

Written Resolution

Company No' 884314

THE COMPANIES ACTS 1985

PRIVATE COMPANY LIMITED BY SHARES

WRITTEN RESOLUTIONS

of

JOHN B BIRCH LIMITED

having effect as a Special Resolution

(passed on 7 September 2009)

We, the undersigned members of the above Company being the sole members who at the date hereof would be entitled to attend and vote at a general meeting of the Company hereby resolve in the terms of the following resolutions which would otherwise require to be passed as special resolutions:

RESOLUTION

THAT.

- (1) The 167 'A' Shares of £1 each in issue immediately prior to the passing of this resolution, and registered in the name of David James Birch be and are hereby converted into 167 'C' Shares of £1 each, such shares having the respective rights and being subject to the respective restrictions attaching thereto under the new articles of association of the Company ("the New Articles") adopted pursuant to paragraph (2) of this resolution;
- (2) The regulations contained in the document attached to this resolution be adopted as the articles of association of the Company in substitution for and to the entire exclusion of the existing articles of association

DATED: 7 September 2009

NAME: BRENDA BIRCH


SIGNATURE:

TUESDAY



A39 *A39J6Y3C* 04/10/2011 12
COMPANIES HOUSE

NAME: JOHN BRIAN BIRCH

SIGNATURE. 


NAME: DAVID JAMES BIRCH

SIGNATURE 

NAME: PAUL COOLING

SIGNATURE: 

NAME: MARK PRANCE

SIGNATURE 

NAME. MATTHEW HARRIS

SIGNATURE: 

THE COMPANIES ACT 1985
PRIVATE COMPANY LIMITED BY SHARES

NEW
ARTICLES OF ASSOCIATION
of
JOHN B. BIRCH LIMITED
(Company Number 884314)

(Adopted by Written Resolution passed on

2009)

1 Preliminary

The regulations contained in Table A ('Table A') as amended by the Companies (Tables A to F) Amendment Regulations 2007 (SI 2007/2541) and the Companies (Tables A to F) (Amendment) (No 2) Regulations 2007 (SI 2007/2826) shall, except as hereinafter provided and so far as not inconsistent with the provisions of these Articles, apply to the Company to the exclusion of all other regulations or articles of association. References herein to 'regulations' are to regulations in Table A.

2 Private company

The Company is a private company within the meaning of Section 1(3) of the Companies Act 1985.

3 Interpretation

(1) In the first line of regulation 1 after the word 'regulations' the words 'and in any articles adopting in whole or in part the same' shall be inserted.

(2) In these Articles.

(a) unless the context otherwise requires the following expressions have the following meanings:

“‘A’ Shares’

means the ordinary shares of £1 each in the share capital of the Company from time to time

“‘B’ Shares’

means the participating preferred ordinary shares of £1 each in the share capital of the Company from time to time

“‘C’ Shares’	means the participating preferred ordinary shares of £1 each in the share capital of the Company from time to time
‘deemed transfer notice’	means a transfer notice deemed to be given under any provision of these Articles
‘Employee Shareholder’	means a holder of ‘B’ Shares who is a current or proposed director and/or employee of the Company or any subsidiary of the Company whether or not such shares are held prior to him becoming a director and/or employee
‘Net Profits’	<p>means in relation to any financial period, the profits (less losses) of the Company as shown in its accounts for that period</p> <ul style="list-style-type: none"> (a) after deducting all expenses of working and management including, without limitation, directors’ remuneration (whether by way of fees, salary or commission) and depreciation, (b) before deducting any taxation on profits; (c) after deducting any part of the profits or adding back any part of the losses attributable to shares in any company not owned directly or indirectly by the Company, and (d) after making such adjustments as the Company’s auditors consider appropriate, in particular to cause the relevant accounts to accord with the accounting bases and policies applicable at the date of the last accounts
‘Ordinary Shares’	means the ‘A’ Shares and the ‘B’ Shares and the ‘C’ Shares together
‘paid up’	means, in relation to a share, paid up or credited as paid up
‘Representatives’	means, in relation to a member, any person or persons who have become entitled to his shares in consequence of his death, bankruptcy or mental incapacity
‘Requisite Majority’	means the holder(s) of not less than 75% by nominal value of the Ordinary Shares in issue
‘share’	means a share in the capital of the Company of whatever class

'transfer notice'

has the meaning attributed thereto in Article 10(1) and includes, where the context admits, a deemed transfer notice

(b) words or expressions the definitions of which are contained or referred to in the Act shall be construed as having the meaning thereby attributed to them but excluding any statutory modification thereof not in force on the date of adoption of these Articles

(c) words importing the singular include the plural, words importing any gender include every gender, and words importing persons include bodies corporate and unincorporate, and (in each case) vice versa

(d) references to Articles are references to these Articles and references to paragraphs and sub-paragraphs are, unless otherwise stated, references to paragraphs of the Article or references to sub-paragraphs of the paragraph in which the reference appears

