

Company number: 7551571

**THE COMPANIES ACT 2006**  
**PRIVATE COMPANY LIMITED BY SHARES**  
**WRITTEN RESOLUTIONS**

of

**BRADLEY INDUSTRIAL HOLDINGS LIMITED (COMPANY)**

Circulation Date: 5th April 2011

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

- resolutions 1 is passed as ordinary resolutions (**Ordinary Resolution**); and
- resolution 2 is passed as a special resolution (**Special Resolution**).

**ORDINARY RESOLUTION**

- 1 **That the Ordinary Share of £1.00 in the capital of the Company and held in the name of Neil Harris be re-designated as a B Ordinary Share of £1.00 in the capital of the Company, such share having the rights set out in the Articles of Association to be adopted by the Company pursuant to resolution 2 below;**

**SPECIAL RESOLUTION**

- 2 **That the articles of association contained in the printed document attached hereto marked "A" be and the same are approved and adopted as the Articles of Association of the Company in substitution for and to the exclusion of all the existing Articles of Association of the Company.**



## AGREEMENT

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

The undersigned, being all the persons entitled to vote on the Resolutions on ~~24~~ April 2011, hereby irrevocably agree to the Resolutions:

Signed by Neil Harris

..... N. J. Harris .....

Date

..... ~~24~~ April .....

### NOTES:

- 1 You can choose to agree to all of the Resolutions or none of them but you cannot agree to only some of the Resolutions. If you agree to all of the Resolutions, please indicate your agreement by signing and dating this document where indicated above and returning it to the Company using one of the following methods.
  - **By Hand:** delivering the signed copy to Neil Harris at the Company's Registered Office.
  - **Post:** returning the signed copy by post to Neil Harris at the Company's Registered Office.
- 2 If you do not agree to all of the Resolutions, you do not need to do anything: you will not be deemed to agree if you fail to reply.
- 3 Once you have indicated your agreement to the Resolutions, you may not revoke your agreement.
- 4 Unless, by ~~24~~ May 2011, 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.
- 5 If you are signing this document on behalf of a person under a power of attorney or other authority please send a copy of the relevant power of attorney or authority when returning this document.

Company Number 7551571

**THE COMPANIES ACT 2006**  
**PRIVATE COMPANY LIMITED BY SHARES**  
**ARTICLES OF ASSOCIATION**  
**OF**  
**BRADLEY INDUSTRIAL HOLDINGS LIMITED**

(adopted by special resolution on 07 April 2011)

**1 Definitions and Interpretation**

**1.1 In these articles:**

**Act** means the Companies Act 2006 and any statutory modification or re-enactment of such act for the time being in force

**acting in concert** has the meaning ascribed to it by the City Code on Takeovers and Mergers as in force and construed at the date of adoption of these articles

**A Ordinary Shares** means the A ordinary shares of £1.00 each in the capital of the Company

**appointor** has the meaning given in article 28.1

**Asset Sale** means the disposal by any one or more members of the Group of assets (whether together with associated liabilities or otherwise and as part of an undertaking or otherwise) which represent 50% or more (by book value) of the consolidated gross tangible assets of the Group at that time

**B Ordinary Shares** means the B ordinary shares of £1.00 each in the capital of the Company

**Board** means the board of directors of the Company or the directors present at a duly convened meeting of the board or a committee of the board

**Business Day** means any day (other than a Saturday, Sunday or public holiday in the United Kingdom) on which clearing banks are open for business in the City of London

**call** has the meaning given in article 10.1

**call notice** has the meaning given in article 10.1

**Change of Control** means the acquisition (whether by purchase, transfer, renunciation or otherwise but excluding a transfer of Shares made in accordance with article 12 (Permitted Transfers)) by any person, other than a party to the Shareholder Agreement, of any interest in any Shares if, upon completion of that acquisition, that person (**Third Party Purchaser**), together with persons acting in concert or connected with him, would hold or beneficially own more than 50% of the Shares

**Company's lien** has the meaning given in article 9.1

**Conflict** has the meaning given in article 24

**connected with** has the meaning given in section 839 Income and Corporation Taxes Act 1988 save that there shall be deemed to be control for that purpose whenever either section 416 or section 840 of that act would so require

**C Ordinary Shares** means the C ordinary shares of £1.00 each in the capital of the Company

**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)

**Employee Trust** means a trust for the benefit of employees of, and any actual or proposed employee of, any member of the Group

**Exit Event** means the earliest to occur of:

- (a) the date and time at which an agreement referred to in the definition of Sale is completed; and
- (b) the date and time at which a Listing takes place

**Group** means the Company and all its subsidiaries and subsidiary undertakings for the time being and member of the Group shall be construed accordingly

**Issue Price** means the amount paid up or credited as paid up (including any premium on issue) on a Share

**lien enforcement notice** has the meaning given in article 9.5

**Listing** means either:

- (a) the admission by the UK Listing Authority to listing, together with admission by the London Stock Exchange to trading on the Official List, of any of the issued equity share capital of the Company, and such admission becoming effective; or
- (b) the admission by the London Stock Exchange of any of the issued equity share capital of the Company to trading on the Alternative Investment Market, and such admission becoming effective; or
- (c) any equivalent admission to any other Recognised Investment Exchange becoming unconditionally effective in relation to any of the issued equity share capital of the Company

**London Stock Exchange** means London Stock Exchange plc

**Member** means any registered holder of Shares for the time being

**Model Articles** means 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** means the A Ordinary Shares, B Ordinary Shares and C Ordinary Shares

**Preference Dividend** means the dividend payable under article 3.1.1, including any arrears and accruals and deficiencies thereof and interest thereon

**Preference Shares** means the Cumulative Redeemable Preference Shares of £1.00 each of the Company

**Preferred Ordinary Shares** means the Participating Preferred Ordinary Shares of £1.00 each of the Company

**Recognised Investment Exchange** has the meaning given in section 285 Financial Services and Markets Act 2000

**Sale** means the making of one or more agreements (whether conditional or not) for an acquisition of any Share giving rise to a Change of Control

**Shareholder Agreement** means the agreement relating to the Company dated the same date as the adoption of these articles and made between the Shareholders (as such term is defined in that agreement) (1) and the Company (2), as amended, waived, restated, modified or supplemented for the time being

**Shares** means the Ordinary Shares, the Preferred Ordinary Shares and the Preference Shares

**Third Party Purchaser** has the meaning given in the definition of Change of Control and, where the relevant acquisition was effected by the renunciation of a renounceable letter of allotment, includes the relevant renouncee

**Transfer Notice** has the meaning given in article 13.1

**Valuers** means a firm of chartered accountants agreed between the Vendor and the Board or, in default of agreement within 10 Business Days after the event requiring their determination arising, appointed by the President of the Institute of Chartered Accountants in England and Wales on the application of the Vendor or the Board (each Member agrees that if any Member, being required to sign the letter of engagement of the Valuers, fails to do so within five Business Days of being requested to sign it, the Company may authorise any person to act as that Member's attorney in signing the engagement letter)

- 1.2 The Model Articles shall apply to the Company, except in so far as they are modified or excluded by, or are inconsistent with, these articles and subject to any such modifications, exclusions or inconsistencies shall together with these articles constitute the articles of association of the Company to the exclusion of any other articles or regulations.
- 1.3 Save as otherwise 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. Words and expressions defined elsewhere in these articles shall bear the meanings given to them there.

- 1.4 A reference in these articles to a 'regulation' is a reference to the relevant article of the Model Articles and a reference to an article by number is to the particular article of these articles.
- 1.5 Unless expressly provided otherwise, a reference to a statute, statutory provision or subordinate legislation is a reference to it as it is in force from time to time, taking account of:
- 1.5.1 any subordinate legislation from time to time made under it; and
- 1.5.2 any amendment or re-enactment and includes any statute, statutory provision or subordinate legislation which it amends or re-enacts.
- 1.6 In these articles, words importing a gender include every gender, references to the singular include the plural and references to persons include bodies corporate, unincorporated associations and partnerships.
- 1.7 The headings in these articles shall not affect their construction.
- 1.8 If any date referred to in these articles is not a Business Day, it shall be taken to be a reference to the next Business Day after that date.
- 1.9 Notwithstanding any other provision of these articles, in the event of a conflict or inconsistency between these articles and the Shareholder Agreement, the Shareholder Agreement shall prevail.

## **2 Further issues of Shares: Pre-emption rights**

- 2.1 In accordance with section 567(1) of the Act, sections 561 and 562 of the Act shall not apply to an allotment of equity securities (as defined in section 560(1) of the Act) made by the Company.
- 2.2 Unless otherwise agreed by special resolution, if the Company proposes to allot any equity securities (other than any equity securities to be held under an employees' share scheme), those equity securities shall not be allotted to any person unless the Company has first offered them to all Members on the date of the offer on the same terms, and at the same price, as those equity 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:
- 2.2.1 shall be in writing, shall be open for acceptance for a period of 15 Business Days from the date of the offer and shall give details of the number and subscription price of the relevant equity securities, and
- 2.2.2 may stipulate that any Member who wishes to subscribe for a number of equity securities in excess of the proportion to which he is entitled shall, in his acceptance, state the number of excess equity securities (**Excess Securities**) for which he wishes to subscribe.
- 2.3 Any equity securities not accepted by Members pursuant to the offer made to them in accordance with article 2.2 shall be used for satisfying any requests for Excess Securities made pursuant to article 2.2. 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 Members in accordance with article 2.2 (as nearly as possible without involving fractions or increasing the number of Excess Securities allotted to any Member beyond that applied for by him). After that allotment, any Excess Securities remaining shall be offered to any other person as the directors may determine, at the same price and on the same terms as the offer to the Members.

- 2.4 Subject to articles 2.2 and 2.3, any equity securities shall be at the disposal of the directors who may allot, grant options over or otherwise dispose of them to any persons at those times and generally on the terms and conditions they think proper.
- 2.5 No Shares shall be allotted to any employee, director, prospective employee or director unless such person has entered into a joint election with the Company under section 431 of the Income Tax (Earnings and Pensions) Act 2003.

### **3 Preference Shares**

The rights attached to the Preference Shares are as follows:

#### **3.1 Dividends**

- 3.1.1 The Company shall pay to the Members holding Preference Shares, in priority to the holders of any other class of Share, a cumulative preferential net cash dividend at the rate of 4p per Share per annum in respect of each Preference Share;
- 3.1.2 The Preference Dividend shall accrue from day to day from and including the date of issue down to and including the date on which any Preference Share is redeemed. The Preference Dividend shall be paid, subject to the Companies Act, in arrears on 31 March and 30 September in each year (beginning on 30 September 2011) and on an Exit Event;
- 3.1.3 Unless the Company is prohibited from paying dividends by the Companies Act, the Preference Dividend shall (notwithstanding any provision of the Model Articles or any other provision of these articles and in particular notwithstanding that there has not been a recommendation of the Board or resolution of the Company in general meeting) be paid immediately on the due date. If it is not paid then it shall be a debt due by the Company and be payable in priority to any later Preference Dividend;
- 3.1.4 If the Company fails to pay a Preference Dividend on a date specified in article 3.1.1, interest shall accrue on the gross amount of the dividend from that date until payment on the gross amount of the dividend at the rate of 4% per annum above the base rate for the time being of National Westminster Bank plc,
- 3.1.5 Where the Company is precluded by the Companies Act from paying any Preference Dividend in full on any date specified in these articles, then in respect of any Preference Dividend which would otherwise require to be paid pursuant to these articles on that date:
- 3.1.5.1 the Company shall pay on that date to the Members holding Preference Shares the maximum part of the Preference Dividend which can then, consistently with the Companies Act, be paid by the Company; and

3.1.5.2 as soon as the Company is no longer precluded from doing so, the Company shall pay the maximum amount of the Preference Dividend which can, consistently with the Companies Act, be paid by the Company at that time.

3.1.6 The Preference Shares confer no other right to participate in the profits of the Company.

### **3.2 Capital**

3.2.1 On a return of capital on liquidation or capital reduction or otherwise (other than a redemption or conversion of Shares in accordance with these articles), the surplus assets of the Company remaining after the payment of its liabilities shall be applied in paying to each Member holding Preference Shares, in priority to the holders of any other class of Share:-

3.2.1.1 all unpaid arrears, accruals and deficiencies of the Preference Dividend on the Preference Shares held by him, calculated down to and including the date the return of capital is made (whether the Preference Dividend has become payable in accordance with these articles or not) and, subject thereto; and

3.2.1.2 an amount equal to the Issue Price of all the Preference Shares held by him.

3.2.2 The Preference Shares confer no other right to participate on a return of capital by the Company.

### **3.3 Redemption**

3.3.1 Subject to the provisions of the Companies Act:

3.3.1.1 the Company may at any time upon giving not less than 14 and not more than 90 clear days' notice in writing to the Members holding Preference Shares, redeem Preference Shares either in their entirety or in tranches of not less than 10,000 Preference Shares,

3.3.1.2 the Company shall, on 31 March 2021, redeem any remaining Preference Shares; and

3.3.1.3 the Company shall redeem all the Preference Shares immediately prior to, and conditionally upon, the occurrence of any of the following:

(A) an Exit Event,

(B) the appointment of a receiver, manager or administrative receiver over all or any part of the assets of any member of the Group or the appointment of a liquidator or administrator over any member of the Group.

3.3.2 The Company shall pay on each Preference Share redeemed (exclusive of the related associated tax credit), an amount equal to the Issue Price thereof together with a sum equal to all arrears, deficiency or accruals of the Preference Dividend (whether earned or declared or not), calculated down to



and including the date of redemption. The Preference Dividend on the relevant Preference Shares shall cease to accrue from the date of their redemption unless, upon delivery to the Company of the documents specified in article 3.3.3, payment of the redemption money is not made.

- 3.3.3 On each date fixed for any redemption of Preference Shares, the Company shall pay to each registered holder (or in the case of joint holders, to the holder whose name stands first in the register of members of the Company) of Shares which are to be redeemed on that date the amount payable in respect of such redemption. Upon receipt of that amount, the holder shall deliver to the Company for cancellation the certificate(s) for those Shares or an indemnity in form reasonably satisfactory to the Company in respect of any missing share certificate. If any share certificate delivered to the Company includes any Shares not redeemable at that time, the Company shall issue to the holder at the same time a fresh certificate for those Shares. Any redemption of Preference Shares shall take place at the registered office of the Company.
- 3.3.4 In the case of a redemption of less than all the Preference Shares for the time being in issue, the Company shall be entitled to redeem each Member's registered holding of Preference Shares in such proportions as it deems fit.
- 3.3.5 The Company shall not redeem any Preference Share at a time when any Preference Dividend has not been paid, except where the payment is prevented by article 3.3.6.
- 3.3.6 If the Company is permitted by the Companies Act to redeem only some of the Preference Shares which would otherwise fall to be redeemed at that time, the Company shall only redeem that number of such Shares that it can so redeem at that time. The Company shall redeem, as soon thereafter as it may do so, all the remaining Preference Shares which should otherwise have been redeemed, and pending such redemption, shall not pay any dividend.
- 3.3.7 If any Member on the redemption of any of his Preference Shares fails to deliver to the Company all the documents referred to in article 3.3.3 on the redemption of any of his Preference Shares, the Company may retain the redemption money until it receives those documents.
- 3.3.8 If the Company fails for any reason to redeem any Preference Shares which fall to be redeemed on a particular date, other than following a failure by the Member concerned to deliver the documents referred to in article 3.3.3, the redemption price shall be increased at a rate of 4% per annum above the base rate for the time being of National Westminster Bank.

### 3.4 Voting

- 3.4.1 The Members holding Preference Shares shall be entitled to receive notice of, and to attend and speak at, any general meeting of the Company. They shall only be entitled to vote on any resolution at any general meeting of the Company in respect of their holdings of Preference Shares if at the date of the relevant meeting:

3.4.1.1 the Company has failed to redeem any of the Preference Shares whose due date for redemption has passed (irrespective of whether such

redemption is prohibited by the Companies Act or the Banking Agreements);

3 4.1.2 the business of the meeting includes a resolution for the liquidation of the Company (save for a solvent liquidation previously consented to by the holders of the Preference Shares) or which varies, modifies, alters or abrogates any of the rights attaching to the Preference Shares;

when the Preference Shares shall carry the voting rights described in article 3.4.2.

3.4.2 The voting rights attached to the Preference Shares shall be exercisable:

3.4 2.1 on any resolution referred to in article 3 4.1.2; and

3 4 2.2 at any time after the Company has failed to redeem any of the Preference Shares as specified in article 3.4.1.1 have occurred and have not been waived or otherwise remedied to the reasonable satisfaction, confirmed in writing by them in each case, of the holders of 75% or more of the issued Preference Shares.

3.4 3 On each resolution on which the voting rights attaching to Preference Shares are exercisable those Members holding Preference Shares who (being individuals) are present in person or by proxy or (being corporations) are present by a duly authorised representative or by proxy shall, on a show of hands, each have one vote, and, on a poll, have one vote for each Preference Share of which he is the holder.

#### **4 Preferred ordinary shares**

The rights attached to the Preferred Ordinary Shares are as follows:

##### **4.1 Dividends**

The Preferred Ordinary Shares shall rank *pari passu* in all respects with the Ordinary Shares as to dividends in accordance with article 5.1.2.

