director has asked to be sent or supplied with such notices or documents for the time being.
- 51.3 A director may agree with the company that notices or documents sent to that director in a particular way are to be deemed to have been received within a specified time of their being sent, and for the specified time to be less than 48 hours.

52. COMPANY SEALS

The company may have a company seal from time to time.

53. NO RIGHT TO INSPECT ACCOUNTS AND OTHER RECORDS

Subject to the terms of any agreement between the shareholders and the Company from time to time and except as provided by law or authorised by the directors or an ordinary resolution of the company, no person is entitled to inspect any of the company's accounting or other records or documents merely by virtue of being a shareholder.

54. PROVISION FOR EMPLOYEES ON CESSATION OF BUSINESS

The directors may decide to make provision for the benefit of persons employed or formerly

employed by the company or any of its subsidiaries (other than a director or former director or shadow director) in connection with the cessation or transfer to any person of the whole or part of the undertaking of the company or that subsidiary.

DIRECTORS' INDEMNITY AND INSURANCE

55. INDEMNITY

55.1 Subject to article 55.2, a relevant director of the company or an associated company may be indemnified out of the company's assets against:

- (a) any liability incurred by that director in connection with any negligence, default, breach of duty or breach of trust in relation to the company or an associated company,
- (b) any liability incurred by that director in connection with the activities of the company or an associated company in its capacity as a trustee of an occupational pension scheme (as defined in section 235(6) of the Companies Act 2006), and/or
- (c) any other liability incurred by that director as an officer of the company or an associated company.

55.2 This article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law.

55.3 In this article:

- (a) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate, and
- (b) a "relevant director" means any director or former director of the company or an associated company.

56. INSURANCE

56.1 The directors may decide to purchase and maintain insurance, at the expense of the company, for the benefit of any relevant director in respect of any relevant loss.

56.2 In this article:

- (a) a "relevant director" means any director or former director of the company or an associated company,
- (b) a "relevant loss" means any loss or liability which has been or may be incurred by a relevant director in connection with that director'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, and
- (c) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate.