

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

MY CARE (HOLDINGS) LIMITED

(Registered Number: SC567134)

(the "Company")

(Adopted by special resolution passed on 28th September 2017)

1 Interpretation

1.1 In these Articles, unless the context otherwise requires:

the Act: the Companies Act 2006.

Articles: the Company's Articles of Association for the time being in force.

Associated Company: any holding company or subsidiary company of the Company or any company which is a subsidiary of a holding company of the Company.

Available Profits: the profits available for distribution within the meaning of Part 23 of the Act.

Bankruptcy: includes individual insolvency proceedings in a jurisdiction other than Scotland which have an effect similar to that of bankruptcy and "**Bankrupt**" shall be construed accordingly.

Board: the board of Directors and any committee of the board constituted for the purpose of taking any action or decision contemplated by these Articles.

Business Day: a day (other than a Saturday, Sunday or public holiday) when clearing banks in Aberdeen are open for the transaction of normal banking business.

Controlling Interest: means an interest in shares giving to the holder or holders control of the Company within the meaning of section 1124 of the Corporation Tax Act 2010.

Director: a director of the Company from time to time.

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

Encumbrance: any mortgage, charge, security, interest, lien, pledge, assignment by way of security, equity, claim, right of pre-emption, option, covenant, restriction, reservation, lease, trust, order, decree, judgment, title defect (including, without limitation, any retention of title claim), conflicting claim of ownership or any other encumbrance of any nature whatsoever (whether or not perfected other than liens arising by operation of law).

Independent Expert: an independent firm of accountants or the president, for the time being, of the Institute of Chartered Accountants of Scotland (acting as an expert and not as an arbiter).

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

Ordinary Shares: the ordinary shares of £1.00 each in the capital of the Company.

B Ordinary Shares: the “B” ordinary shares of £1.00 each in the capital of the Company.

C Ordinary Shares: the “C” ordinary shares of £1.00 each in the capital of the Company.

Relevant Securities: any shares or other securities convertible into shares, or carrying the right to subscribe for those shares, issued by the Company after the date on which these Articles are adopted.

Sale Shares: the Shares specified or deemed to be specified for sale in a Transfer Notice or Deemed Transfer Notice.

Seller: the transferor of Shares pursuant to a Transfer Notice.

Shares: the Ordinary Shares, the B Ordinary Shares, and the C Ordinary Shares, from time to time.

Shareholder: a holder of Ordinary Shares and/or B Ordinary Shares and/or C Ordinary Shares.

Transfer Notice: a notice in writing given by any Shareholder to the Company where that Shareholder desires, or is required by these Articles, to transfer (or enter into an agreement to transfer) any Shares. All references to Transfer

Notice(s) herein shall include (where applicable) Deemed Transfer Notice(s) (as defined in Article 7.6).

- 1.2 Save as otherwise specifically provided in these Articles, words and expressions which have particular meanings in the Model Articles shall have the same meanings in these Articles, subject to which and unless the context otherwise requires, words and expressions which have particular meanings in the Act shall have the same meanings in these Articles.
- 1.3 Unless expressly provided otherwise, a reference to a statute, statutory provision or subordinate legislation is a reference to it as it is in force from time to time, taking account of:
 - 1.3.1 any subordinate legislation from time to time made under it; and
 - 1.3.2 any amendment or re-enactment and includes any statute, statutory provision or subordinate legislation which it amends or re-enacts.
- 1.4 Article headings are used for convenience only and shall not affect the construction or interpretation of these Articles.
- 1.5 Unless the context otherwise requires, words in the singular shall include the plural and vice versa.
- 1.6 The Model Articles shall apply to the Company, except in so far as they are modified or excluded by these Articles. In the event of any inconsistency between the Model Articles and these Articles, the provisions of these Articles shall prevail.
- 1.7 Articles 11(2), 13, 14(1) to (5) inclusive, 15, and 23 of the Model Articles shall not apply to the Company.
- 1.8 Article 20 of the Model Articles shall be amended by the insertion of the words “(including Alternates and the secretary)” before the words “properly incur”.

2 Share capital

- 2.1 Unless the context requires otherwise, references in these Articles to shares of a particular class shall include shares issued after the date of adoption of these Articles and ranking *pari passu* in all respects (or in all respects except only as to the date from which those shares rank for dividend) with the shares of the relevant class then in issue.
- 2.2 Except as provided in these Articles, the Ordinary Shares, the B Ordinary Shares and the C Ordinary Shares shall rank *pari passu* in all respects but shall constitute

separate classes of shares.

3 Dividends

- 3.1 Articles 30 to 35 of the Model Articles are subject to Articles 3.2 to 3.4 (inclusive) below relating to dividends.
- 3.2 In any financial year, the Company may use its Available Profits to pay dividends as set out in this Article 3.
- 3.3 Each dividend shall be distributed to the appropriate shareholders *pro rata* according to the amounts paid up or credited as paid up on the Shares held by them respectively, and, for the avoidance of doubt, nothing shall limit or restrict in any way the discretion of the Directors to determine to pay dividend(s) in respect of any one or more class(es) of shares and not in respect of any one or more other class(es) of shares, nor the amount, if any, thereof.
- 3.4 Each dividend shall accrue daily (assuming a 365 day year). All dividends are to be expressed net and shall be paid in cash.

4 Liquidation/Return of Capital

On a return of assets on liquidation, capital reduction or other return or distribution of assets or capital, the assets of the Company remaining after the payment of its liabilities shall (to the extent that the Company is lawfully able to do so) be distributed to the holders of the Ordinary Shares, the B Ordinary Shares and the C Ordinary Shares *pro rata* (as if the same comprised one class of shares) in proportion to the total number of Shares in issue.

5 Voting

- 5.1 Subject to any other provisions in these Articles concerning voting rights, Shares in the Company shall carry votes as follows:
- 5.1.1 the Ordinary Shares, the B Ordinary Shares and the C Ordinary Shares shall confer on each holder of Shares the right to receive notice of and to attend, speak and vote at all general meetings of the Company, and each Share shall carry one vote per share.
- 5.2 Where Shares confer a right to vote, votes may be exercised:
- 5.2.1 on a show of hands by every Shareholder who (being an individual) is present in person or by proxy or (being a corporation) is present by a representative or by proxy (in which case, each Shareholder holding shares with votes shall have one vote); or

- 5.2.2 on a poll by every Shareholder who (being an individual) is present in person or by proxy or (being a corporation) is present by a representative or by a proxy (in which case each Shareholder holding Shares with votes shall have one vote for each such Share held).

6 Further Issue of Shares: pre-emption

- 6.1 Subject to the remaining provisions of this Article 6, the Directors are generally and unconditionally authorised, for the purpose of section 551 of the Act, to exercise any power of the Company to:

6.1.1 allot Shares; or

6.1.2 grant rights to subscribe for or convert any securities into Shares;

to any person, at any time and subject to any terms and conditions as the Directors think proper.

- 6.2 The authority referred to in Article 6.1:

6.2.1 shall only apply insofar as the Company has not renewed, varied or revoked it by ordinary resolution; and

6.2.2 may only be exercised for a period of five years commencing on the date on which these Articles are adopted, save that the directors may make an offer or agreement which would or might require Shares to be allotted after the expiry of such authority and the directors may allot Shares in pursuance of such offer or agreement as if such authority had not expired.

- 6.3 In accordance with section 568 of the Act, sections 561 and 562 (inclusive) of the Act shall not apply to an allotment of Ordinary Shares made by the Company.

- 6.4 Unless otherwise agreed by special resolution, if the Company proposes to allot any Relevant Securities, those Relevant Securities shall not be allotted to any person unless the Company has first offered them to all holders of Shares on the same terms, and at the same price, as those Relevant Securities are being offered to other persons on a *pari passu* and *pro rata* basis to the number of Shares held by those holders (as nearly as possible without involving fractions). The offer:

6.4.1 shall be in writing, and give details of the number and subscription price of the Relevant Securities; and

6.4.2 may stipulate that any holder of Shares who wishes to subscribe for a number of Relevant Securities in excess of the proportion to which each is entitled shall, in its acceptance, state the number of excess Relevant Securities ("**Excess Securities**") for which they wish to subscribe.

- 6.5 Any Relevant Securities not accepted by holders of Shares pursuant to the offer made to them in accordance with Article 6.4 shall be used for satisfying any requests for Excess Securities made pursuant to Article 6.4. If there are insufficient Excess Securities to satisfy such requests, the Excess Securities shall be allotted to the applicants *pro rata* to the number of Shares held by the applicants immediately before the offer was made to the holders of Shares in accordance with Article 6.4 (as nearly as possible without involving fractions or increasing the number of Excess Securities allotted to any such Shareholder beyond that applied for by him).
- 6.6 The restrictions imposed by this Article 6 may be waived in relation to any proposed allotment of Relevant Securities with the consent of Shareholders who, but for the waiver, would or might have been entitled to have such Relevant Securities offered to them in accordance with this Article.

7 Transfer of Shares

- 7.1 In Articles 7, 8 and 10 reference to the transfer of a Share includes the transfer or assignment of a beneficial or other interest in that Share or the creation of a trust or Encumbrance over that Share, and reference to a Share includes a beneficial or other interest in a Share.
- 7.2 No Share may be transferred unless the transfer is made in accordance with these Articles, and Articles 26 to 29 of the Model Articles are subject to these Articles.
- 7.3 If a Shareholder transfers (or purports to transfer) a Share other than in accordance with these Articles, he shall be deemed to have served a Transfer Notice immediately in respect of all Shares held by him.
- 7.4 The Directors may, as a condition to the registration of any transfer of Shares in the Company, require the transferee to execute and deliver to the Company a deed agreeing to be bound by the terms of any shareholders' agreement (or similar document) in force between any of the Shareholders and the Company in such form as the Directors may reasonably require (but not so as to oblige the transferee to have any obligations or liabilities greater than those of the proposed transferor under any such agreement or other document). If any condition is imposed in accordance with this Article 7.4, the transfer may not be registered until that deed has been executed and delivered to the Company's registered office by the transferee.
- 7.5 To enable the Directors to determine whether or not there has been any disposal of Shares in the capital of the Company (or any interest in shares in the capital of the Company) in breach of these Articles, the Directors may require any Shareholder, or the legal personal representatives of any deceased Shareholder, or any person named as transferee in any transfer lodged for registration or any other

person who the Directors may reasonably believe to have information relevant to that purpose, to provide the Company with any information and evidence that the Directors request regarding any matter which they deem relevant to that purpose. If the information or evidence is not provided to enable the Directors to determine to their reasonable satisfaction that no breach has occurred, or that as a result of the information and evidence the Directors are reasonably satisfied that a breach has occurred, the Directors shall immediately notify the holder of such Shares in writing of that fact and the following shall occur:

7.5.1 the relevant Shares shall cease to confer on the holder of them (or any proxy) any rights:

7.5.1.1 to vote, whether on a show of hands or on a poll, and whether exercisable at a general meeting of the Company or at any separate meeting of the class in question or by written resolution; or

7.5.1.2 to receive dividends or other distributions otherwise attaching to those Shares or to any further shares in the capital of the Company issued in respect of those Shares, or in pursuance of an offer made to the relevant holder; and

7.5.2 the Shareholder may be required, at any time following receipt of the notice, to transfer some or all of its Shares to any person(s) at the price that the Directors may require by notice in writing to that Shareholder.

The rights referred to in Article 7.5.1 may be reinstated by the Board or, if earlier, shall be reinstated on the completion of any transfer referred to in Article 7.5.2.

7.6 If, in accordance with Article 10 below, a Transfer Notice requires to be given in respect of any Shares and is not duly given within 14 Business Days of demand being made, a Transfer Notice shall be deemed to have been given at the end of that period ("**Deemed Transfer Notice**"). A Deemed Transfer Notice shall be treated as having specified that:-

7.6.1 the Transfer Price (as defined in Article 8) for the Sale Shares shall be as agreed between the Board and the Seller, or, failing agreement within 14 Business Days after the date on which the Board becomes aware that a Deemed Transfer Notice has been given, the Transfer Price shall be the fair value (as determined in accordance with Article 9) of the Sale Shares; and

7.6.2 the Seller wishes to transfer all of the Shares held by it.

8 Transfer of Shares subject to pre-emption rights

8.1 Any transfer of Shares by a Shareholder shall be subject to the pre-emption rights in this Article 8.

8.2 A Seller shall, before transferring or agreeing to transfer any Shares, give a Transfer Notice to the Company specifying:

8.2.1 the number of Sale Shares;

8.2.2 if he wishes to sell the Sale Shares to a third party, the name of the proposed transferee;

8.2.3 the price (in cash) at which he wishes to transfer the Sale Shares (which, regardless of any provision to the contrary in the Transfer Notice, will be the fair value of the Sale Shares if such price is agreed between the Seller and the Board within 28 days of the Transfer Notice being given, failing which the fair value shall be determined in accordance with Article 9 below) ("**Transfer Price**"); and

8.2.4 whether the Transfer Notice is conditional on all, or a specific number of, the Sale Shares being sold to Shareholders ("**Minimum Transfer Condition**").

8.3 Once given (or deemed to have been given under) these Articles, a Transfer Notice may not be withdrawn.

8.4 A Transfer Notice appoints the Company the agent of the Seller for the sale of the Sale Shares at the Transfer Price.

8.5 As soon as practicable following the later of:

8.5.1 receipt of a Transfer Notice; or

8.5.2 where the Transfer Price has not been agreed, or a Deemed Transfer Notice has been served (subject to Article 7.6.1), the determination of the Transfer Price under Article 9,

the Board shall offer the Sale Shares for sale to the Shareholders in the manner set out in Article 8.6 to Article 8.8. Each offer shall be in writing and give details of the number and Transfer Price of the Sale Shares offered.

8.6 If the Sale Shares are Ordinary Shares, the Company shall offer them first, to the other holders of Ordinary Shares, and second, to the holders of B Ordinary Shares

and C Ordinary Shares (as if they comprised one class of shares) in each case on the basis as set out in Article 8.8.

- 8.7 If the Sale Shares are B Ordinary Shares or C Ordinary Shares they shall be offered first, to the holders of Ordinary Shares, and second, to the other holders of Shares (as if they comprised one class of shares) in each case on the basis as set out in Article 8.8.
- 8.8 The Board shall offer the Sale Shares in the priority referred to in Article 8.6 and Article 8.7 (as appropriate), to all Shareholders specified in the offer other than the Seller ("**Continuing Shareholders**"), inviting them to apply in writing within the period from the date of the offer to the date 14 Business Days after the offer (inclusive) ("**First Offer Period**") for the maximum number of Sale Shares they wish to buy.

If the Sale Shares are subject to a Minimum Transfer Condition, any allocation made under Article 8.8 and Article 8.9 shall be conditional on the fulfillment of the Minimum Transfer Condition.

If, at the end of the First Offer Period, the number of Sale Shares applied for is equal to or exceeds the number of Sale Shares, the Board shall allocate the Sale Shares to each Continuing Shareholder in the proportion which his existing holding of Shares bears to the total number of Shares held by those Continuing Shareholders who have applied for Sale Shares. Fractional entitlements shall be rounded to the nearest whole number. No allocation shall be made to a Shareholder of more than the maximum number of Sale Shares which he has stated he is willing to buy.

If only some of the Sale Shares are allocated in accordance with Article 8.8, but there are applications for Sale Shares that have not been satisfied, those Sale Shares shall be allocated to the relevant applicant(s) in accordance with the procedure set out in this Article 8.8.

If, at the end of the First Offer Period, the total number of Sale Shares applied for is less than the number of Sale Shares, the Board shall allocate the Sale Shares to the Continuing Shareholders in accordance with their applications. The balance ("**Initial Surplus Shares**") shall be dealt with in accordance with Article 8.9.

- 8.9 At the end of the First Offer Period, the Board shall offer the Initial Surplus Shares to all the Continuing Shareholders, inviting them to apply in writing within the period from the date of the offer to the date 14 Business Days after the date of the offer (inclusive) ("**Second Offer Period**") for the maximum number of Initial Surplus Shares they wish to buy.

If, at the end of the Second Offer Period, the number of Initial Surplus Shares applied for exceeds the number of Initial Surplus Shares, the Board shall allocate

the remaining Initial Surplus Shares to each Continuing Shareholder in the proportion that his existing holding of Shares (including Sale Shares) bears to the total number of Shares (including Sale Shares) held by those Continuing Shareholders who have applied for Initial Surplus Shares during the Second Offer Period. Fractional entitlements shall be rounded to the nearest whole number. No allocation shall be made to a Shareholder of more than the maximum number of Initial Surplus Shares which he has stated he is willing to buy.

If, at the end of the Second Offer Period, the number of Initial Surplus Shares applied for is less than the number of Initial Surplus Shares, the Board shall allocate the Initial Surplus Shares to the Continuing Shareholders in accordance with their applications. The balance ("**Second Surplus Shares**") shall be capable of being transferred to any other person in accordance with Article 8.12.

- 8.10 If the Transfer Notice includes a Minimum Transfer Condition and the total number of Shares applied for is less than the number of Sale Shares specified in the Minimum Transfer Notice, the Board shall notify the Seller and all those to whom Sale Shares have been conditionally allocated under Article 8.8 and Article 8.9, stating that the condition has not been met and that the relevant Transfer Notice has lapsed with immediate effect.

If:

8.10.1 the Transfer Notice does not include a Minimum Transfer Condition; and

8.10.2 allocations have been made in respect of all the Sale Shares,

the Board shall, when no further offers are required to be made under Article 8.8 and Article 8.9, give written notice of allocation ("**Allocation Notice**") to the Seller and each Shareholder to whom Sale Shares have been allocated ("**Applicant**"). The Allocation Notice shall specify the number of Sale Shares allocated to each Applicant and the place and time for completion of the transfer of the Sale Shares (which shall be at least 14 Business Days but not more than 28 Business Days after the date of the Allocation Notice).

- 8.11 On the service of an Allocation Notice, the Seller shall, against payment of the Transfer Price, transfer the Sale Shares in accordance with the requirements specified in it.

If the Seller fails to comply with this Article 8.11:

- 8.11.1 the Chairman of the Company (or, failing him, one of the Directors, or some other person nominated by a resolution of the Board) may, on behalf of the Seller:

- 8.11.1.1 complete, execute and deliver in his name all documents necessary to give effect to the transfer of the relevant Sale Shares to the Applicants;
 - 8.11.1.2 receive the Transfer Price and give a good discharge for it; and
 - 8.11.1.3 (subject to the transfer being duly stamped) enter the Applicants in the register of Shareholders as the holders of the Shares purchased by them; and
- 8.11.2 the Company shall pay the Transfer Price into a separate bank account in the Company's name on trust (but without interest) for the Seller until he has delivered his certificate for the relevant Shares (or an indemnity, in a form reasonably satisfactory to the Board, in respect of any lost certificate, together with such other evidence (if any) as the Board may reasonably require to prove good title to those Shares) to the Company.
- 8.12 If an Allocation Notice does not relate to all the Sale Shares, then, subject to Article 8.13 and within 4 weeks following service of the Allocation Notice, the Seller may transfer the Second Surplus Shares to any person at a price at least equal to the Transfer Price.
- 8.13 The Sellers right to transfer Shares under Article 8.12 does not apply if the Board reasonably considers that:
 - 8.13.1 the sale of the Sale Shares is not *bona fide* or the price is subject to a deduction, rebate or allowance to the transferee; or
 - 8.13.2 the Seller has failed or refused to promptly provide information available to it or him and reasonably requested by the Board to enable it to form the opinion mentioned above.
- 8.14 The restrictions imposed by this Article 8 may be waived in relation to any proposed transfer of Shares with the consent of Shareholders who, but for the waiver, would or might have been entitled to have such Shares offered to them in accordance with this Article.

9 Valuation

- 9.1 If no Transfer Price in respect of Shares is specified in a Transfer Notice, or if a Deemed Transfer Notice is served (with no Transfer Price having been agreed between the Board and the Seller in accordance with Article 7.6.1), then, on service of the Transfer Notice or, in the case of a Deemed Transfer Notice, on the date falling 14 Business Days after the date on which the Board becomes aware

that a Deemed Transfer Notice has been given, the Board shall appoint an Independent Expert to determine the fair value of the Sale Shares.

- 9.2 The Independent Expert shall be requested to determine the fair value within 14 Business Days of their appointment and notify the Board of their determination. In arriving at his opinion the Independent Expert will value the shares on a going concern basis as between a willing seller and a willing buyer ignoring any reduction in value which may be ascribed to the Sale Shares by virtue of the fact that they represent a minority interest and on the assumption that the Sale Shares are capable of transfer without restriction.
- 9.3 Subject to any confidentiality provisions, the Independent Expert may have access to all accounting records or other relevant documents of the Company.
- 9.4 The Independent Expert's determination, including in regard to liability for his costs, shall be final and binding on the parties (in the absence of fraud or manifest error).

10 Compulsory transfers

- 10.1 A person entitled to a Share in consequence of the Bankruptcy of a Shareholder shall be regarded as giving a Deemed Transfer Notice in relation to such Share at such time as the Directors determine.
- 10.2 If a company that is a holder of Shares resolves to appoint a liquidator, administrator or administrative receiver over it (or a material part of its business), that Shareholder shall be regarded as giving a Deemed Transfer Notice in respect of all Shares held by it at such time as the Directors determine.

11 Number of Directors

Unless and until the Company determines otherwise, the number of Directors shall not be less than one and there shall be no maximum number.

12 Proceedings at meetings of Directors

- 12.1 For the purposes of these Articles, references to proposed decisions and decision-making processes of Directors include any Directors' meeting or part of a Directors' meeting.
- 12.2 Any Director ("**Appointor**") may appoint any person he thinks fit to be his, her or its alternate Director ("**Alternate**"). The appointment of an Alternate shall not require approval by a resolution of the Directors.
- 12.3 The Director may appoint the Alternate to:

12.3.1 exercise that Director's powers; and

12.3.2 carry out that Director's responsibilities

in relation to the taking of decisions by the Directors in the absence of the Alternate's Appointor.

12.4 Any appointment or removal of an Alternate must be effected by notice in writing to the Company signed by the Appointor, or in any other manner approved by the Directors.

12.5 The notice must:-

12.5.1 identify the proposed Alternate; and

12.5.2 in the case of a notice of appointment, contain a statement signed by the proposed Alternate that the proposed Alternate is willing to act as the alternate of the Director giving the notice.

12.6 An Alternate may act as alternate to more than one Director and has the same rights in relation to any decision of the Directors as the Alternate's Appointor, in particular, an Alternate has the same voting rights as his Appointor would have provided his Appointor is an eligible director in relation to that decision but does not participate.

12.7 Except as the Articles specify otherwise, Alternates:

12.7.1 are deemed for all purposes to be Directors;

12.7.2 are liable for their own acts and omissions;

12.7.3 are subject to the same restrictions as their Appointors; and

12.7.4 are not deemed to be agents of or for their Appointors

and in particular each Alternate shall 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.

12.8 An Alternate may be counted as participating in a Directors' meeting for the purposes of determining whether a quorum is present (but only if that person's Appointor is not participating).

12.9 If a meeting of the Directors is attended by a Director who is acting as Alternate for one or more other Directors, the Director or Directors for whom he is the Alternate shall be counted in the quorum despite their absence and if on that basis

there is a quorum, the meeting may be held despite the fact that only one Director is physically present.

- 12.10 A Director who is also an Alternate is entitled, in the absence of his Appointor, to a separate vote on behalf of his Appointor in addition to his own vote on any decision of the Directors (provided that his Appointor is an eligible director in relation to that decision).
- 12.11 An Alternate is not entitled to receive any remuneration from the Company for serving as an Alternate except such part of the Alternate's Appointor's remuneration as the Appointor may direct by notice in writing to the Company.
- 12.12 In determining the minimum and (if any) the maximum number of Directors, no account shall be taken of any Alternates appointed from time to time.
- 12.13 An Alternate's appointment as an Alternate terminates:
 - 12.13.1 when the Alternate's Appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate;
 - 12.13.2 on the occurrence in relation to the Alternate of any event which, if it occurred in relation to the Alternate's Appointor, would result in the termination of the Appointor's appointment as a Director;
 - 12.13.3 on the death of the Alternate's Appointor; or
 - 12.13.4 when the Alternate's Appointor's appointment as a Director terminates, except that an Alternate's appointment as an alternate does not terminate when the Appointor vacates his office at a general meeting and is then re-appointed as a Director at the same general meeting.
- 12.14 Meetings of the Board shall take place at such frequency as the Directors may determine. The quorum for Directors' meetings is two. If the necessary quorum is not present within half an hour from the time appointed for the meeting, or if, during a meeting, such quorum ceases to be present, the meeting shall stand adjourned to such time and place as the Directors determine. If a quorum is not present at any such adjourned meeting within half an hour from the time appointed, then the meeting shall proceed. For the purposes of any meeting (or part of a meeting) held to authorise a Director's conflict of interest situation pursuant to section 175(5) of the Act, if there is only one eligible director in office other than the conflicted Director(s), the quorum for such meeting (or part of a meeting) shall be one eligible director.
- 12.15 A Director may vote at a Board meeting, and form part of a quorum present at that meeting, in relation to any matter in which he has, directly or indirectly, an

interest or duty which conflicts (or may conflict) with the interests of the Company, provided that he has previously disclosed the nature and extent of such duty or interest to the Directors in accordance with the Act.

12.16 Subject to sections 177(5) and 177(6) and sections 182(5) and 182(6) of the Act and provided he has declared the nature and extent of his interest in accordance with the requirements of the Act, a Director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the Company:

12.16.1 may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise (directly or indirectly) interested;

12.16.2 shall be an eligible director for the purposes of any proposed decision of the Directors (or committee of Directors) in respect of such contract or proposed contract in which he is interested;

12.16.3 shall be entitled to vote at a meeting of Directors (or of a committee of the Directors) or participate in any unanimous decision, in respect of such contract or proposed contract in which he is interested;

12.16.4 may act by himself or his firm in a professional capacity for the Company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a Director;

12.16.5 may be a director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate in which the Company is otherwise (directly or indirectly) interested; and

12.16.6 shall not, save as he may otherwise agree, be accountable to the Company for any benefit which he (or a person connected with him (as defined in section 252 of the Act)) derives from any such contract, transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such contract, transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the Act.

12.17 Questions arising at any meeting of the Directors shall be decided by a majority of votes. If there is an equality of votes, the chairman shall have a second or casting vote.

13 Secretary

- 13.1 The Directors may appoint any person who is willing to act as the secretary for such term, at such remuneration, and upon such conditions as they may think fit and from time to time remove such person and, if the Directors so decide, appoint a replacement, in each case by a decision of the Directors.

14 Company's lien

- 14.1 The Company has a lien ('Company's Lien') over every Share which is registered in the name of any person indebted or under any liability to the Company, whether he is the sole registered holder of the Share or one of several joint holders, for all monies payable by him (either alone or jointly with any other person) to the Company, whether payable immediately or at some time in the future.

- 14.2 The Company's Lien over a Share:

14.2.1 takes priority over any third party's interest in that Share; and

14.2.2 extends to any dividend or other money payable by the Company in respect of that Share and (if the lien is enforced and the Share is sold by the Company) the proceeds of sale of that Share.

- 14.3 The Directors may at any time decide that a Share which is or would otherwise be subject to the Company's Lien shall not be subject to it, either wholly or in part.

15 Enforcement of the Company's Lien

- 15.1 Subject to the provisions of this Article, if:

15.1.1 a Lien Enforcement Notice has been given in respect of a Share; and

15.1.2 the person to whom the notice was given has failed to comply with it the Company may sell that Share in such manner as the Directors decide.

- 15.2 A Lien Enforcement Notice:

15.2.1 may only be given in respect of a Share which is subject to the Company's Lien if a sum in respect of which the lien exists is payable and the due date for payment of that sum has passed;

15.2.2 must specify the Share concerned;

- 15.2.3 must require payment of the sum payable within 14 days of the notice;
 - 15.2.4 must be addressed either to the holder of the Share or to a person entitled to it by reason of the holders death, bankruptcy or otherwise, and
 - 15.2.5 must state the Company's intention to sell the Share if the notice is not complied with.
- 15.3 Where Shares are sold under this article:
- 15.3.1 the Directors may authorise any person to execute an instrument of transfer of the Shares to the purchaser or a person nominated by the purchaser; and
 - 15.3.2 the transferee is not bound to see to the application of the consideration, and the transferee's title is not affected by any irregularity in or invalidity of the process leading to the sale.
- 15.4 The net proceeds of any such sale (after payment of the costs of sale and any other costs of enforcing the lien) must be applied:
- 15.4.1 first, in payment of so much of the sum for which the lien exists as was payable at the date of the Lien Enforcement Notice;
 - 15.4.2 second, in payment of the balance of such net proceeds to the person entitled to the Shares at the date of the sale, but only after the certificate for the Shares sold has been surrendered to the Company for cancellation or a suitable indemnity has been given for any lost certificate(s), and subject to any lien equivalent to the Company's Lien for any money payable (whether immediately or at some time in the future) as existed upon the Shares before the sale, in respect of all the Shares registered in the name of such person after the date of the Lien Enforcement Notice.
- 15.5 A statutory declaration by a Director or the company secretary (if any) that the declarant is a Director or the company secretary and that a Share has been sold to satisfy the Company's Lien on a specified date:
- 15.5.1 is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the Share; and
 - 15.5.2 subject to compliance with any other formalities of transfer required by the Articles or by law, shall confirm good title to the Share.

16 Trusts

The Company shall be entitled, but shall not be bound, to accept and, in case of acceptance, shall be entitled to record in such manner as it may think fit, notices of any trusts in respect of any of the Shares. Notwithstanding any such acceptance and/or the making of any such record, the Company shall not be bound to see to the execution, administration or observance of any trust whether expressed, implied or constructive in respect of any Shares, and shall be entitled to recognise and give effect to the acts and deeds of the holders of such Shares as if they were absolute owners thereof. For the purpose of this article, "trust" includes any right in respect of any Shares other than an absolute right thereto in the holder thereof for the time being or such other rights in case of transmission of Shares as are set out in the Articles.