##### **4.2 Capital**

On a return of capital on liquidation or capital reduction or otherwise (other than a redemption of Preference Shares in accordance with article 3.3), the surplus assets of the Company remaining after the payment of its liabilities shall be applied, subject to the payment of all amounts payable to the Members holding Preference Shares pursuant to article 3 2 but otherwise in priority to any other class of Share:

(a) in paying to each Member holding Preferred Ordinary Shares an amount equal to the greater of:

- (i) an amount equal to the Issue Price of all the Preferred Ordinary Shares held by him; and
- (ii) such sum as would be paid to Members holding Preferred Ordinary Shares under article 5.2.2 if the Preferred Ordinary Shares are regarded as representing A Ordinary Shares, B Ordinary Shares and C Ordinary Shares in the proportions

which such Shares constitute the aggregate number of Ordinary Shares and for the purposes of article 5.2.2 the amounts to be distributed to the holders of the Preferred Ordinary Shares and the holders of the A Ordinary Shares, the B Ordinary Shares and the C Ordinary Shares shall be in proportion to the respective number of Shares held by them respectively.

#### **4.3 Voting**

The Members holding Preferred Ordinary Shares shall be entitled to receive notice of and to attend and speak at any general meeting of the Company. The Members holding Preferred Ordinary Shares who (being individuals) are present in person or by proxy or (being a corporation) are present by duly authorised representatives or by proxy shall, on a show of hands, have one vote each, and, on a poll shall have one vote each for every Preferred Ordinary Share of which he is the holder.

#### **5 Ordinary shares**

The rights attached to the Ordinary Shares are as follows:

##### **5.1 Dividends**

Subject to the payment of the Preference Dividend, and to all those Preference Shares whose time for redemption under article 3.3 has passed having been redeemed in full, any remaining profits which the Company determines to distribute in respect of any financial year shall be applied in distributing the balance of such profits amongst the holders of the Preferred Ordinary Shares and the Ordinary Shares then in issue *pari passu* according to the number of such Shares held by them as if they constituted one class of Share.

##### **5.2 Capital**

On a return of capital on liquidation or capital reduction or otherwise (other than a redemption of Preference Shares in accordance with article 3.3), the surplus assets of the Company remaining after the payment of its liabilities shall be applied, subject to the payment of all amounts payable to the holders of the Preference Shares pursuant to article 3.2 and to the holders of the Preferred Ordinary Shares pursuant to article 4.2.1 but otherwise in priority to the holders of any other class of Share:

5.2.1 in paying to each Member holding Ordinary Shares, first, any dividends thereon which have been declared but are unpaid and, secondly, an amount equal to the Issue Price of each Ordinary Share held by him; and

5.2.2 thereafter, in distributing the balance ("Residue") of such assets amongst the Members holding A Ordinary Shares B Ordinary Shares and C Ordinary Shares (and if applicable the members holding Preferred Ordinary Shares) in the proportions set out below in relation to each tranche of the Residue the percentage of that tranche set against the relevant class in column 3 of the table below:

Tranche of Residue	Class of Share	Percentage
0-5,000,000	A Ordinary Shares	40%
	B Ordinary Shares	45%
	C Ordinary Shares	15%
5,000,001 - 6,000,000	A Ordinary Shares	0%
	B Ordinary Shares	0%
	C Ordinary Shares	100%
6,000,001 - 7,000,000	A Ordinary Shares	10%
	B Ordinary Shares	40%
	C Ordinary Shares	50%
7,000,001 - 8,000,000	A Ordinary Shares	30%
	B Ordinary Shares	45%
	C Ordinary Shares	25%
8,000,001 and above	A Ordinary Shares	40%
	B Ordinary Shares	45%
	C Ordinary Shares	15%

sums due to the Members holding shares of a particular class shall be paid to Members pro rata to the number of Shares held by them in that particular class or deemed to be of that particular class pursuant to article 4.2.

### 5.3 Voting

The Members holding Ordinary Shares shall be entitled to receive notice of and to attend and speak at any general meeting of the Company. The Members holding Ordinary Shares who (being individuals) are present in person or by proxy or (being corporations) are present by duly authorised representative or by proxy shall, on a show of hands, have one vote each, and, on a poll, have one vote for each Ordinary Share of which he is the holder.

### 6 Proceeds of sale

In the event of a Sale then, notwithstanding anything to the contrary in the terms of such Sale (unless all the Members immediately prior to the Sale have agreed in writing to the contrary expressly for the purposes of this provision, whether in the agreements for the Sale or otherwise), the Members immediately prior to such Sale shall procure that the purchase consideration whenever received is paid into a designated trustee account and shall, following the redemption by the Company of all the Preference Shares which it is lawfully able to redeem as a consequence of that Sale, be distributed amongst those Members who sold Shares under those terms in the manner and order of priority in which the amount of the purchase consideration would have been distributed had a resolution for the winding up of the Company been passed on the date of the Sale and had the amount available for distribution to the Members in such winding up been equal to the amount of purchase consideration.

## **7 Variation of class rights**

Whenever the capital of the Company is divided into different classes of shares, the special rights attached to any class may (unless otherwise provided by the terms of issue of the shares of that class) only be varied or abrogated, either whilst the Company is a going concern or during or in contemplation of a winding up, with the consent in writing of the holders of three quarters of the issued Shares of that class, or with the sanction of an extraordinary resolution passed at a separate meeting of the holders of the issued Shares of that class. To every such separate meeting, all the provisions of these articles relating to general meetings of the Company shall, mutatis mutandis, apply.

## **8 Partly Paid Shares**

Regulation 21 of the Model Articles shall not apply to the Company.

## **9 Liens**

### Company's lien over Shares

9.1 The Company has a lien (**the Company's lien**) over every Share, whether or not fully paid, 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 or his estate (either alone or jointly with any other person) to the Company, whether payable immediately or at some time in the future.

9.2 The Company's lien over a Share:

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

9.2.2 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.

9.3 The Board 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.

### Enforcement of the Company's lien

9.4 Subject to the provisions of this article 9, if:

9.4.1 a lien enforcement notice has been given in respect of a Share; and

9.4.2 the person to whom the notice was given has failed to comply with it,

the Company may sell that Share (subject to article 10.20) in such manner as the Board decides.

9.5 A lien enforcement notice:

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

- 9.5.2 must specify the Share concerned;
  - 9.5.3 must require payment of the sum within 14 clear Business Days of the notice (that is, excluding the date on which the notice is given and the date on which that 10 Business Day period expires);
  - 9.5.4 must be addressed either to the holder of the Share or to a transferee of that holder, and
  - 9.5.5 must state the Company's intention to sell the Share if the notice is not complied with.
- 9.6 Where Shares are sold under this article 9:
- 9.6.1 the Board may authorise any person to execute an instrument of transfer of the Shares to the purchaser or to a person nominated by the purchaser; and
  - 9.6.2 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.
- 9.7 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.
- 9.7.1 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; and
  - 9.7.2 second, 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 an indemnity in a form reasonably satisfactory to the Board has been given for any lost certificates, and subject to a lien equivalent to the Company's lien for any money payable (whether payable immediately or at some time in the future) as existed upon the Shares before the sale in respect of all Shares registered in the name of such person (whether as the sole registered holder or as one of several joint holders) after the date of the lien enforcement notice
- 9.8 A statutory declaration by a director or the company secretary 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:
- 9.8.1 is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the Share; and
  - 9.8.2 subject to compliance with any other formalities of transfer required by these articles or by law, constitutes a good title to the Share.

## 10 Calls on shares and forfeiture

### Call notices

- 10.1 Subject to the articles and the terms on which Shares are allotted, the directors may send a notice (a **call notice**) to a Member requiring the Member to pay the Company a specified sum of money (a **call**) which is payable in respect of Shares which that Member holds at the date when the Board decides to send the call notice.

10.2 A call notice:

10.2.1 may not require a Member to pay a call which exceeds the total sum unpaid on that Member's Shares (whether as to the Share's nominal value or any amount payable to the Company by way premium);

10.2.2 must state when and how any call to which it relates is to be paid, and

10.2.3 may permit or require the call to be made in instalments.

10.3 A Member must comply with the requirements of a call notice, but no Member is obliged to pay any call before 10 clear Business Days (that is, excluding the date on which the notice is given and the date on which that 10 Business Day period expires) have passed since the notice was sent.

10.4 Before the Company has received any call due under a call notice the Board may:

10.4.1 revoke it wholly or in part; or

10.4.2 specify a later time for payment than is specified in the notice,

by a further notice in writing to the Member in respect of whose Shares the call is made.

Liability to pay calls

10.5 Liability to pay a call is not extinguished or transferred by transferring the Shares in respect of which it is required to be paid.

10.6 Joint holders of a Share are jointly and severally liable to pay all calls in respect of that Share

10.7 Subject to the terms on which Shares are allotted, the Board may, when issuing Shares, provide that call notices sent to the holders of those Shares may require them

10.7.1 to pay calls which are not the same; or

10.7.2 to pay calls at different times.

When call notice need not be issued

10.8 A call notice need not be issued in respect of sums which are specified, in the terms on which a Share is issued, as being payable to the Company in respect of that Share (whether in respect of nominal value or premium):

10.8.1 on allotment;

10.8.2 on the occurrence of a particular event; or

10.8.3 on a date fixed by or in accordance with the terms of issue.

10.9 If the due date for payment of such sum identified in article 10.8 has passed and it has not been paid, the holder of the Share concerned is treated in all respects as having failed to comply with a call notice in respect of that sum, and is liable to the same consequences as regards the payment of interest and forfeiture.

Failure to comply with call notice: automatic consequences

10.10 If a person is liable to pay a call and fails to do so by the call payment date.

10.10.1 the Board may issue a notice of intended forfeiture to that person; and

10.10.2 until the call is paid, that person must pay the Company interest on the call from the call payment date at the relevant rate.

10.11 For the purposes of this article:

10.11.1 the **call payment date** is the time when the call notice states that a call is payable, unless the Board gives a notice specifying a later date, in which case the **call payment date** is that later date; and

10.11.2 the **relevant rate** is:

- the rate fixed by the terms on which the Share in respect of which the call is due was allotted;
- such other rate as was fixed in the call notice which required payment of the call, or has otherwise been determined by the directors; or
- if no rate is fixed in either of these ways, 5 per cent per annum.

10.12 The relevant rate must not exceed by more than 5 percentage points the base lending rate most recently set by the Monetary Policy Committee of the Bank of England in connection with its responsibilities under Part 2 of the Bank of England Act 1998

10.13 The Board may waive any obligation to pay interest on a call wholly or in part.

Notice of intended forfeiture

10.14 A notice of intended forfeiture:

10.14.1 may be sent in respect of any Share in respect of which a call has not been paid as required by a call notice;

10.14.2 must be sent to the holder of that Share (or all the joint holders of that Share) or to a transmittee of that holder,

10.14.3 must require payment of the call and any accrued interest and all expenses that may have been incurred by the Company by reason of such non-payment by a date which is not less than 10 clear Business Days after the date of the notice (that is, excluding the date on which the notice is given and the date on which that 10 Business Day period expires);

10.14.4 must state how the payment is to be made; and

10.14.5 must state that if the notice is not complied with, the Shares in respect of which the call is payable will be liable to be forfeited

Directors' power to forfeit Shares



- 10.15 If a notice of intended forfeiture is not complied with before the date by which payment of the call is required in the notice of intended forfeiture, the Board may decide that any Share in respect of which it was given is forfeited, and the forfeiture is to include all dividends or other moneys payable in respect of the forfeited Shares and not paid before the forfeiture.

Effect of forfeiture

- 10.16 Subject to the articles, the forfeiture of a Share extinguishes:

10.16.1 all interests in that Share, and all claims and demands against the Company in respect of it; and

10.16.2 all other rights and liabilities incidental to the Share as between the person whose Share it was prior to the forfeiture and the Company.

- 10.17 Any Share which is forfeited in accordance with the articles:

10.17.1 is deemed to have been forfeited when the Board decides that it is forfeited;

10.17.2 is deemed to be the property of the Company; and

10.17.3 may be sold, re-allotted or otherwise disposed of as the Board thinks fit.

- 10.18 If a person's Shares have been forfeited:

10.18.1 the Company must send that person notice that forfeiture has occurred and record it in the register of Members;

10.18.2 that person ceases to be a member in respect of those Shares;

10.18.3 that person must surrender the certificate for the Shares forfeited to the Company for cancellation;

10.18.4 that person remains liable to the Company for all sums payable by that person under the articles at the date of forfeiture in respect of those Shares, including any interest (whether accrued before or after the date of forfeiture); and

10.18.5 the Board may waive payment of such sums 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.

- 10.19 At any time before the Company disposes of a forfeited Share, the Board may decide to cancel the forfeiture on payment of all calls, interest and expenses due in respect of it and on such other terms as they think fit.

General

- 10.20 Notwithstanding the provisions of article 9 and this article 10, Shares to be sold in the enforcement of the Company's lien or rights of forfeiture shall be offered in accordance with article 14 (Compulsory Transfers) as if a Deemed Transfer Notice were deemed given in respect of such Shares.

## **11 Transfer of shares - general**

**11.1** The Board shall not register the transfer of any Share or any interest in any Share unless the transfer:

**11.1.1** is either:

- permitted by article 12 (Permitted Transfers); or
- is made in accordance with article 13 (Voluntary Transfers), article 14 (Compulsory Transfers), article 15 (Drag Along Option), or article 16 (Tag Along Right); and

**11.1.2** in any event, is not in favour of:

- any infant, bankrupt, trustee in bankruptcy or person of unsound mind; or
- any person who has not executed a Deed of Adherence to, and in the manner required by, the Shareholder Agreement.

**11.2** The Company shall promptly register any duly executed and stamped transfer of Shares which is made in accordance with these articles.

**11.3** For the purpose of ensuring that a transfer of Shares is in accordance with these articles or that no circumstances have arisen whereby a Member may be bound to give or be deemed to have given a Transfer Notice (as defined in article 13.1) the Board may from time to time require any Member or any person named as transferee in any transfer lodged for registration to furnish to the Board such information and evidence as it or he requests for such purpose. If such information or evidence is not furnished to his or their reasonable satisfaction within a reasonable time after that request the Board may in its absolute discretion either:

**11.3.1** refuse to register the transfer in question; or

**11.3.2** where no transfer is in question, require by notice in writing to the Member(s) concerned that a Transfer Notice be given in respect of the Shares concerned within the period specified in that notice.

If such information or evidence discloses to the satisfaction of the Board in its absolute discretion that circumstances have arisen whereby a Member is bound to give or be deemed to have given a Transfer Notice the Board may in its absolute discretion notice in writing to the Member concerned require that a Transfer Notice be given in respect of the Shares concerned within the period specified in that notice.

**11.4** An obligation to transfer a Share under these articles shall be deemed to be an obligation to transfer the entire legal and beneficial interest in such Share free from any lien, charge or other encumbrance.

**11.5** No arrangement shall be entered into by any Member whereby the terms upon which that Member holds any Shares are to be varied if as a result any interest in those Shares is varied, disposed of or created or extinguished, except by a transfer made in accordance with these articles.

- 11.6 Regulation 26(5) of the Model Articles shall not apply to the Company.
- 11.7 For the avoidance of doubt, any reference to the Board in articles 13 and 14 shall exclude any director being, or being connected with, the relevant Vendor.
- 11.8 Transmission of Shares: Regulation 27(3) of the Model Articles shall be amended by the insertion of the words “, subject to article 26” after the word “But”.
- 11.9 Transmittes bound by prior notices: Regulation 29 of the Model Articles shall be amended by the insertion of the words: “, or the name of any person(s) named as the transferee(s) in an instrument of transfer executed under regulation 28(2) of the Model Articles,” after the words “the transmittee’s name”

## **12 Permitted transfers**

- 12.1 For the purposes of this article and articles 13 and 14:

12.1.1 **family member** means, in relation to any person, any of his spouse (including a life partner as recognised by the Board) (or widow or widower), children and grandchildren (including step and adopted children and grandchildren) and the member’s lineal descendants or antecedents and for the purposes aforesaid a stepchild or adopted child or illegitimate child of any person shall be deemed to be a lineal descendant of such person;

12.1.2 **family trust** means, in relation to a Member, a trust which does not permit any of the settled property or the income from it to be applied otherwise than for the benefit of that Member or any of his family members (and any charity or charities as default beneficiaries meaning that the charity or charities have no immediate beneficial interest in any of the settled property or the income from it when the trust is created but may become so interested if there are no other beneficiaries from time to time except other charities) and under which no power of control over the voting powers conferred by any Shares the subject of the trust is capable of being exercised by, or being subject to the consent of, any person other than the trustees or such Member or any of his family members; and

12.1.3 **permitted transfer** means any transfer of Shares permitted under this article 12

- 12.2 With the prior written consent of the Board, and subject to articles 12.3 to 12.6, any Member who is an individual may at any time transfer his entire holding of Shares (or part thereof) to a person shown to the reasonable satisfaction of the Board to be:

12.2.1 a family member of his; or

12.2.2 trustees to be held under a family trust for that Member; or

12.2.3 a company which he is connected with.

- 12.3 Subject to article 12.5, no Shares shall be transferred under article 12.2 by any person who previously acquired those Shares by way of transfer under article 12.2.

- 12.4 No transfer of Shares shall be made by a Member under article 12.2 unless in the case of a transfer under article 12.2.2, the Board has confirmed in writing their satisfaction:

- 12.4.1 with the terms of the instrument constituting the relevant family trust and in particular with the powers of the trustees;
  - 12.4.2 with the identity of the trustees and the procedures for the appointment and removal of trustees;
  - 12.4.3 with the restrictions on changes in the terms of the trust instrument and on distributions by the trustees;
  - 12.4.4 the ability and willingness of the trustees to give appropriate warranties and indemnities on a Sale or admission of the Company's issued equity share capital to any recognised investment exchange; and
  - 12.4.5 that none of the costs incurred in establishing or maintaining the relevant family trust will be payable by any member of the Group.
- 12.5 Where Shares are held by trustees under a family trust, with the prior written consent of the Board:
- 12.5.1 those Shares may, on any change of trustees, be transferred by those trustees to any new trustee of that family trust whose identity has been approved in writing by the Board;
  - 12.5.2 those Shares may at any time be transferred by those trustees to the settlor of that trust or any other family member to whom that settlor could have transferred them under this article if he had remained the holder of them; and
  - 12.5.3 if any of those Shares cease to be held under a family trust for any other reason, the trustees shall give a Transfer Notice (as defined in article 13.1) within 20 Business Days in respect of all the Shares then held by those trustees.
- 12.6 If:
- 12.6.1 any person has acquired Shares as a family member of a Member by way of one or more permitted transfers; and
  - 12.6.2 that person ceases to be a family member of that Member,
- that person shall forthwith transfer all the Shares then held by that person back to that Member, for such consideration as they agree, within 15 Business Days of the cessation, or, failing such transfer within that period, shall during the remainder of the 20 Business Day period after the cessation, give a Transfer Notice in respect of all of the Shares then held by that person.
- 12.7 Where Shares have been transferred under article 12.2.3 (whether directly or by a series of such transfers) by a Member and subsequently the transferee company ceases to be connected with that Member, the company shall forthwith transfer all the Shares held by it to that Member, for such consideration as is agreed, within 15 Business Days of the cessation, or, failing such transfer within that period, shall during the remainder of the 20 Business Day period after the cessation, give a Transfer Notice in respect of all of the Shares then held by the transferee company.
- 12.8 Where any Shares are held by trustees of an Employee Trust:

12.8.1 on any change of trustees, the Shares may be transferred to the new trustees of that Employee Trust; and

12.8.2 the Shares may be transferred at any time to any beneficiary of the trust.

### **13 Voluntary transfers**

13.1 Any Member (a **Vendor**) shall, before transferring or agreeing to transfer any Share or any interest in any Share, serve notice in writing (a **Transfer Notice**) on the Company of his wish to make that transfer unless the transfer is

13.1.1 made pursuant to article 12 (Permitted Transfers);

13.1.2 a transfer of Dragged Shares made pursuant to article 15 (Drag Along Option);  
or

13.1.3 a transfer made pursuant to acceptance of an offer made pursuant to article 16 (Tag Along Right).

13.2 In the Transfer Notice, the Vendor shall specify:

13.2.1 the number of Shares (**Sale Shares**) which he wishes to transfer,

13.2.2 the identity of the person (if any) to whom the Vendor wishes to transfer the Sale Shares;

13.2.3 the price per share at which the Vendor wishes to transfer the Sale Shares (**Proposed Sale Price**);

13.2.4 any other terms relating to the transfer of the Sale Shares which are not prohibited by these articles including the date from which dividends on the Sale Shares shall accrue to the purchaser; and

13.2.5 whether the Transfer Notice is conditional upon all (and not part only) of the Sale Shares being sold pursuant to the following provisions of this article 13 (a **Total Transfer Condition**).

13.3 Each Transfer Notice shall:

13.3.1 relate to one class of Shares only;

13.3.2 constitute the Company as the agent of the Vendor for the sale of the Sale Shares on the terms of this article 13;

13.3.3 save as provided by article 13.5, be irrevocable, and

13.3.4 not be deemed to contain a Total Transfer Condition unless expressly stated otherwise.

13.4 The Sale Shares shall be offered for purchase in accordance with this article 13 at a price per Sale Share (**Sale Price**) which either has been agreed between the Vendor and the Board or in default of agreement within 15 Business Days after the date of service of the Transfer Notice, the lower of:

13.4.1 the Proposed Sale Price; and

- 13.4.2 if the Board elects within 20 Business Days after the date of service of the Transfer Notice to instruct Valuers for that purpose, the price per Share reported on by the Valuers as their written opinion of the open market value of each Sale Share in accordance with article 13 16 (**Market Value**) as at the date of service of the Transfer Notice.
- 13.5 If the Market Value is reported on by the Valuers under article 13.4.2 to be less than the Proposed Sale Price specified in the Transfer Notice, the Vendor may revoke the Transfer Notice by written notice given to the Board within the period of 10 Business Days after the service on the Vendor of the Valuers' written opinion of the Market Value.
- 13.6 The Board shall offer the Sale Shares to the Company for purchase at the Sale Price, subject to the provisions of the Act, within five Business Days of the Sale Price having been agreed or determined under article 13.4 or, if the Transfer Notice is capable of being revoked under article 13.5, within five Business Days after the expiry of the period for revocation in article 13.5. Where the relevant Transfer Notice contains a Total Transfer Condition and the Company only wishes to acquire some and not all of the relevant Sale Shares, the Company shall only agree to acquire such Sale Shares conditionally on the remainder of the Sale Shares being allocated to Members under the remaining provisions of this article 13. The Board shall as soon as practicable give notice in writing to the Vendor specifying the number of Sale Shares proposed to be acquired by the Company, the aggregate price payable for them, and the time for completion of such sale and purchase, attaching the agreement or deed referred to in article 13.7 below. Any Sale Shares neither sold nor agreed to be acquired under this article 13.6 within 30 Business Days of being offered to the Company will be available for sale to the Members as set out below.
- 13.7 A Vendor who is to sell shares to the Company pursuant to article 13.6 will enter into an agreement or deed recording the sale in terms reasonably required by the Board within five Business Days of being asked to do so. Any such agreement or deed can be subject to such conditions precedent as the Board may specify and will include warranties to be given by such Vendor in relation to the relevant Sale Shares that he has title to sell them and that they are free from encumbrances and other third party rights.
- 13.8 The Board shall offer the Sale Shares which are neither sold nor agreed to be acquired under article 13.6 for purchase at the Sale Price by a written offer notice (**Offer Notice**) served on all Members holding Ordinary Shares other than the Vendor (and any other Member who is then bound to give or deemed to have given a Transfer Notice in relation to which the procedures in these articles have not been completed) within five Business Days after the end of the period for the Company to acquire or agree to acquire Sale Shares under article 13.6 or, if earlier, within five Business Days after the Board resolving that the Company will not accept any Sale Shares offered to it pursuant to article 13.6.
- 13.9 An Offer Notice shall:
- 13.9.1 specify the Sale Price;
  - 13.9.2 expire 42 days after its service;
  - 13.9.3 contain the other details included in the Transfer Notice; and



13.9.4 invite the relevant Members to apply in writing, before expiry of the Offer Notice, to purchase Sale Shares.

13.10 After the expiry date of the Offer Notice (or, if earlier, upon responses being received from all relevant Members in accordance with article 13.9), the Board shall allocate the Sale Shares in accordance with the applications received, subject to the other provisions of these articles and the Model Articles, save that:

13.10.1 if there are applications from Members for more than the total number of Sale Shares available, they shall be allocated to those applicants in proportion (as nearly as possible but without allocating to any Member more Sale Shares than the maximum number applied for by him) to the number of Ordinary Shares then held by them respectively;

13.10.2 if it is not possible to allocate Sale Shares without involving fractions, those fractions shall be aggregated and allocated amongst the applicants in such manner as the Board thinks fit; and

13.10.3 if the Transfer Notice contained a Total Transfer Condition, no allocation of Sale Shares shall be made unless all the available Sale Shares are allocated.

13.11 The Board shall, within five Business Days after the expiry date of the Offer Notice or earlier allocation of all of the Sale Shares under article 13.10, give notice in writing (a **Sale Notice**) to the Vendor and to each person to whom Sale Shares have been allocated (each a **Purchaser**) specifying the name and address of each Purchaser, the number of Sale Shares allocated to him, the aggregate price payable for them, and the time for completion of each sale and purchase.

13.12 Completion of a sale of Sale Shares to the Company shall take place at the registered office of the Company at the time specified in the notice given to the Vendor pursuant to article 13.6 or, where the Company has only conditionally agreed to acquire such Sale Shares under article 13.6, the relevant sale shall take place simultaneously with the sale of the remaining Sale Shares under article 13.13, when the Vendor shall, upon payment to him by the Company of the Sale Price in respect of the Sale Shares being acquired by the Company, transfer those Sale Shares and deliver (duly executed) the relevant deed or agreement referred to in article 13.7 above and the relative share certificates to the Company

13.13 Completion of a sale and purchase of Sale Shares pursuant to a Sale Notice shall take place at the registered office of the Company at the time specified in the Sale Notice (being not less than one week nor more than two months after the date of the Sale Notice, unless agreed otherwise in relation to any sale and purchase by both the Vendor and the Purchaser concerned) when the Vendor shall, upon payment to him by a Purchaser of the Sale Price in respect of the Sale Shares allocated to that Purchaser, transfer those Sale Shares and deliver the relative share certificates (to the extent not handed over under article 13.12) to that Purchaser.

13.14 The Vendor may, during the period falling between one and two months after the expiry date of the Offer Notice, sell any Sale Shares which have neither been sold nor agreed to be acquired under article 13.6 and for which a Sale Notice has not been given by way of bona fide sale to the proposed transferee (if any) named in the Transfer Notice at any price per Sale Share which is not less than the Sale Price, without any deduction, rebate or allowance to the proposed transferee, provided that:



13.14 1the Board shall be entitled to refuse registration of the proposed transferee if he is believed by the Board to be a competitor or connected with a competitor of any business of any member of the Group or a nominee of such a person or if the Board reasonably believes that his ownership of Shares would materially prejudice the interests of the Group; and

13.14 2if the Transfer Notice contained a Total Transfer Condition, the Vendor shall not be entitled to sell only some of the Sale Shares under this article 13

13.15 If a Vendor fails to transfer any Sale Shares when required pursuant to this article 13, or (if appropriate) fails to execute and deliver to the Company the relevant deed or agreement referred to in article 13.7 above, the Board may authorise any person (who shall be deemed to be the attorney of the Vendor for the purpose) to execute the necessary transfer of such Sale Shares (or deed or agreement) and deliver it on the Vendor's behalf. The Company shall (at the direction of the Board) receive the purchase money for the Sale Shares from the relevant purchaser and shall, upon receipt of the duly stamped transfer, register the relevant purchaser as the holder of those Sale Shares. In respect of Sale Shares to be acquired by it, the Company shall, upon delivery of the relevant deed or agreement referred to in article 13.7 above, cancel the relevant Sale Shares. The Company shall hold the purchase money on trust for the Vendor but shall not be bound to earn or pay interest on any money so held. The Company's receipt for the purchase money shall be a good discharge to the relevant purchaser (who shall not be concerned to see to the application of it). After the name of the relevant purchaser has been entered in the register of Members (or, if applicable, the relevant Sale Shares have been cancelled) in purported exercise of the power conferred by this article 13, the validity of that exercise shall not be questioned by any person.

13.16 If instructed to report on their opinion of Market Value under article 13.4 2, the Valuers shall:

13.16.1act as expert and not as arbitrator and their written determination shall be final and binding on the Members, save in the case of manifest error; and

13.16.2proceed on the basis that:

- the open market value of each Sale Share shall be the sum which a willing purchaser would agree with a willing vendor to be the purchase price for all the Shares, divided by the number of Shares then in issue;
- there shall be no addition of any premium or subtraction of any discount by reference to the size of the holding the subject of the Transfer Notice or in relation to any restrictions on the transferability of the Sale Shares; and
- any difficulty in applying either of the foregoing bases shall be resolved by the Valuers as they think fit in their absolute discretion.

13.17 The Company will use its best endeavours to procure that the Valuers deliver their written opinion of the Market Value to the Board and the Vendor within 20 Business Days of the Board electing to instruct them under article 13.4 2.

13.18 The Valuers' fees for reporting on their opinion of the Market Value shall be borne as to one half by the Vendor and as to the other half by the relevant purchasers in proportion to the number of Sale Shares purchased by them unless:

13.18 1 the Vendor revokes the Transfer Notice pursuant to article 13 5; or

13.18 2 none of the Sale Shares are purchased pursuant to this article 13,

when the Vendor shall pay all the Valuers' fees

#### **14 Compulsory transfers**

14.1 In this article 14, a Transfer Event means, in relation to any Member:

14.1 1 a Member who is an individual:

- becoming bankrupt, or
- dying; or
- suffering from mental disorder and being admitted to hospital or becoming a patient for any purpose of any enactment relating to mental health,

and the Board notifying the Company within 3 months after becoming aware of it that such event is a Transfer Event in relation to that Member for the purposes of this article,

14.1 2 a Member making any arrangement or composition with his creditors generally and the Board notifying the Company within 3 months after becoming aware of it that such event is a Transfer Event in relation to that Member for the purposes of this article;

14.1.3 a Member or any family member or any family trust of that Member attempting to deal with or dispose of any Share or any interest in it otherwise than in accordance with article 12 (Permitted Transfers), article 13 (Voluntary Transfers) and this article 14 (Compulsory Transfers) or in contravention of article 16 (Tag Along Right) and the Board notifying the Company within 3 months after becoming aware of it that such event is a Transfer Event in relation to that Member or those family members or family trusts or all of them for the purposes of this article;

14.1 4 which is a Member being a family member or family trust of another Member or former Member and which has acquired Shares from such other Member or former Member ("the **Original Member**") and any of the events specified in article 14.1.1 occur in relation to the Original Member;

14.1 5 a Member being in material or persistent breach of the Shareholder Agreement and the Board notifying the Company within 3 months after becoming aware of it that such event is a Transfer Event in relation to that Member for the purposes of this article; and

14.1 6 a Member not giving a Transfer Notice in respect of any Shares or transfer any Shares (as the case may be) as required by articles 11.3, 12.5.3 or 12.6 and the

Board notifying the Company within 3 months after becoming aware of it that such event is a Transfer Event in relation to that Member for the purposes of this article.

- 14.2 Upon the happening of any Transfer Event, the Member in question and any other Member who has acquired Shares from him under a permitted transfer under articles 12.2 (directly or by means of a series of two or more permitted transfers under article 12.2) shall be deemed to have immediately given a Transfer Notice in respect of all the Shares then held by them (a Deemed Transfer Notice). A Deemed Transfer Notice shall supersede and cancel any then current Transfer Notice insofar as it relates to the same Shares except for Shares which have then been validly transferred pursuant to that Transfer Notice.
- 14.3 Notwithstanding any other provision of these articles, any Member holding Shares in respect of which a Deemed Transfer Notice is deemed given shall not be entitled to exercise any voting rights at general meetings of the Company in respect of those Shares between the date of the relevant Deemed Transfer Notice and the expiry of one month after the date of the Sale Notice given in respect of those Shares or, if earlier, the entry in the register of members of the Company of another person as the holder of those Shares or the cancellation of such Shares pursuant to article 13.
- 14.4 The Shares the subject of any Deemed Transfer Notice shall be offered for sale in accordance with article 13 as if they were Sale Shares in respect of which a Transfer Notice had been given save that:
- 14.4.1 a Deemed Transfer Notice shall be deemed to have been given on the date of the Transfer Event or, if later, the date of the first meeting of the Board at which details of the facts or circumstances giving rise to the Deemed Transfer Notice are tabled;
- 14.4.2 the Sale Price shall be a price per Sale Share agreed between the Vendor and the Board or, in default of agreement within 15 Business Days after the date of the Transfer Event, the Market Value less in each case any dividends on the Sale Shares referred to in article 14.4.5 and retained by the Vendor;
- 14.4.3 a Deemed Transfer Notice shall be deemed not to contain a Total Transfer Condition and shall be irrevocable, notwithstanding article 13.5;
- 14.4.4 the Vendor may retain any Sale Shares not sold or repurchased pursuant to article 13.6 or for which Purchasers are not found or, during the period between one and two months after the expiry of the relevant Offer Notice, and with the prior written approval of the Board, sell all or any of those Sale Shares to any person (including any Member) at any price per Sale Share which is not less than the Sale Price; and
- 14.4.5 the Sale Shares shall be sold together with all rights, attaching thereto as at the date of the Transfer Event, including the right to any dividend declared or payable on those Shares after that date

## **15 Drag Along Option**

- 15.1 In this article 15:

15.1.1 **Qualifying Offer** shall mean a bona fide offer in writing by or on behalf of a third party acting at arm's length (**Offeror**) to the holders of the entire issued share capital of the Company; and

15.1.2 **Dragging Shareholders** means the holders of a majority of the issued Shares.

15.2 If the Dragging Shareholders wish to accept a Qualifying Offer they shall (subject to article 15.5) have the option (**Drag Along Option**) to require all the other holders of Shares to transfer all their Shares to the Offeror or as the Offeror directs in accordance with this article 15.

15.3 The Dragging Shareholders may exercise the Drag Along Option by giving notice to that effect (a **Drag Along Notice**) to all other Members (**Dragged Shareholders**) at any time before the transfer of Shares to the Offeror. A Drag Along Notice shall specify that the Dragged Shareholders are required to transfer all their Shares (**Dragged Shares**) pursuant to article 15.2, the price at which the Dragged Shares are to be transferred under the Qualifying Offer and the proposed date and time of transfer.

15.4 A Drag Along Notice is irrevocable but the Drag Along Notice and all obligations under it will lapse if for any reason the Sale pursuant to the Qualifying Offer is not completed within 40 Business Days after the date of the Drag Along Notice, if applicable as re-served under article 15.5.

15.5 If the Drag Along Option shall be exercised, the Members other than the Dragging Shareholders (**Matching Shareholders**) shall have the right (between them in proportion to their respective holdings of Shares on the date of the relevant Drag Along Notice) to purchase the Shares proposed to be sold by all Members willing to accept the relevant Qualifying Offer (**Accepting Shareholders**) for the same price and on the same terms as the relevant Qualifying Offer and in priority to the rights of the Offeror provided that:

15.5.1 they between them notify the Accepting Shareholders of exercise of that right by written notice (**Matching Notice**) within 20 Business Days of receipt of the Drag Along Notice and that the Matching Notice is accompanied by Heads of Agreement (confirming the same price terms as the Qualifying Offer) and by written confirmation that they have instructed solicitors in connection therewith; and

15.5.2 they complete the purchase within 30 calendar days of the Drag Along Notice,

failing any of which the Dragging Shareholders may immediately re-serve the Drag Along Notice, stating a revised proposed date and time of transfer. If the Offeror is then no longer willing to proceed with the Qualifying Offer the Matching Shareholders shall between them (in the proportions aforesaid) indemnify the Accepting Shareholders against any reasonable costs and expenses incurred by them in negotiating and attempting to implement the Qualifying Offer.

15.6 Completion of the sale of the Accepting Shareholders' Shares pursuant to a Matching Notice shall take place at the registered office of the Company at such time (prior to the expiry of the period referred to in article 15.5.2) as the Matching Shareholders shall notify to the Accepting Shareholders by not less than five Business Days' notice in writing, when each Accepting Shareholder shall, upon payment to him of the relevant sale consideration due in respect of his Shares, transfer those Shares and

deliver the relative share certificates to the Matching Shareholders or as they shall direct.

15.7 Completion of the sale of the Dragged Shares under this article shall take place at the registered office of the Company at the time specified in the Drag Along Notice (as re-served, if applicable), being not less than five Business Days after the Drag Along Notice, when each Dragged Shareholder shall, upon payment to him of the relevant sale consideration due in respect of his Dragged Shares, transfer those Shares and deliver the relative share certificates to the Offeror or as it shall direct.

15.8 If a Member fails to transfer any Shares when required pursuant to this article 15, the Board may authorise any person (who shall be deemed to be the attorney of the relevant Member for the purpose) to execute the necessary transfer of such Shares and deliver it on the Member's behalf. The Company shall (at the direction of the Board) receive the purchase money for the relevant Shares from the relevant purchaser and shall, upon receipt of the duly stamped transfer, register the relevant purchaser as the holder of those Shares. The Company shall hold the purchase money on trust for the relevant Member but shall not be bound to earn or pay interest on any money so held. The Company's receipt for the purchase money shall be a good discharge to the relevant purchaser (who shall not be concerned to see to the application of it). After the name of the relevant purchaser has been entered in the register of Members in purported exercise of the power conferred by this article, the validity of that exercise shall not be questioned by any person

## 16 Tag Along Right

16.1 Notwithstanding any other provision in these articles, no sale or transfer or other disposition of any interest in any Share (specified shares) shall have any effect, if it would result in a Change of Control, unless before the sale, transfer or other disposition takes effect the Third Party Purchaser has made a bona fide offer in accordance with this article to purchase at the specified price (defined in article 16.3) all the Shares held by the Members (except any Member which has expressly waived its right to receive such an offer for the purpose of this article).

16.2 An offer made under article 16.1 shall be in writing, given in accordance with article 37, open for acceptance for at least 15 Business Days, and shall be deemed to be rejected by any Member who has not accepted it in accordance with its terms within 20 Business Days and the consideration under such an offer shall be settled in full on completion of the purchase and within 25 Business Days of the date of the offer.

16.3 For the purposes of article 16.1:

16.3.1 the expressions transfer, transferor and transferee include respectively the renunciation of a renounceable letter of allotment and any renouncer and renounee of such letter, and

16.3.2 the expression specified price means the higher of:

- a price per share equal to the highest price paid or payable by the Third Party Purchaser or persons acting in concert with him or connected with him for any Shares within the last 6 months plus an amount equal to the relevant proportion of any other consideration (in cash or otherwise) received or receivable by the holders of the specified shares

which, having regard to the substance of the transaction as a whole, can reasonably be regarded as part of the overall consideration paid or payable for the specified shares; and

- a price per share equal to the Issue Price thereof plus a sum equal to any arrears or accruals of the dividends on such Share grossed up at the rate of corporation tax then in force calculated down to the date the transfer is completed.

16.4 If any part of the specified price is payable otherwise than in cash any Member may require, as a condition of his acceptance of the offer made under this article, to receive in cash on transfer all or any of the price offered for the Shares sold by him pursuant to the offer

16.5 If the specified price or its cash equivalent for any shares cannot be agreed within 15 Business Days of the proposed sale, transfer or other disposition referred to in article 16.1 between the Third Party Purchaser and Members holding 75% of the Shares concerned (excluding the Third Party Purchaser and persons who have waived their right to receive an offer), it may be referred to the Valuers by any Member and, pending its determination, the sale, transfer or other disposition referred to in article 16.1 shall have no effect.

#### **Directors: Decision-Making by Directors**

#### **17 Directors to take decisions collectively**

17.1 Regulation 7 of the Model Articles shall be amended by:

17.1.1 the insertion of the words “for the time being” at the end of regulation 7(2)(a);  
and

17.1.2 the insertion in regulation 7(2) of the words “(for so long as he remains the sole director)” after the words “and the director may”.

#### **18 Unanimous Decisions**

18.1 A decision of the Board is taken in accordance with this article 18 when all eligible directors indicate to each other by any means that they share a common view on a matter. Such a decision may take the form of a resolution in writing, where each eligible director has signed one or more copies of it, or to which each eligible director has otherwise indicated agreement in writing.

18.2 A decision may not be taken in accordance with article 18.1 if the eligible directors would not have formed a quorum at such a meeting.

#### **19 Calling a directors’ meeting**

Any director may call a meeting of the Board by giving not less than five Business Days’ notice of the meeting (or such lesser notice as all the directors may agree) to the directors or by authorising the company secretary (if any) to give such notice.

#### **20 Number of directors**

The number of directors (other than alternate directors) shall not be subject to any maximum but shall not be less than two.

## **21 Quorum for directors' meetings**

21.1 Subject to article 21.2, the quorum for the transaction of business at a meeting of Board is any two eligible directors.

21.2 For the purpose of any meeting (or part of a meeting) held pursuant to article 24 to authorise a director's conflict, 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.

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

21.3.1 to appoint further directors; or

21.3.2 to call a general meeting so as to enable the Members to appoint further directors.

21.4 If, within half an hour of the time appointed for the holding of any meeting of the Board a quorum is not present, or if during the meeting a quorum ceases to be present, the director(s) present shall resolve to adjourn that meeting to a specified place and time (which shall not be earlier than three nor later than five Business Days after the date of such meeting). The Company shall give notice to each director who did not attend such meeting requiring him either to attend the adjourned meeting of the Board or to state in writing his view on the matters to be discussed at that meeting. If any director having received such notice fails to attend such adjourned meeting, the quorum necessary for the transaction of the business of the Board shall be any director. An alternate director shall be counted in the quorum in the same capacity as his appointor but so that not less than two individuals will constitute the quorum.

## **22 Casting vote**

22.1 If the numbers of votes for and against a proposal at a meeting of Board are equal, the chairman or other director chairing the meeting shall not have a casting vote.

## **23 Transactions or other arrangements with the Company**

23.1 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 Companies Acts, a director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the Company:

23.1.1 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;

23.1.2 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;

23.1.3 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;

23.1.4 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;

23.1.5 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

23.1.6 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.

## **24 Directors' conflicts of interest**

24.1 The Board may, in accordance with the requirements set out in this article 24, authorise any matter or situation proposed to them by any director which would, if not authorised, involve a director breaching his duty under section 175 of the Act to avoid a conflict of interest (**Conflict**).

24.2 Any authorisation under this article 24 will be effective only if:

24.2.1 the matter in question shall have been proposed by any director for consideration at a meeting of the Board in the same way that any other matter may be proposed to the directors under the provisions of these articles or in such other manner as the Board may determine;

24.2.2 any requirement as to the quorum at the meeting of the Board at which the matter is considered is met without counting the director in question; and

24.2.3 the matter was agreed to without his voting or would have been agreed to if his vote had not been counted.

