



Company number 6971482

PRIVATE COMPANY LIMITED BY SHARES

WRITTEN RESOLUTIONS

of

HARGREAVES (NORTH WEST) LIMITED

("the Company")

11<sup>th</sup> August 2009 (the "Circulation Date")

Pursuant to Chapter 2 of Part 13 of the Companies Act 2006, the directors of the Company propose that resolutions 1 to 5 (inclusive) below are passed as special resolutions (together **Special Resolutions**)

**SPECIAL RESOLUTIONS**

1. **THAT** the Articles of Association, a copy of which is attached hereto, be adopted as the Articles of Association of the Company to the exclusion of and in substitution for the Companies existing Articles of Association
2. **THAT** clause 5 of the Company's Memorandum of Association be and is hereby amended by replacing clause 5 of the Memorandum of Association with the following:
3. **THAT** the one existing issued Ordinary Share of £1.00 each held by Clive Hurt (Holdings) Limited be and is hereby reclassified as a " B " Share.
4. **THAT** the directors be and are hereby empowered and authorised to issue and allot further Shares in the Company as follows:

760 A Shares to Hargreaves (GB) Limited in consideration of a payment of £760.00

239 B Shares to Clive Hurt (Holdings) Limited in consideration of a payment of £239.00

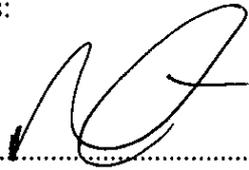
and that in accordance with s95 of the Companies Act 1985 s 89(1) of that Act shall not apply to the allotment of Shares authorised by this Special Resolution

5. **THAT** the directors be and are hereby empowered and authorised to authorise directors conflict of interests in accordance with section 175(5)(a) of the 2006 Act.

## **AGREEMENT**

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

The undersigned, being the only Shareholder of the Company, and entitled to vote on the above resolutions on the Circulation Date, hereby irrevocably agree to the Special Resolutions:



11-8-09

.....  
Dated

Director for and on behalf of Clive Hurt (Holdings)  
Limited

.....  
1. You can choose to agree to all of the Special Resolutions or none of them but you cannot agree to only some of the Special Resolutions. If you agree to all of the Special 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 the Company Secretary.
- **Post:** returning the signed copy by post the Company Secretary

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

2. Once you have indicated your agreement to the Special Resolutions, you may not revoke your agreement.

3. Unless, by the date 28 days following the Circulation Date, sufficient agreement has been received for the Special Resolutions to pass, it will lapse. If you agree to the Special Resolutions, please ensure that your agreement reaches us before or during this date.

4. In the case of joint holders of shares, only the vote of the senior holder who votes will be counted by the Company. Seniority is determined by the order in which the names of the joint holders appear in the register of members.

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.

**THE COMPANIES ACTS 1985 AND 2006**  
**PRIVATE COMPANY LIMITED BY SHARES**  
**ARTICLES OF ASSOCIATION**  
**OF**  
**HARGREAVES (NORTH WEST) LIMITED**

**Company Number 6971482**

Adopted by Special Resolution dated 11<sup>th</sup> August 2009

**1. INTERPRETATION**

1.1 In these Articles "Table A" means Table A in the Schedule to the Companies (Tables A to F) Regulations 1985 (SI 1985/805) 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), and as otherwise amended prior to the adoption of these Articles. Save as otherwise specifically provided in these Articles, words and expressions which have particular meanings in Table A shall have the same meanings in these Articles.

1.2 In these Articles, the following words have the following meanings:

**The Act:** the provisions of the Companies Act 1985 and the Companies Act 2006 as amended and in force prior to adoption of these Articles;

**A Shares:** the A ordinary shares of £1.00 each in the capital of the Company from time to time.

**A Director:** any director appointed to the Company by holders of the A Shares.

**B Director:** any director appointed to the Company by holders of the B Shares.

**B Shares:** the B ordinary shares of £1.00 each in the capital of the Company from time to time.

**Business Day:** a day (other than a Saturday or Sunday) when banks in London are open for business;

**Expert:** an independent firm of accountants appointed by the members or, in the absence of agreement between the members on the expert or his terms of appointment within seven days of a member serving details of a suggested expert on the other, an

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independent firm of accountants appointed, and whose terms of appointment are agreed, by the President, for the time being, of the Institute of Chartered Accountants of England and Wales (acting as an expert and not as an arbitrator);

**Fair Value:** in relation to shares, as determined in accordance with article 7.4;

**Permitted Group:** in relation to a company (wherever incorporated), any wholly-owned subsidiary of that company, any company of which it is a Subsidiary (its holding company) and any other Subsidiaries of any such holding company; and each company in a Permitted Group is a member of the Permitted Group. Unless the context otherwise requires, the application of the definition of Permitted Group to any company at any time will apply to the company as it is at that time;

**Permitted Transferee:** in relation to a shareholder that is a company, any member of the same Permitted Group as that company;

**Subsidiary:** in relation to a company wherever incorporated (a holding company) means "subsidiary" as defined in section 1159 of the Companies Act 2006 and any other company which is itself a subsidiary (as so defined) of a company which is itself a subsidiary of such holding company. Unless the context requires otherwise, the application of the definition of Subsidiary to any company at any time shall apply to the company as it is at that time;

**Transfer Notice:** an irrevocable notice in writing given by any shareholder to the other shareholder where the first shareholder desires, or is required by these Articles, to transfer or offer for transfer (or enter into an agreement to transfer) any shares. Where such notice is deemed to have been served it shall be referred to as a **Deemed Transfer Notice**;

- 1.3 References in these Articles and in Table A to writing shall be construed as including references to any method of representing or reproducing words in a legible and non-transitory form.
- 1.4 References in these Articles to paragraphs and sub-paragraphs are to the paragraphs and sub-paragraphs of the Article and paragraph in which they appear.
- 1.5 Headings in these Articles are for convenience only and shall not affect the interpretation hereof.

## 2. **ADOPTION OF TABLE A**

- 2.1 The Regulations contained in Table A as it relates to a private company limited by shares shall, except where they are modified or excluded by these Articles or are inconsistent herewith, apply to the Company 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 regulations set out in any statute or in any statutory instrument or other subordinate legislation.

- 2.2 Regulations 2, 8 to 22 (inclusive), 26, 32 to 34 (inclusive), 40, 41, 54, 57, 58, 60 to 62 (inclusive), 64 to 66 (inclusive), 76 to 79 (inclusive), 85, 86, 88 to 90 (inclusive), 94, 109, 110, 112, 115, 117 and 118 of Table A shall not apply to the Company

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### **3. SHARE CAPITAL**

- 3.1 The share capital of the Company at the date of adoption of these Articles is £1,000 divided into 760 A Shares of £1 each and 240 B shares of £1 each.

- 3.2 The rights attaching to the "A" Shares shall be as follows:

3.2.1 The "A" Shares shall together (and regardless of the numbers of "A" Shares in issue) carry the right to receive 51% of any dividend declared or paid in respect of Ordinary Shares in the Company.

3.2.2 The "A" Shares shall together (and regardless of the numbers of "A" Shares in issue) carry the right upon any return of capital to Shareholders or upon the winding-up of the Company to receive 51% of the total of all sums paid to Shareholders upon such return of capital or winding up.

- 3.3 The rights attaching to the "B" Shares shall be as follows:

3.3.1 The "B" Shares shall together (and regardless of the numbers of "B" Shares in issue) carry the right to receive 49% of any dividend declared or paid in respect of Ordinary Shares in the Company.

3.3.2 The "B" Shares shall together (and regardless of the numbers of "B" Shares in issue) carry the right upon any return of capital to Shareholders or upon the winding-up of the Company to receive 49% of the total of all sums paid to Shareholders upon such return of capital or winding up.

- 3.4 The profits of the Company which are resolved to be paid by way of dividend among the Shareholders at any time shall be applied in paying to the holders of the respective classes of Shares dividends of such total amount as the Company in general meeting shall determine save that no dividend or dividends may be declared on one class of

share to the exclusion of any other and that the total amount of such dividends shall be paid as to 51% to the holders of "A" Shares and 49% to the holders of "B" Shares.

3.5 The Directors may pay an interim dividend or dividends but the provisions of Articles 3.2 to 3.4 shall apply *mutatis mutandis*.

3.6 Except as otherwise provided in these Articles, the A Shares and the B Shares shall rank *pari passu* in all respects but shall constitute separate classes of shares.

3.7 On the transfer of any share as permitted by these Articles:

- (a) a share transferred to a non-member shall remain of the same class as before the transfer; and
- (b) a share transferred to a member shall automatically be redesignated on transfer as a share of the same class as those shares already held by the member.

If no shares of a class remain in issue following a redesignation under this paragraph, these Articles shall be read as if they do not include any reference to that class or to any consents from, or attendance at any meeting or votes to be cast by, members of that class or directors appointed by that class.

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

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

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

- (e) any alteration in the memorandum or articles of association of the Company;
- (f) any increase or reduction or subdivision or consolidation or other alteration in the authorised or issued share capital of the Company or any of the rights attaching to any share capital; and
- (g) any resolution to put the Company into liquidation.

#### **4. UNISSUED SHARES**

- 4.1 No shares in the Company nor any right to subscribe for or convert any security into shares in the Company shall at any time be allotted unless within one month before that allotment every shareholder for the time being has consented in writing to that allotment and its terms and to the identity of the proposed allottee.
- 4.2 No share of any class nor any right to subscribe for or convert any security into a share of any class shall be allotted otherwise than to the holder of a share of that same class.
- 4.3 Section 89(1) of the Companies Act 1985 shall not apply to an allotment of any equity security where the consent to that allotment of every shareholder has been obtained as required by these written Articles and that allotment otherwise conforms to the requirements of these Articles.

#### **5. INITIAL AUTHORITY TO ISSUE RELEVANT SECURITIES**

- 5.1 The directors are authorised to exercise all powers of the Company to allot relevant securities, but only if the allotment otherwise conforms to the requirements of these Articles. The maximum nominal amount of relevant securities which may be allotted under this authority shall be the nominal amount of the unissued share capital at the date of adoption of these Articles or such other amount as may from time to time be authorised by the Company in general meeting.
- 5.2 The authority conferred on the directors by this Article shall remain in force for a period of five years from the date of adoption of these Articles but may be revoked, varied or renewed from time to time by the Company in general meeting in accordance with the Act.

#### **6. TRANSFER OF SHARES**

- 6.1 All transfers of shares shall be effected by instrument in writing in any form for the time being authorised by the Stock Transfer Act 1963 (or any statutory modification

or re-enactment thereof for the time being in force) or in any other form which the directors may approve.

- 6.2 No shareholder shall, except with the prior written consent of the other shareholder, create or permit to subsist any pledge, lien or charge over, or grant any option or other rights over or dispose of any interest in, any of the Shares held by it (otherwise than by a transfer in accordance with the provisions of these Articles) and any person in whose favour any such pledge lien or charge is created or permitted to subsist or such option or rights are granted to such interest is disposed of shall be subject to and bound by the same limitations and provisions as contained in these Articles.
- 6.3 No shareholder shall sell, transfer, assign, or otherwise dispose of any Share or any interest in any Share except:
- (a) with the prior written consent of all shareholders for the time being; or
  - (b) in accordance with article 6; or
  - (c) in accordance with article 7;
- 6.4 To enable the directors to determine whether or not there has been a disposal of Shares in the capital of the Company (or any interest in Shares in the capital of the Company) in breach of these Articles, the directors may from time to time require any shareholder to provide the Company with such information and evidence as they may reasonably require to ensure compliance with this Article. If a shareholder fails to provide information or evidence in respect of any Shares registered in its name to the reasonable satisfaction of such directors within 14 Business Days of their request, such directors may serve a notice on the shareholder stating that the shareholder shall not in relation to all Shares held by that shareholder be entitled to be present or to vote in person or by proxy at any general meeting of the Company or any meeting of the holders of Shares or to receive dividends on the Shares until such evidence or information has been provided to the directors' satisfaction.
- 6.5 If a shareholder desires to transfer any Share or dispose of any interest therein ("the Disposing Shareholder"), the Disposing Shareholder shall serve notice on the Company in writing (hereinafter called "a Transfer Notice") accompanied by the relevant share certificate(s) and specifying the number of Shares the Disposing Shareholder wishes to sell which may be all or part only of the Shares then held by it (hereinafter called "the Transfer Shares").
- 6.6 A Transfer Notice shall constitute the Company (by its Board) the Disposing Shareholder's agent 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 Sale Price (the Sale Price being calculated in accordance with article 6.8). A Transfer Notice may contain a provision that unless all the Shares comprised therein are sold

pursuant to this article 6, none shall be so sold and any such provision shall be binding on the Company.

- 6.7 Upon receipt of a Transfer Notice the Company shall forthwith by notice in writing inform the other shareholder ("the Non-disposing Shareholder") of the number of the Transfer Shares and invite the Non-disposing Shareholder to apply in writing to the Company within 21 days of the date of despatch of the notice (which date shall be specified therein) for such maximum number of Transfer Shares (being all or any thereof) as the Non-disposing Shareholder shall specify in such application.
- 6.8 If within the said period of 21 days the Non-disposing Shareholder applies for all or (except where the Transfer Notice provides otherwise) any of the said Transfer Shares, the Company shall forthwith give notice of such application (hereinafter called "an Application Notice") to the Disposing Shareholder.
- 6.9 The price for such Transfer Shares ("the Sale Price") shall be either:-
- (d) the price agreed in writing between the relevant Shareholders, or in default of agreement (whether by reason of disagreement, absence, insolvency or otherwise);
  - (e) the Fair Value (as determined under article 7.4)
- 6.10 Upon the agreement or determination of the Sale Price (howsoever arising) and providing that the Disposing Shareholder has not previously withdrawn the Transfer Notice, the Disposing Shareholder shall be bound to transfer the Transfer Shares comprised in an Application Notice to the purchaser named therein, completion of which shall take place no later than 14 Business Days after the agreement or determination of the Sale Price (howsoever arising) and if the Disposing Shareholder shall fail to do so, the Company by some person appointed by the directors (for the avoidance of doubt the votes of the directors appointed by the Disposing Shareholder shall not be counted) shall be deemed to have been appointed attorney of the Disposing Shareholder with full power to execute, complete and deliver in the name and on behalf of the Disposing Shareholder, transfers of the Transfer Shares to the purchaser thereof against payment of the Sale Price to the Disposing Shareholder.
- 6.11 If the Non-disposing Shareholder does not apply for any Transfer Shares within the 21 day period specified in article 6.6, then the Transfer Shares shall be offered to the Company, for a period of 15 Business Days. If within the period of 15 Business Days the Company applies for all or (except where the Transfer Notice provided otherwise) any of the Transfer Shares the Company shall forthwith give notice to the Disposing Shareholder, and the provisions of article 6.8 and 6.9 shall thereafter apply, save that the reference to "purchaser" in article 6.9 shall be deemed to be a reference to the Company. For the avoidance of doubt the votes of the directors appointed by the

Disposing Shareholder shall not be counted in determining whether the Company does wish to purchase or not purchase the Transfer Shares.

- 6.12 If the Non-disposing Shareholder does not apply for any or all of the Transfer Shares, and the Company does not wish to purchase the Transfer Shares (for the avoidance of doubt the votes of the directors appointed by the Disposing Shareholder shall not be counted in determining whether the Company does wish to purchase or not purchase the Transfer Shares), the Company shall serve notice to that effect on the Disposing Shareholder (“Disposal Notice”) and the Disposing Shareholder shall then be permitted, for a period of 3 months from the date of the Disposal Notice, to sell all or any of the Transfer Shares comprised in the Transfer Notice to any third party at a price not less than the Sale Price (such Sale Price being calculated in accordance with article 6.8(b) for the purposes of this article 6.11) provided that such third party agrees to comply with article 6.13.
- 6.13 Where the Directors shall have found a third party purchaser or third party purchasers and through no default of the Disposing Shareholder any purchase is not duly completed, the Directors shall forthwith notify the third party purchaser or all of the third party purchasers (as the case may be) and if within 7 days of such notice being given the third party purchaser or third party purchasers between them shall not have duly completed the purchase of the Transfer Shares in respect of which there has been default in completion, the Disposing Shareholder shall be deemed to have served a Transfer Notice in respect of such Shares and the procedure contained in this article 6 shall be repeated in respect of them.
- 6.14 The directors may, as a condition to the registration of any transfer of Shares in the Company require that the transferee enters into a shareholders' agreement with the Non-disposing Shareholder on the same terms as apply to the Disposing Shareholder in relation to those Shares immediately before the transfer. If any such condition is imposed in accordance with this clause, the transfer may not be registered unless that shareholders' agreement has been entered into and delivered to the Company's registered office by the transferee.
- 6.15 The directors may, in their absolute discretion and without assigning any reason therefore, decline to register any transfer of any Shares, whether or not fully paid.

## 7. OBLIGATORY TRANSFERS

- 7.1 If any of the following events (**Obligatory Transfer Events**) happen to a member (in this Article, the **Seller**), it shall serve a Transfer Notice on the other member (in this Article, the **Buyer**) as soon as possible, which shall include details of the Obligatory Transfer Event:

- (a) the passing of a resolution or Court Order for the liquidation of the member other than a solvent liquidation for the purpose of the reconstruction or amalgamation of all or part of the member's Group (the structure of which has been previously approved by the Buyer in writing) in which a new company assumes (and is capable of assuming) all the obligations of the member; or
- (b) the presentation at court by any competent person other than another member of the Company of a petition for the winding up of the member and which has not been withdrawn or dismissed within 60 days of such presentation; or
- (c) the issue at court by any competent person of a notice of intention to appoint an administrator to the member, a notice of appointment of an administrator to the member or an application for an administration order in respect of the member; or
- (d) any step is taken by any person to appoint a receiver, administrative receiver or manager in respect of the whole or a substantial part of the assets or undertaking of the member; or
- (e) the member being unable to pay its debts as they fall due for the purposes of section 123 of the Insolvency Act 1986; or
- (f) the member entering into a composition or arrangement with its creditors; or
- (g) any chargor taking any step to enforcing any charge created over any shares held by the member in the Company (other than by the appointment of a receiver, administrative receiver or manager); or
- (h) a process having been instituted that could lead to the member being dissolved and its assets being distributed among the member's creditors, shareholders or other contributors; or
- (i) the member committing a material or persistent breach of any shareholders' agreement to which it is a party in relation to the shares in the Company which if capable of remedy has not been so remedied within 20 Business Days of the other member requiring such remedy.
- (j) in the case of the Obligatory Transfer Events set out in paragraphs (a), (b), (c) or (d) above, any competent person takes any analogous step in any jurisdiction in which the Seller carries on business.

If the member that has suffered the Obligatory Transfer Event fails to serve a Transfer Notice, it shall be regarded as giving a Deemed Transfer Notice in relation to its shares in the Company on the date on which the other member becomes aware of the Obligatory Transfer Event.

- 7.2 As soon as practicable after service, or deemed service, of the Transfer Notice, the members shall appoint an Expert to determine the Fair Value of the Seller's shares in the Company.
- 7.3 The Buyer has the right, within 35 days of receiving notification of the Fair Value determined by the Expert (the first day being the day after the Buyer receives the Fair Value notification) to serve a notice on the Seller to buy all of the Seller's shares at the Fair Value.
- 7.4 In this Article the Fair Value of the shares to be sold in the Company shall be the value that the Expert certifies to be the fair market value in his opinion based on the following assumptions:
- (a) the value of the shares in question is that proportion of the fair market value of the entire issued share capital of the Company that the Seller's shares bear to the then total issued share capital of the Company (with no premium or discount for the size of the Seller's shareholding or for the rights or restrictions applying to the shares);
  - (b) the sale is between a willing buyer and a willing seller on the open market;
  - (c) the sale is taking place on the date that the Obligatory Transfer Event occurred;
  - (d) if the Company is then carrying on its business as a going concern, on the assumption that it shall continue to do so;
  - (e) the shares are sold free of all encumbrances; and
  - (f) to take account of any other factors that the Expert reasonably believes should be taken into account.

If any problem arises in applying any of the assumptions set out in this article 7.4, the Expert shall resolve the problem in whatever manner he shall, in his absolute discretion, think fit.

- 7.5 The Expert shall be requested to determine the Fair Value within 35 Business Days of his appointment and to notify the members of his determination.
- 7.6 Subject to any confidentiality provisions, the Expert may have access to all accounting records and other relevant documents of the Company.
- 7.7 The Expert's determination shall be final and binding on the members (in the absence of fraud or manifest error).

- 7.8 If the Seller fails to complete the transfer of shares as required under this Article, the Company:
- (a) is irrevocably authorised to appoint any person to transfer the shares on the Seller's behalf and to do anything else that the Buyer may reasonably require to complete the sale; and
  - (b) may receive the purchase price in trust for the Seller, giving a receipt that shall discharge the Buyer.

## 8. QUORUM AT GENERAL MEETINGS

- 8.1 The quorum at any general meeting of the Company, or adjourned general meeting, shall be two persons present in person or by proxy, of whom one shall be a holder of A Shares or a duly authorised representative of such holder and one shall be a holder of B Shares or a duly authorised representative of such holder.
- 8.2 No business shall be transacted by any general meeting unless a quorum is present at the commencement of the meeting and also when that business is voted on.
- 8.3 If within five minutes (or such longer time as the persons present may all agree to wait) from the time appointed for any general meeting a quorum is not present, the meeting shall be dissolved.

## 9. VOTES

- 9.1 At a general meeting, on a show of hands every member who is present in person or by proxy shall have one vote, unless the proxy is himself a member entitled to vote, and on a poll every member present in person or by proxy shall have one vote for each share of which he is the holder, except that:
- (a) no shares of one class shall confer any right to vote upon a resolution for the removal from office of a director appointed by holders of shares of the other class under a right to appoint which is a class right; and
  - (b) subject to paragraph (a) of this exception, in the case of any resolution proposed at a general meeting any holder of A Shares or of B Shares voting against such resolution (whether on a show of hands or a poll) shall be entitled to cast such number of votes as is necessary to defeat the resolution.
- 9.2 The chairman shall not have a second or casting vote.

**10. PROXIES**

- 10.1 An instrument appointing a proxy shall be in writing, executed by or on behalf of the appointor and in any common form or in such other form as the directors may approve, and the directors may at their discretion treat a faxed or other machine-made copy of an instrument in any such form as an original copy of the instrument. The instrument of proxy shall, unless the contrary is stated in it, be valid for any adjournment of the meeting as well as for the meeting to which it relates, and shall be deemed to include authority to vote as the proxy thinks fit on any amendment of a resolution put to the meeting for which it is given.
- 10.2 The instrument appointing a proxy and (if required by the directors) any authority under which it is executed or a copy of the authority (certified notarially or in any other manner approved by the directors) may:
- (a) be delivered to the registered office, or to some other place within the United Kingdom or to some person specified in the notice convening the meeting or in any instrument of proxy sent out by the Company in relation to the meeting at any time, before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote; or
  - (b) in case of a poll taken after the date of the meeting or adjourned meeting, before the time appointed for the taking of the poll, and an instrument of proxy which is not so delivered shall be invalid.

**11. NUMBER OF DIRECTORS**

The number of directors shall not be less than two made up of an equal number of A Directors and B Directors. No shareholding qualification for directors shall be required.

**12. APPOINTMENT AND REMOVAL OF DIRECTORS**

- 12.1 The holder of a majority of the A Shares for the time being shall be entitled to appoint two persons to be A Directors of the Company and the holder of a majority of the B Shares for the time being shall be entitled to appoint two persons to be B Directors of the Company provided always that there are an equal number of A Directors and B Directors.
- 12.2 Any A Director may at any time be removed from office by the holder of a majority of the A Shares and any B Director may at any time be removed from office by the holder of a majority of the B Shares. Any director who is an employee of the Company and who ceases to be an employee shall be removed from office from the date his employment ceases.

- 12.3 If any A Director or any B Director shall die or be removed from or vacate office for any cause, the holder of a majority of the A Shares (in the case of an A Director) or the holder of a majority of the B Shares (in the case of a B Director) shall appoint in his place another person to be an A Director or a B Director (as the case may be).
- 12.4 Any appointment or removal of a director pursuant to this Article shall be in writing and signed by or on behalf of the holder of a majority of the issued A Shares or B Shares (as the case may be) and served on each of the other members and the Company at its registered office. Any such appointment or removal shall take effect when received by the Company or at such later time as shall be specified in such notice.
- 12.5 The right to appoint and to remove A or B Directors under this Article shall be a class right attaching to the A Shares and the B Shares respectively.
- 12.6 If no A Shares or B Shares remain in issue following a redesignation under these Articles, any director appointed by shareholders of that class shall be deemed to have been removed as from the redesignation.
- 12.7 No A Director or B Director shall be appointed or removed otherwise than pursuant to this Article, save as provided by law.
- 12.8 The Directors shall not be obliged to elect a Chairman but if they do the post of chairman of the directors will be held in alternate years by an A Director or by a B Director. The chairman shall not have a casting vote. If the chairman for the time being is unable to attend any meeting of the board of directors, the member who appointed him shall be entitled to appoint another of its nominated directors to act as chairman at the meeting.

**13. APPOINTMENT AND REMOVAL OF ALTERNATE DIRECTORS**

- 13.1 Any director (other than an alternate director) may appoint any person (whether or not a director) except for an existing director representing the other class of shares to be an alternate director and may remove from office an alternate director appointed by him. In these Articles, where the context so permits, the term "A Director" or "B Director" shall include an alternate director appointed by an A Director or a B Director as the case may be.
- 13.2 An alternate director shall be entitled to receive notice of all meetings of the directors and of all meetings of committees of directors of which his appointor is a member, to attend and vote at such meetings at which the director appointing him is not personally present, and generally to perform all the functions of his appointor as a

director in his absence. An alternate director who is already a director of the Company in his own right, will also be a director (and may vote) in his own right.

- 13.3 An alternate director may be paid expenses and shall be entitled to be indemnified by the Company to the same extent as if he were a director but shall not be entitled to receive from the Company any fee in his capacity as an alternate director except such part (if any) of the remuneration otherwise payable to the director appointing him as an alternate director may by notice in writing to the Company from time to time direct.

#### **14. NOTICE OF BOARD MEETINGS**

- 14.1 A director may call a meeting of directors.
- 14.2 Notice of a meeting of the directors shall be deemed to be properly given to a director if it is given to him personally or by word of mouth or sent in writing (including by e-mail) to him at his last known address or any other address given by him to the Company for this purpose, or by any other means authorised in writing by the director concerned.
- 14.3 A director may waive notice of any meeting either prospectively or retrospectively.
- 14.4 The parties will ensure that at least seven days' notice of a meeting of directors is given to all directors entitled to receive notice accompanied by:
- (a) an agenda specifying in reasonable detail the matters to be raised at the meeting; and
  - (b) copies of any papers to be discussed at the meeting.
- 14.5 A shorter period of notice of a meeting of directors may be given if at least one A Director and one B Director agree in writing.
- 14.6 Matters not on the agenda, or business conducted in relation to those matters, may not be raised at a meeting of directors unless all the directors agree in writing.

#### **15. PROCEEDINGS OF DIRECTORS**

- 15.1 Subject as provided in these Articles, the directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit. The directors will try to meet at least monthly.

- 15.2 The quorum at any meeting of the directors (including adjourned meetings) shall be two directors, of whom one at least shall be an A Director (or his alternate) and one at least a B Director (or his alternate). No business shall be conducted at any meeting of the directors unless a quorum is present at the beginning of the meeting and also when that business is voted on. If a quorum is not present within 30 minutes of the time specified for the relevant meeting in the notice of the meeting then the meeting shall be adjourned for 2 Business Days at the same time and place.
- 15.3 Except as provided by article 15.7, each director has one vote at a meeting of directors.
- 15.4 A committee of the directors must include at least one A Director and one B Director. The provisions of article 15.2 shall apply equally to meetings of any committee of the directors as to meetings of the directors.
- 15.5 All or any of the directors may participate in a meeting of the directors by means of a conference telephone or any communication equipment which allows all persons participating in the meeting to hear each other. A person so participating shall be deemed to be present in person at the meeting and shall be entitled to vote or be counted in a quorum; and accordingly, subject to article 15.2, a meeting of the directors may be held where each of those present or deemed to be present is in communication with the others only by telephone or other communication equipment as aforesaid. A meeting where those present or deemed to be present are in different locations shall be deemed to take place where the largest group of those participating is assembled, or, if there is no such group, where the chairman of the meeting then is.
- (a) All decisions made at any meeting of the directors or of any committee of the directors shall be made only by resolution, and no such resolution shall be passed unless more votes are cast for it than against it.
- 15.6 If at any time at or before any meeting of the directors all A Directors present or all B Directors present should request that the meeting be adjourned or reconvened to another time or date (whether to enable further consideration to be given to any matter or for other directors to be present or for any other reason, which he need not state) then such meeting shall be adjourned or reconvened accordingly, and no business shall be conducted at that meeting after such a request has been made. No meeting of directors may be adjourned pursuant to this Article more than once.
- 15.7 If the members are not represented at any meeting of the board of directors by an equal number of A Directors and B Directors (whether present in person or by an alternate), then one of the directors so nominated by the member who is represented by fewer directors shall be entitled at that meeting to such additional vote or votes as shall result in the directors so present representing each member having in aggregate an equal number of votes.

- 15.8 All decisions made at any meeting of the directors or of any committee of the directors shall be made only by resolution, and no such resolution shall be passed unless:
- (b) more votes are cast for it than against it; and
  - (c) at least one A Director and one B Director who is present at the meeting of the directors or of the committee of the directors have voted in favour of it

**16. DIRECTORS' INTERESTS**

- 16.1 For the purposes of section 175 of the Companies Act 2006, the members (and not the directors) shall have the power to authorise, by resolution and in accordance with the provisions of these Articles, any matter or situation proposed to them by a director which would, if not so authorised, involve a breach of duty by a director under section 175 of the Companies Act 2006 to avoid conflicts of interest (a **Conflict**). Any authorisation of a matter or situation under this Article may extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised].
- 16.2 The relevant director seeking authorisation of the Conflict (the **Interested Director**) must provide the members with such details as are necessary for the members to decide whether or not to authorise the Conflict, together with such additional information as may be requested by the members.
- 16.3 Any authorisation by the members of a Conflict may (whether at the time of giving the authorisation or subsequently):
- (a) provide that the Interested Director be excluded from the receipt of documents and information, the participation in discussions and/or the making of decisions (whether at meetings of the directors or otherwise) related to the Conflict;
  - (b) impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the members think fit;
  - (c) provide that, where the Interested Director obtains, or has obtained (through his involvement in the Conflict and otherwise than through his position as a director of the Company) information that is confidential to a third party, he will not be obliged to disclose that information to the Company, or to use it in relation to the Company's affairs where to do so would amount to a breach of that confidence; and
  - (d) permit the Interested Director to absent himself from the discussion of matters relating to the Conflict at any meeting of the directors and be excused from reviewing papers prepared by, or for, the directors to the extent they relate to such matters.

- 16.4 The Interested Director will be obliged to conduct himself in accordance with any terms imposed by the members in relation to the Conflict.
- 16.5 The members may revoke or vary such authorisation at any time but this will not affect anything done by the Interested Director prior to such revocation or variation in accordance with the terms of such authorisation.
- 16.6 A director, notwithstanding his office, may be a director or other officer of, employed by, or otherwise interested (including by the holding of shares) in, the shareholder who appointed him as a director of the Company, or any other member of such shareholder's Permitted Group, and no authorisation under article 16.1 shall be necessary in respect of any such interest.
- 16.7 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 members in accordance with this Article (subject in each case to any terms and conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds.
- 16.8 A director who is in any way, whether directly or indirectly, interested in a proposed transaction or arrangement with the Company shall declare the nature and extent of his interest to the other directors before the Company enters into the transaction or arrangement in accordance with the Act.
- 16.9 A director who is in any way, whether directly or indirectly, interested in a transaction or arrangement that has been entered into by the Company shall declare the nature and extent of his interest to the other directors as soon as is reasonably practicable in accordance with the Act, unless the interest has already been declared under article 16.8.
- 16.10 Subject, where applicable, to the disclosures required under article 16.8 and article 16.9, and to any terms and conditions imposed by the members in accordance with article 16.3, a director shall be entitled to vote in respect of any proposed or existing transaction or arrangement with the Company in which he is interested and if he shall do so his vote shall be counted and he shall be taken into account in ascertaining whether a quorum is present.
- 16.11 A director need not declare an interest under article 16.8 or article 16.9 as the case may be:

- (a) if it cannot reasonably be regarded as likely to give rise to a conflict of interest;
- (b) of which the director is not aware, although for this purpose a director is treated as being aware of matters of which he ought reasonably to be aware;
- (c) if, or to the extent that, the other directors are already aware of it, and for this purpose the other directors are treated as aware of anything of which they ought reasonably to be aware; or
- (d) if, or to the extent that, it concerns the terms of his service contract that have been, or are to be, considered at a board meeting.

## **17. INDEMNITY**

17.1 Subject to the Act, but without prejudice to any indemnity to which a director may otherwise be entitled, each director or other officer of the Company (other than any person (whether an officer or not) engaged by the Company as auditor) shall be indemnified out of the Company's assets against all costs, charges, losses, expenses and liabilities incurred by him in the execution of his duties, or in relation thereto including any liability incurred by him in defending any civil or criminal proceedings, in which judgement 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 relief from liability for negligence, default, breach of duty or breach of trust in relation to the Company's affairs.

17.2 The Company may buy and maintain insurance against any liability falling upon its directors or other officers which arises out of their respective duties to the Company, or in relation to its affairs.

## **18. NOTICES: TIME OF SERVICE**

18.1 Any notice or other document may be served on or delivered to any member by the Company either personally, or by sending it by pre-paid registered post (reputable international overnight courier in the case of an address for service outside the United Kingdom) addressed to the member at his registered address or by fax to a number provided by the member for this purpose, or by leaving it at his registered address addressed to the member, or by any other means authorised in writing by the member concerned.

18.2 Any notice or other document shall be deemed served:

- (a) if given personally, when delivered; or

- (b) if sent by registered post, two Business Days after posting to an address in the United Kingdom [or five Business Days after posting to an address outside the United Kingdom if sent by reputable international overnight courier addressed to the relevant party 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]; or
- (c) if sent by fax, when despatched.

In proving such service or delivery, it shall be sufficient to prove that the notice or document was delivered to the address given for notice, or properly addressed, stamped and put in the post or, in the case of a fax, that such fax was duly despatched to a current fax number of the addressee.

- 18.3 Any requirement in these Articles or in Table A for any notice, resolution or other document to be signed by or on behalf of any person shall be deemed satisfied where a notice, resolution or other document is received with the signature of the relevant person reproduced thereon by means of facsimile copy if such signature is confirmed by receipt of the notice, resolution or document bearing the original signature in manuscript within 14 days of receipt of the reproduction.