(e) in relation to any member, references to any English legal term for any action, remedy, method of judicial proceeding, insolvency proceeding, event of incapacity, legal status, court, governmental or administrative authority or agency, official or any legal concept, practice or principle or thing shall in respect of any jurisdiction other than England where that member is domiciled, resident, incorporated or carries on business be deemed to include what most approximates in that jurisdiction to the English legal term concerned

4 Share capital

(1) The authorised share capital of the Company at the date of adoption of these Articles is £1,000 divided into 733 'A' Shares and 100 'B' Shares and 167 'C' Shares. The 'A' Shares and the 'B' Shares and the 'C' Shares shall be separate classes of shares and shall have the respective rights and be subject to the restrictions on transfer hereinafter provided, but in all other respects shall rank *pari passu*

(2) Unless a Requisite Majority of the members otherwise agree in writing, any new shares issued to a holder of 'A' Shares shall be 'A' Shares and any new shares issued to a holder of 'B' Shares shall be 'B' Shares and any new shares issued to a holder of 'C' Shares shall be 'C' Shares including any new shares issued pursuant to regulation 110

(3) The Company shall not have power to issue share warrants to bearer

5 Share rights

The 'A' Shares and the 'B' Shares and the 'C' Shares shall have the following rights and be subject to the following restrictions

(1) As regards income

The Net Profits of the Company in respect of any financial period, available for distribution within the meaning of Part VIII of the Companies Act 1985, shall be applied as follows:

(a) first in paying to the holders of the 'C' Shares, an amount per calendar month as the board of directors shall decide as a 'prior' dividend.

(b) secondly (insofar as the Net Profits shall permit) in paying to the holders of the 'B' Shares, such sum being not less than D but otherwise calculated in accordance with the following formula:

$$D + \frac{25 \times [\text{Net Profits} - C - (£40,000 \times A/B)]}{100}$$

where A is the most recently published value of the Average Earnings Index in the monthly digest of statistics by the Office for National Statistics prior to the relevant financial period, B is the value of the said Index last compiled before the date of adoption of these Articles and C is the dividend paid to the holders of the 'C' shares for the relevant financial period pursuant to article 5(1)(a) and D is the lesser of the sums represented either by the formula :

$$\frac{7.5 \times £40,000 \times A}{100 \times B}$$

OR by the formula

$$\frac{7.5 \times (\text{Net Profits} - C)}{100}$$

(c) thirdly in paying such residual amount (if any) of the Net Profits which the Company may determine to distribute in respect of any financial period, amongst the holders of the 'A' Shares and the holders of the 'C' Shares as if the holders of the 'A' Shares and the holders of the 'C' Shares, for the purposes of this article 5(1)(c) together constituted the holders of one class of shares

(2) As regards capital

On a return of capital on a liquidation or otherwise the surplus assets of the Company remaining after payment of its liabilities shall be applied:

(a) first, in paying to the holders of the 'B' Shares the sum of £1 per share

(b) secondly, the balance (if any) of such surplus assets shall belong to and be distributed amongst the holders of the 'A' Shares in proportion to the amounts paid up on the 'A' Shares and the holders of the 'C' Shares in proportion to the amounts paid up on the 'C' Shares (in both cases excluding any premium) as if the holders of the 'A' Shares and the holders of the 'C' Shares, for the purposes of this article 5(2) together constituted the holders of one class of shares

(3) As regards information

Each of the holders of the 'B' Shares shall be entitled, either himself or through his agents duly authorised in writing, during the Company's normal hours of business to inspect and take copies of the books of account and all other records and documents of the Company on giving not less than

48 hours' written notice to the secretary (or, if there is none from time to time, the chairman) The Company shall give each such holder all such facilities as he may reasonably require for such purposes including the use of copying facilities The Company may make a reasonable charge for any copies taken but otherwise shall not charge for any facilities requested as aforesaid

6 Issue of new shares

(1) Save with the prior written consent of the Requisite Majority of the members

(a) no shares may be allotted or issued to any person; and

(b) the Company shall not exercise any of the powers referred to in regulations 3, 32, 33, 34, 35 and 110

(2) Subject as aforesaid and subject to Section 80 of the Act all unissued shares shall be at the disposal of the directors who may allot, grant options over or otherwise dispose of them to such persons at such times and generally on such terms and conditions as they think proper provided that no shares shall be issued at a discount

(3) Subject to article 6(1), the pre-emption provisions of Section 89(1) and Section 90(1) of the Act shall apply to any allotment of Ordinary Shares provided that:-

- a) for the purposes of those subsections, the 'A' Shares and the 'B' Shares and the 'C' Shares shall be treated as one class,
- b) the period specified in Section 90(6) of the Act shall be 14 days, and
- c) the holders of Ordinary Shares who accept shares shall be entitled to indicate that they would accept shares that have not been accepted by other holders of Ordinary Shares ("excess shares") on the same terms as originally offered to all of such holders and any shares not so accepted shall be allotted to the holders who have indicated they would accept excess shares and such excess shares shall be allotted in the numbers in which they have been accepted by such holders or (if the number of excess shares is not sufficient for all such holders to be allotted all the excess shares they have indicated they would accept) the excess shares shall be allotted as nearly as practicable in the proportion that the number of excess shares each holder indicated he would accept bears to the total number of excess shares applied for;
- d) such pre-emption provisions may be dis-applied in any particular case with the prior written consent of the Requisite Majority of the members

7 Lien

The lien conferred by regulation 8 shall attach also to fully paid up shares and the Company shall also have a first and paramount lien on all shares, whether fully paid up or not, standing registered in the name of any person indebted or under liability to the Company, whether he shall be the sole registered holder thereof or shall be one of two or more joint holders for all monies presently

payable by him or his estate to the Company. Furthermore, such lien shall extend to all amounts payable in respect of a share. The directors may resolve to exclude any share or any amount payable in respect of a share from the application of this Article. Regulation 8 shall be modified accordingly.

8 Calls

The liability of any member in default in respect of a call shall be increased by the addition at the end of the first sentence of regulation 18 of the words 'and all expenses that may have been incurred by the Company by reason of non-payment of the call'.

9 Transfer of shares

(1) No member shall dispose of any interest in, or right attaching to, or renounce or assign any right to receive or subscribe for any share (save as may be required in pursuance of his obligations under these Articles) or create or permit to exist any charge, lien, encumbrance or trust over any share or agree (whether subject to any condition precedent, condition subsequent or otherwise) to do any of such things except (but subject always to paragraph (8) and Article 12)

- (a) as permitted by Article 10,
- (b) as permitted by Article 11,

(2) Save in the case of a permitted transfer arising under Articles 10(2), no transfer of any 'B' Share shall be made unless the intended transferee is capable of being an Employee Shareholder.

(3) If a member at any time commits a breach of paragraph (1) in relation to any share he shall be deemed immediately prior to such breach to have given a transfer notice in respect of such share.

(4) For the purpose of ensuring that a particular transfer of shares is permitted under these Articles any member may require the transferor or the person named as transferee in any transfer lodged for registration to furnish him and the directors with such information and evidence as such member may think reasonably necessary or relevant. Failing such information or evidence being furnished to the reasonable satisfaction of such member within a period of 28 days after such request the directors shall, unless such member otherwise directs, refuse to register the transfer in question.

(5) Where a transfer notice in respect of any share is deemed to have been given under any provision of these Articles and the circumstances are such that the directors (as a whole) are unaware of the facts giving rise to the same such transfer notice shall be deemed to have been received by the directors on the date on which the directors (as a whole) actually become aware of such facts and the provisions of Article 11 shall apply accordingly.

(6) The directors shall not refuse to register any transfer of a share which is permitted under these Articles but may, in their absolute discretion and without assigning any reason therefor, decline to register any transfer of any share which would otherwise be permitted hereunder if it is a transfer:

- (a) of a share on which the Company has a lien,

(b) of a share (not being a fully paid share) to a person of whom they shall not approve
The first sentence of regulation 24 shall not apply

(7) If a member or any of his Representatives becomes aware of any event which is deemed to give rise to an obligation to serve a transfer notice he shall forthwith give written notice thereof to the directors

(8) The election by the Representatives of a member to become the registered holders of any share pursuant to regulation 30 shall be permitted by the directors and shall not give rise to any obligation to serve a transfer notice in respect of such share Regulation 30 shall be modified accordingly

10 Permitted transfers

(1) For the purposes of this Article and Article 12(1)

(a) 'privileged relation' in relation to a member means the spouse (or widow or widower) of the member and the member's lineal descendants and for the purposes aforesaid a step-child or adopted child or illegitimate child of any member shall be deemed to be a lineal descendant of such member,

(b) 'family trust' means, in relation to a member being an individual or a deceased member, a trust (whether arising under a settlement, declaration of trust, testamentary disposition or on an intestacy) which does not permit any of the settled property or the income therefrom to be applied otherwise than for the benefit of (i) that member and/or a privileged relation of that member or (ii) any charity or charities as default beneficiaries (meaning that such charity or charities have no immediate beneficial interest in any of the settled property or the income therefrom when the trust is created but may become so interested if there are no other beneficiaries from time to time except another such charity or charities), and no power of control over the voting powers conferred by any shares the subject of the trust is capable of being exercised by or subject to the consent of any person other than the trustees or such member or his privileged relations

(2) A member being an individual (not being in relation to the shares in question a holder thereof as a trustee of a family trust) may at any time transfer all or any of the shares held by him:

(a) to a privileged relation; or

(b) to trustees to be held upon a family trust of such member

(3) Where shares are held by trustees upon a family trust:

(a) such shares may on any change of trustees be transferred to the new trustees of that family trust,

(b) such shares may at any time be transferred to any person to whom under paragraph (2) the same could have been transferred by the settlor if he had remained the holder thereof,

(c) if and whenever any such shares cease to be held upon a family trust (otherwise than in consequence of a transfer authorised by sub-paragraph (b)) or there cease to be any beneficiaries of that family trust other than a charity or charities the trustees shall be deemed immediately to have given a transfer notice in respect of all their relevant shares, and

(d) for the purposes of this paragraph the expression 'relevant shares' means and includes (so far as the same remain from time to time held by the trustees) the shares originally transferred to the

trustees and any additional shares issued or transferred to the trustees by virtue of the holding of the relevant shares or any of them

(4) (a) Any member being a body corporate (not being in relation to the shares in question a holder thereof as a trustee of a family trust) may at any time transfer all or any shares held by it to a member of the same group (as hereinafter defined)

(b) Where shares have been transferred under sub-paragraph (a) (whether directly or by a series of transfers thereunder) from a body corporate ('the transferor company' which expression shall not include a second or subsequent transferor in such a series of transfers) to a member of the same group ('the transferee company') and subsequently the transferee company ceases to be a member of the same group as the transferor company then the transferee company shall forthwith transfer the relevant shares (as hereinafter defined) to the transferor company; and failure so to transfer such shares within 28 days of the transferee company ceasing to be a member of the same group as the transferor company shall result in a transfer notice being deemed immediately to be given in respect of the relevant shares

(c) For the purposes of this paragraph

- (i) the expression 'a member of the same group' means a company which is from time to time a holding company of which the transferor company is a subsidiary or a subsidiary of the transferor company or of any holding company of which the transferor company is a subsidiary, and
- (ii) the expression 'relevant shares' means and includes (so far as the same remain from time to time held by the transferee company) the shares originally transferred to the transferee company and any additional shares issued or transferred to the transferee company by virtue of the holding of the relevant shares or any of them

(5) Any member being a body corporate (not being in relation to the shares in question a holder thereof as a trustee of a family trust) may at any time transfer all or any of the shares held by it to another body corporate which has acquired in connection with a bona fide scheme of amalgamation or reconstruction the whole or the main part of the undertaking or assets of such member

(6) A member may at any time transfer all or any of his shares.

(a) to any other member; whether or not any such other member holds shares of the same class

(b) in the case of a member being a nominee, to the person who is the beneficial owner or to a person to whom the beneficial owner, if he were registered as the holder, would have been entitled to transfer his shares in accordance with this Article; provided that the provisions of this paragraph shall not apply in circumstances where the beneficial ownership of the shares in question became vested in the beneficial owner in contravention of any of the provisions of these Articles

[(c) to any person with the prior written consent of all the other members]

(7) The Representatives of a member may at any time transfer all or any of the shares to which they are entitled to any person to whom the registered holder would be permitted to transfer the same under these Articles

(8) If the Representatives of a member are permitted under these Articles to become registered as the holders of any of such member's shares and elect so to do then such shares may at any time be transferred by those Representatives to any person to whom under this Article the same could have been transferred by such member if he had remained the holder thereof, but no other transfer of such shares by the Representatives shall be permitted under this Article

(9) Unless all the holders of the 'A' Shares and the 'B' Shares otherwise agree, no transfer of any share permitted by this Article shall be made during the active period of any transfer notice or deemed transfer notice in respect of such share (and for this purpose 'active period' in respect of a given notice means the period from the time of its service until the time when no member has any further rights or obligations, directly or indirectly, pursuant to that notice)

11 Pre-emption rights

(1) (a) Except for a transfer of shares which is permitted under these Articles as mentioned in Article 9(1), no share shall be transferred until the following conditions of this Article are complied with:

(b) Any member proposing to transfer a share ('the proposing transferor') shall give notice in writing ('transfer notice') to the directors that the proposing transferor desires to transfer such share. In the transfer notice the proposing transferor shall specify:

- (i) the number and class of shares which the proposing transferor wishes to transfer ('the Transfer Shares') (which may be all or part only of the shares then held by the proposing transferor),
- (ii) if the proposing transferor so wishes, the price at which the proposing transferor wishes to sell the Transfer Shares and the identity of any person who has indicated a willingness to purchase the Transfer Shares at such price;

(c) A transfer notice shall also state whether the proposing transferor wishes to impose a Total Transfer Condition (meaning a condition that unless all of the Transfer Shares are sold pursuant to the following provisions of this Article none shall be so sold), but in the absence of such a statement the transfer notice shall be deemed not to contain a Total Transfer Condition. Any two or more members shall be entitled to serve a joint transfer notice (meaning a notice signed by each of them specifying the shares which they wish together to transfer) containing a Total Transfer Condition and such notice shall for all the purposes of this Article take effect as if it were a single transfer notice and the Total Transfer Condition related to all the shares the subject of the joint transfer notice, but the obligations of those members thereunder or in respect thereof shall be several only in proportion to the number of Transfer Shares which they hold respectively;

(d) The transfer notice shall constitute the Company (by its board of directors) as the agent of the proposing transferor empowered to sell the Transfer Shares (together with all rights attaching thereto at the date of the transfer notice or at any time thereafter) at the Transfer Price (as hereinafter defined) on the terms of this Article. Once given a transfer notice may not be revoked save with the prior written consent of all the other members. If a proposing transferor revokes a transfer notice he may not subsequently transfer the shares the subject of the transfer notice (or any interest therein) otherwise than in accordance with these Articles

(2) Where a transfer notice is given in respect of more than one class of share it shall be deemed for the purposes of this Article to comprise a number of separate transfer notices, one in respect of each such class. However, where the proposing transferor simultaneously serves transfer notices in respect of more than one class of shares he may stipulate in such notices by reference to this paragraph of this Article that any Total Transfer Condition shall apply to all of such shares and not merely to one class only

(3) Within seven days after the receipt of any transfer notice the directors shall serve a copy of that transfer notice on all the members other than the proposing transferor. In the case of a deemed transfer notice the directors shall similarly serve notice on all the members (including the proposing transferor), notifying them that the same has been deemed to have been given, within 3 months after (i) the date of the event giving rise to the deemed transfer notice or (ii) (if later) the date on which the directors (as a whole) actually became aware of such event

(4) Subject as provided otherwise in these Articles, the Transfer Shares shall be offered for purchase (as hereinafter provided) at a price per Transfer Share ('the Transfer Price') determined in accordance with paragraph (5)

(5) (a) If the transfer notice specifies a price in accordance with Article 11(b)(ii), the Transfer Price shall be the price specified by the proposing transferor in the transfer notice, or

(b) If the transfer notice does not specify a price in accordance with Article 11(b)(ii), the Transfer Price shall be such price as shall be agreed in writing between the proposing transferor and the directors (other than the proposing transferor, if he be a director) or in the absence of such agreement (whether by reason of disagreement, absence, death or otherwise) within 21 days after the service of notices pursuant to paragraph (3) the Transfer Price will be determined by an independent Chartered Accountant of not less than ten years' standing ('the Expert') who shall be nominated by agreement between all the members or failing such nomination within 14 days after the request of any member to the others therefor nominated at the request of any member by the President from time to time of the Institute of Chartered Accountants in England and Wales. The Expert shall act as an expert and not as an arbitrator and his written determination shall be final and binding on the members

The Expert will certify the open market value of the Transfer Shares as at the date of the transfer notice on the following assumptions and bases.

- (i) valuing the Transfer Shares as on an arm's length sale between a willing vendor and a willing purchaser;
- (ii) if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so;
- (iii) that the Transfer Shares are capable of being transferred without restriction
- (iv) taking into account the total value of all the issued shares of the Company and the class of the Transfer Shares and the number thereof

If any difficulty shall arise in applying any of the foregoing assumptions or bases then such difficulty shall be resolved by the Expert in such manner as he shall in his absolute discretion think fit

Save in the case of a deemed transfer notice pursuant to Article 12(1) the Transfer Price shall be a sum equal to the open market value of the Transfer Shares determined as aforesaid divided by the number of Transfer Shares. The Company will use its best endeavours to procure that the Expert determines the Transfer Price within 21 days of being requested so to do

(6) If the determination of the Transfer Price is referred to the Expert the date of determination of the Transfer Price ('the Determination Date') shall be the date on which the directors receive the Expert's determination of the Transfer Price in writing. If the Transfer Price is determined by written agreement between the proposing transferor and the directors as aforesaid then the Determination Date shall be the date on which such agreement is made. If the Transfer Price is determined pursuant to paragraph (5)(a) then the Determination Date shall be the date on which the directors receive the transfer notice

(7) The costs and expenses of the Expert in determining the Transfer Price and of his appointment shall be borne as to one half by the proposing transferor and as to the other half by the purchasers (as hereinafter defined) pro rata according to the number of Transfer Shares purchased by them unless none of the Transfer Shares are purchased pursuant to paragraphs (8), (9) or (11), in which event, the proposing transferor shall pay all of such costs and expenses. In the case of default by a person in paying his due proportion of such costs and expenses any of the other contributors or (if the proposing transferor is solely responsible for such costs and expenses) the Company may pay such sum in his stead and any payment made in so doing shall be recoverable from the defaulter as a debt payable on demand

(8) Within 7 days after the Determination Date the Transfer Shares shall be offered for purchase at the Transfer Price by the directors to those members who at the date of the offer are registered as the respective holders of shares of the same class as the Transfer Shares (other than (a) the proposing transferor and (b) any member to whom under Article 11(19) shares may not be transferred) in proportion to the number of shares of that class then held by them respectively. Every such offer shall be made in writing and shall specify (a) the total number of Transfer Shares, (b) the number of Transfer Shares offered to the member ('Pro-Rata Entitlement'); (c) whether or not the transfer notice contained a Total Transfer Condition and (d) a period (being not less than 14 days and not more than 21 days) within which the offer must be accepted or shall lapse, and shall be accompanied by a form of application for use by the member in applying for his Pro-Rata Entitlement and for any shares in excess of such entitlement which he wishes to purchase

Upon the expiry of the said offer period, the directors shall allocate the Transfer Shares in the following manner

(a) to each member who has agreed to purchase shares, his Pro-Rata Entitlement or such lesser number of Transfer Shares for which he may have applied,

(b) if any member has applied for less than his Pro-Rata Entitlement, the excess shall be allocated to the members who have applied for any part of such excess in proportion to the number of shares of the class then held by them respectively (but without allocating to any member a greater number of Transfer Shares than the maximum number applied for by him) and any remaining excess shall be apportioned by applying this sub-paragraph (b) without taking account of any member whose application has already been satisfied in full

(9) If and to the extent that the Transfer Shares are not accepted by a member or members holding shares of the same class as the Transfer Shares within the time limited for acceptance or if there are no other holders of shares of that class the directors shall (in the former case) within 7 days after the expiration of such time as aforesaid (and in the latter case immediately), offer the Transfer Shares or so many thereof as have not been accepted as aforesaid (as the case may be) to members holding shares of the other class or classes (other than any member to whom under Article 11(19) shares may not be transferred) and the provisions of paragraph (8) shall apply mutatis mutandis to such offer (save that in the case of competition the Transfer Shares shall be sold to the acceptors in proportion to the aggregate nominal value of the shares then held by each of them respectively)

(10) If any of the Transfer Shares shall not be capable of being offered or allocated as aforesaid without involving fractions, the same shall be offered to or allocated amongst the members, or some of them, in such proportions as may be determined by lots drawn in respect thereof, and the lots shall be drawn in such manner as the directors shall think fit

(11) (a) If by the foregoing procedure the directors shall not receive acceptances from members in respect of all of the Transfer Shares within the period(s) of the aforesaid offer(s) they shall forthwith give notice in writing of that fact to all the members, whereupon the Requisite Majority shall be entitled within 14 days of the date of service of that notice to nominate (by giving notice in writing to the directors signed by each such holder or on his behalf and which may consist of several notices in the like form) any person or persons (whether or not a member) who has expressed his willingness in writing to purchase all or any of those Transfer Shares in respect of which acceptances have not been received at the Transfer Price as the purchaser(s) of such Transfer Shares (and the directors shall be deemed to have made an offer of such shares accordingly), Provided that if any such nominated purchaser shall fail to complete any such purchase in accordance with this Article or to perform or discharge any of his other obligations hereunder the members (other than those who did not sign the aforesaid notice(s)) shall be jointly and severally liable to complete such purchase in place of that nominated purchaser and to perform and discharge all such other obligations

(b) If the transfer notice in question contained a Total Transfer Condition then no offer of Transfer Shares made by the directors pursuant to this Article shall be capable of acceptance until all of the Transfer Shares shall have been accepted by the members (or any of them) or any person or persons nominated pursuant to sub-paragraph (a) If by the foregoing procedure the directors shall not receive acceptances in respect of all the Transfer Shares within the period(s) of the aforesaid offer(s) they shall forthwith give notice in writing of that fact to the proposing transferor and none of the Transfer Shares will be sold to the members or any person or persons nominated as aforesaid (except as mentioned below) pursuant to this Article The proposing transferor may within a period of 3 months after the date of the directors' said notice sell all (but not some only) of the Transfer Shares to any person or persons (including any member) at any price which is not less than the Transfer Price (after deducting, where appropriate, any net dividend or other distribution to be retained by the proposing transferor)

(12) If, by the foregoing procedure, the directors shall receive acceptances in respect of all of the Transfer Shares the directors shall forthwith give notice in writing as hereinafter mentioned to the

proposing transferor and to the member or members who have agreed to purchase the same (or to the person or persons nominated pursuant to paragraph 11(a)) ('purchaser' or 'purchasers') and the proposing transferor shall thereupon become bound upon payment of the Transfer Price to the proposing transferor (whose receipt shall be a good discharge to the purchaser, the Company and the directors therefor none of whom shall be bound to see to the application thereof) to transfer to each purchaser those Transfer Shares accepted by him. Every such notice shall state the name and address of each purchaser, the number of Transfer Shares agreed to be purchased by him and the place and time appointed by the directors for the completion of the purchase (being not less than 7 days nor more than 28 days after the date of the said notice and not being at a place outside England) Subject to the giving of such notice the purchase shall be completed at the time and place appointed by the directors

(13) If the transfer notice in question did not contain a Total Transfer Condition and if by the foregoing procedure the directors shall receive acceptances in respect of none or part only of the Transfer Shares within the period(s) of the aforesaid offer(s) they shall forthwith give notice in writing of that fact to the proposing transferor, and the proposing transferor

(a) shall thereupon become bound upon payment of the Transfer Price to transfer to each purchaser (if any) those Transfer Shares accepted by him and the provisions of paragraph (12) shall apply mutatis mutandis thereto

(b) may within a period of 3 months after the date of the directors' said notice sell all or any of those Transfer Shares which have not been accepted as aforesaid to any person or persons (including any member) at any price which is not less than the Transfer Price (after deducting, where appropriate, the amount of any net dividend or other distribution to be retained by the proposing transferor)

(14) If a proposing transferor, having become bound to transfer any Transfer Shares pursuant to this Article, makes default in transferring the same the directors may authorise some person (who is (as security for the performance of the proposing transferor's obligations) hereby irrevocably and unconditionally appointed as the attorney of the proposing transferor for the purpose) to execute the necessary instrument of transfer of such Transfer Shares and may deliver it on his behalf and the Company may receive the purchase money and shall thereupon (subject to such instrument being duly stamped with any necessary stamp duty) cause the transferee to be registered as the holder of such Transfer Shares and shall hold such purchase money on behalf of the proposing transferor The Company shall not be bound to earn or pay interest on any money so held and shall not pay such money to the proposing transferor until he shall have delivered his share certificates (or an appropriate indemnity in respect of any lost certificates) to the Company The receipt of the Company for such purchase money shall be a good discharge to the transferee who shall not be bound to see to the application thereof, and after the name of the transferee has been entered in the register of members in purported exercise of the aforesaid power the validity of the proceedings shall not be questioned by any person

(15) Without prejudice to the generality of Article 9(4), the directors may require to be satisfied that any shares being transferred by the proposing transferor pursuant to either paragraph (11)(b) or paragraph (13)(b) are being transferred in pursuance of a bona fide sale for the consideration stated in the transfer and if not so satisfied may refuse to register the instrument of transfer

(16) An obligation to transfer a share under the provisions of this Article 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

(17) The provisions of this Article may be waived in whole or in part in any particular case with the prior written consent of the Requisite Majority of members

(18) If, under any of the provisions of this Article, any members become jointly and severally liable to complete the purchase of any Transfer Shares in place of any nominated purchaser then as between such members each of them shall purchase such number thereof as shall bear to the total number of Transfer Shares in question the same proportion as the number of shares held by such member at the date of the relevant nomination bore to the total number of shares then held by all such members

(19) Notwithstanding anything else contained in these Articles no share shall be issued or transferred to any bankrupt or person of unsound mind

12 Compulsory Transfers

(1) Whenever any Employee Shareholder ceases to be an employee or director of the Company or its subsidiaries (for whatever reason including death) or upon any Employee Shareholder becoming bankrupt a transfer notice should be deemed to have been served upon such cessation or bankruptcy in respect of all of the 'B' Shares held by the Employee Shareholder and all 'B' Shares originally held by the Employee Shareholder but held by a privileged relation of his or the trustees of his family trust or any nominee of any such person at the time of such cessation ("relevant shares"). Any transfer notice deemed to be given under this Article 12(1) shall be deemed also -

- (a) to incorporate a term that the sale price for the relevant shares ("Transfer Price") shall be the sum determined in accordance with Article 12(2) below,
- (b) to incorporate a Total Transfer Condition;
- (c) to be irrevocable,
- (d) in the case of a death or bankruptcy, to have been given immediately prior to such death or bankruptcy, and
- (e) to give rise to an offer which shall be capable of acceptance at any time within one year after it is notified to the other members by the Directors in accordance with Article 11

(2) For the purposes of a deemed transfer notice pursuant to Article 12(1), the Transfer Price shall depend on the circumstances in which the deemed transfer notice arises, in the following manner.-

- (a) where the Employee Shareholder is dismissed for dishonesty or gross misconduct or where the Employee Shareholder is declared bankrupt, the Transfer Price shall be equal to the nominal value of the relevant shares;
 - (b) where the Employee Shareholder resigns voluntarily or is dismissed with Due Cause within one year of his original appointment, the amount originally paid for the relevant shares or (if lower) their Discounted Market Value,
 - (c) where the Employee Shareholder resigns voluntarily or is dismissed with Due Cause more than one year after his original appointment, the Discounted Market Value of the relevant shares,
 - (d) where the Employee Shareholder is dismissed without Due Cause, the Full Market Value of the relevant shares, and
 - (e) where the Employee Shareholder has died or retired (either at age 60 or above or earlier through ill-health), the Full Market Value of the relevant shares -
- (3) For the purposes of Article 12(2), the following additional definition shall apply:-

“Due Cause”	means dismissal for a reason which would not amount to unfair dismissal within the meaning of the Employment Rights Act 1996 (assuming for this purpose that the Employee Shareholder had sufficient continuity of employment)
“Full Market Value”	shall mean the open market value as determined by the Expert in accordance with Article 9(5) and;
“Discounted Market Value”	the open market value of the relevant shares as a single holding having regard to any discount to be applied to reflect the fact that the relevant shares represent a minority holding (but otherwise on the assumptions set out in Article 9(5))

13 Proceedings at general meetings

- (1) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business. Two members who are holders of ‘A’ Shares present in person or by proxy shall be a quorum. Regulation 40 shall not apply.
- (2) If within half an hour from the time appointed for a general meeting a quorum is not present, the meeting, if convened upon the requisition of members, shall be dissolved, in any other case it shall stand adjourned to the same day in the next week, at the same time and place (or to such other day

and at such other time and place as all the members may agree in writing) Regulation 41 shall not apply

(3) In regulation 44 the words 'of the class of shares the holders of which appointed him as director' shall be substituted for the words 'any class of shares in the Company'

(4) At any general meeting a poll may be demanded by any member present in person or by proxy and entitled to vote. Regulation 46 shall be modified accordingly

(5) An instrument appointing a proxy may, in the case of a corporation, be signed on its behalf by a director or the secretary thereof or by its duly appointed attorney or duly authorised representative

(6) The instrument appointing a proxy to vote at a meeting shall be deemed also to confer authority to vote on a poll on the election of a chairman and on a motion to adjourn the meeting

14 Written resolutions

Any written resolution of the members may, in the case of a corporation, be signed on its behalf by a director or the secretary thereof or by its duly appointed attorney or duly authorised representative

15 Retirement of directors

The directors shall not be subject to retirement by rotation and accordingly regulations 73 to 75 shall not apply and all other references in the regulations to retirement by rotation shall be disregarded

16 Disqualification and removal of directors

Regulation 81 shall be modified by deleting paragraph (e) thereof

17 Remuneration of directors

The ordinary remuneration of the directors shall from time to time be determined by an ordinary resolution of the Company, and shall (unless such resolution otherwise provides) be divisible among the directors as they may agree, or, failing agreement, equally, except that any director who shall hold office for part only of the period in respect of which such remuneration is payable shall be entitled only to rank in such division for a proportion of remuneration related to the period during which he has held office Regulation 82 shall not apply

18 Pensions

The directors may give or award pensions, annuities, gratuities and superannuation or other allowances or benefits to any employees or ex-employees and to officers and ex-officers (including directors and ex-directors) of the Company or its predecessors in business or of any holding company or subsidiary of the Company or to the relations or dependants of any such persons and may establish, support and maintain pensions, superannuation or other funds or schemes (whether

contributory or non-contributory) for the benefit of any such persons and/or their relations or dependants or any of them. Any director shall be entitled to receive and retain for his own benefit any such pension, annuity, gratuity, allowance or other benefit and may vote as a director in respect of the exercise of any of the powers by this Article conferred upon the directors notwithstanding that he is or may become interested therein. Regulation 87 shall not apply.

19 Borrowing powers

The directors may exercise all the powers of the Company to borrow money, and to mortgage or charge its undertaking, property and uncalled capital, or any part thereof, and subject as otherwise provided in these Articles to issue debentures, debenture stock and other securities whether outright or as security for any debt, liability or obligation of the Company or of any third party.

20 Accounts and information

Every member shall be entitled, either himself or through his agents duly authorised in writing, during the Company's normal hours of business to inspect and take copies of the books of account and all other records and documents of the Company and each of its subsidiaries on giving not less than 48 hours written notice to the secretary (or, if there is none at that time, the chairman). The Company shall give each such member all such facilities as he may reasonably require for such purposes including the use of copying facilities. The Company may make a reasonable charge for any copies taken but otherwise shall not charge for any facilities requested as aforesaid. Regulation 109 shall not apply.

21 Notices

A notice sent by post shall be deemed to be given at the time when the same was posted. The second sentence of regulation 115 shall not apply.

22 Indemnity and insurance

(1) Subject to the provisions of and so far as may be permitted by law, every director, auditor, secretary or other officer of the Company shall be entitled to be indemnified by the Company against all costs, charges, losses, expenses and liabilities incurred by him in the execution and discharge of his duties or in relation thereto including any liability incurred by him in defending any proceedings, civil or criminal, which relate to anything done or omitted or alleged to have been done or omitted by him as an officer or employee of the Company and in which judgment is given in his favour (or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part) or in which he is acquitted or in connection with any application under any statute for relief from liability in respect of any such act or omission in which relief is granted to him by the Court. Regulation 118 shall not apply.

(2) The Company may purchase and maintain for any officer or auditor of the Company insurance against any liability which by virtue of any rule of law would otherwise attach to him in respect of any negligence, default, breach of duty or breach of trust of which he may be guilty in relation to the Company

23 Company seal

The Company need not have a company seal and pursuant to Section 36A of the Act may execute and deliver any document as a deed under the signature of any two directors or of one director and the secretary. A certificate in respect of any shares or other securities in the Company shall be validly issued if it is executed as a deed as aforesaid.

24 Representatives

These Articles shall be binding upon and (except as otherwise provided herein) shall enure for the benefit of each member's Representatives.