24.3 Any authorisation of a Conflict under this article 24 may (whether at the time of giving the authorisation or subsequently):

24.3.1 extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter so authorised;

24.3.2 be subject to such terms and for such duration, or impose such limits or conditions as the Board may determine; and

24.3.3 be terminated or varied by the Board at any time.

This will not affect anything done by the director prior to such termination or variation in accordance with the terms of the authorisation.

24.4 In authorising a Conflict the Board may decide (whether at the time of giving the authorisation or subsequently) that if a director has obtained any information through his involvement in the Conflict otherwise than as a director of the Company and in



respect of which he owes a duty of confidentiality to another person, the director is under no obligation to.

24.4.1 disclose such information to the Board or to any director or other officer or employee of the Company; or

24.4.2 use or apply any such information in performing his duties as a director,

where to do so would amount to a breach of that confidence.

24.5 Where the Board authorises a Conflict it may (whether at the time of giving the authorisation or subsequently) provide, without limitation, that the director:

24.5.1 is excluded from discussions (whether at meetings of the Board or otherwise) related to the Conflict;

24.5.2 is not given any documents or other information relating to the Conflict; and

24.5.3 may or may not vote (or may or may not be counted in the quorum) at any future meeting of the Board in relation to any resolution relating to the Conflict.

24.6 Where the Board authorises a Conflict:

24.6.1 the director will be obliged to conduct himself in accordance with any terms imposed by the Board in relation to the Conflict; and

24.6.2 the director will not infringe any duty he owes to the Company by virtue of sections 171 to 177 of the Act provided he acts in accordance with such terms, limits and conditions (if any) as the Board imposes in respect of its authorisation.

24.7 A director is not required, by reason of being a director (or because of the fiduciary relationship established by reason of being a director), to account to the Company for any remuneration, profit or other benefit which he derives from or in connection with a relationship involving a Conflict which has been authorised by the Board or by the Company in general meeting (subject in each case to any terms, limits or conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds.

## **25 Records of decisions to be kept**

Where decisions of the Board are taken by electronic means, such decisions shall be recorded by the Board in permanent form, so that they may be read with the naked eye.

## **26 Appointment of directors**

In any case where, as a result of death or bankruptcy, the Company has no shareholders and no directors, the transmittee(s) of the last shareholder to have died or to have a bankruptcy order made against him (as the case may be) have the right, by notice in writing, to appoint a natural person (including a transmittee who is a natural person), who is willing to act and is permitted to do so, to be a director.

**27 Termination of director's appointment**

- 27.1 A person shall cease to be a director if (being an executive director) he ceases to be employed by any member of the Group (and as a consequence is no longer an employee of any member of the Group). Regulation 18 of the Model Articles shall be extended accordingly

**28 Appointment and removal of alternate directors**

- 28.1 Any director (**appointor**) may appoint as an alternate any other director, or any other person approved by resolution of the Board, to:

28.1.1 exercise that director's powers; and

28.1.2 carry out that director's responsibilities,

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

- 28.2 Any appointment or removal of an alternate must be effected by notice in writing to the Company signed by the appointor, or in any other manner approved by the Board.

- 28.3 The notice must:

28.3.1 identify the proposed alternate; and

28.3.2 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.

**29 Rights and responsibilities of alternate directors**

- 29.1 An alternate director may act as alternate director to more than one director and has the same rights in relation to any decision of the Board as the alternate's appointor.

- 29.2 Except as the articles specify otherwise, alternate directors:

29.2.1 are deemed for all purposes to be directors;

29.2.2 are liable for their own acts and omissions;

29.2.3 are subject to the same restrictions as their appointors; and

29.2.4 are not deemed to be agents of or for their appointors

and, in particular (without limitation), each alternate director 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.

- 29.3 A person who is an alternate director but not a director:

29.3.1 may be counted as participating for the purposes of determining whether a quorum is present (but only if that person's appointor is not participating),

29.3.2 may participate in a unanimous decision of the directors (but only if his appointor is an eligible director in relation to that decision, but does not participate); and

29.3.3 shall not be counted as more than one director for the purposes of articles 29.3.1 and 29.3.2.

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

29.5 An alternate director may be paid expenses and may be indemnified by the Company to the same extent as his appointor but shall not be entitled to receive any remuneration from the Company for serving as an alternate director except such part of the alternate's appointor's remuneration as the appointor may direct by notice in writing made to the Company.

### **30 Termination of alternate directorship**

An alternate director's appointment as an alternate terminates:

30.1.1 when the alternate's appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate;

30.1.2 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;

30.1.3 on the death of the alternate's appointor; or

30.1.4 when the alternate's appointor's appointment as a director terminates.

### **31 Secretary**

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

### **32 Directors' expenses**

Regulation 20 of the Model Articles shall be amended by the insertion of the words "(including alternate directors) and the secretary" before the words "properly incur".

### **Members: Decision-Making by Members**

### **33 Quorum at general meetings**

33.1 Subject to article 34, the quorum at any general meeting of the Company shall be two qualifying persons present at the general meeting, except when the Company has only one Member, when the quorum shall be one such qualifying person.

## **34 Adjournment**

- 34.1 Where a general meeting is adjourned under regulation 41 of the Model Articles because a quorum is not present or if during a meeting a quorum ceases to be present, and at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the Members present shall form a quorum, and regulation 41 shall be modified accordingly.

## **35 Poll Votes**

- 35.1 A poll may be demanded at any general meeting by any qualifying person (as defined in section 318 of the Act) present and entitled to vote at the meeting.
- 35.2 Regulation 44(3) of the Model Articles shall be amended by the insertion of the words "A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made" as a new paragraph at the end of that regulation.

## **36 Proxies**

- 36.1 Regulation 45(1)(d) of the Model Articles shall be deleted and replaced with the words "is delivered to the Company in accordance with the articles not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in accordance with any instructions contained in the notice of the general meeting (or adjourned meeting) to which they relate".
- 36.2 Regulation 45(1) of the Model Articles shall be amended by the insertion of the words "and a proxy notice which is not delivered in such manner shall be invalid, unless the Board, in its discretion, accepts the notice at any time before the meeting" as a new paragraph at the end of that regulation.

## **Administrative Arrangements**

## **37 Means of communication to be used**

- 37.1 Any notice, document or other information shall be deemed served on or delivered to the intended recipient:
- 37.1.1 if properly addressed and sent by prepaid United Kingdom first class post to an address in the United Kingdom, 24 hours after it was posted (or five Business Days after posting either to an address outside the United Kingdom or from outside the United Kingdom to an address within the United Kingdom, if (in each case) sent by reputable international overnight courier addressed to the intended recipient, provided that delivery in at least five Business Days was guaranteed at the time of sending and the sending party receives a confirmation of delivery from the courier service provider);
- 37.1.2 if properly addressed and delivered by hand, when it was given or left at the appropriate address;
- 37.1.3 if properly addressed and sent or supplied by electronic means, six hour(s) after the document or information was sent or supplied; and
- 37.1.4 if sent or supplied by means of a website, when the material is first made available on the website or (if later) when the recipient receives (or is deemed

to have received) notice of the fact that the material is available on the website.

For the purposes of this article 37, no account shall be taken of any part of a day that is not a Business Day, save for the purposes of determining whether sufficient notice of a general meeting has been given.

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

### **38 Indemnity**

- 38.1 Subject to article 38.2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled:

38.1.1 each relevant officer shall be indemnified out of the Company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a relevant officer.

- (i) in the actual or purported execution and/or discharge of his duties, or in relation to them; and
- (ii) in relation to the Company's (or any associated company's) activities as trustee of an occupational pension scheme (as defined in section 235(6) of the Act),

including (in each case) any liability incurred by him in defending any civil or criminal proceedings, in which judgment is given in his favour or in which he is acquitted or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part or in connection with any application in which the court grants him, in his capacity as a relevant officer, relief from liability for negligence, default, breach of duty or breach of trust in relation to the Company's (or any associated company's) affairs; and

38.1.2 the Company may provide any relevant officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings or application referred to in article 38.1.1 and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure.

- 38.2 This article 38 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.

- 38.3 In this article 38:

38.3.1 companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate; and

38.3.2 a **relevant officer** means any director or other officer or former director or other officer of the Company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act).



**39 Insurance**

39.1 The Board may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any relevant officer in respect of any relevant loss.

39.2 In this article 39:

39.2.1 a **relevant officer** means any director or other officer or former director or other officer of the Company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act);

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

39.2.3 companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate

**40 Objects**

The Company's objects are unrestricted

**41 Liability of Members**

The liability of the Members is limited.