

**Company No: 04980247**

**THE COMPANIES ACTS 1985 TO 2006**

**PRIVATE COMPANY LIMITED BY SHARES**

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**ARTICLES OF ASSOCIATION  
(adopted by Special Resolution  
passed on 15 December 2009) of  
AXIS INTERMODAL LIMITED**

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**(adopted by Special Resolution passed on [ ] 2009)**  
**of**  
**AXIS INTERMODAL LIMITED ("COMPANY")**

**1. DISAPPLICATION OF MODEL ARTICLES**

The model articles for private companies limited by shares contained in Schedule 1 of the Companies (Model Articles) Regulations 2008 (SI 2008/3229) as amended prior to the adoption of these Articles shall not apply to the Company nor shall any regulations set out in any schedule to any statute concerning companies apply.

**2. INTERPRETATION**

2.1 In these Articles, if not inconsistent with the subject or context, the following words shall bear the following meanings:

<b>"2006 Act"</b>	means the Companies Act 2006 (as amended, consolidated and restated from time to time);
<b>"Acting in Concert"</b>	has the meaning given to it in the City Code on Takeovers and Mergers published by the Panel on Takeovers and Mergers for the time being in force;
<b>"Articles"</b>	means the Company's articles of association;
<b>"bankruptcy"</b>	includes individual insolvency proceedings in a jurisdiction other than England and Wales or Northern Ireland which have an effect similar to that of bankruptcy;
<b>"Board"</b>	the board of directors from time to time and any committee of such board constituted for the purpose of taking any action or decision contemplated by these Articles;
<b>"business day"</b>	means a day (other than a Saturday, Sunday or public holiday) when banks in the City of London are open for business;
<b>"chairman"</b>	has the meaning given in Article 18.10;
<b>"chairman of the meeting"</b>	has the meaning given in Article 15.3;
<b>"Controlling Interest"</b>	means an interest in shares giving to the holder or holders control of the Company within the meaning of Section 995 of the

Income Tax Act 2007;

<b>“CREST”</b>	means the relevant system operated by Crest Co. Limited in terms of the Uncertificated Securities Regulations, which enables title to shares or other securities to be evidenced and transferred without a written instrument;
<b>“director”</b>	means a director of the Company, and includes any person occupying the position of director, by whatever name called;
<b>“distribution recipient”</b>	has the meaning given in Article 24.3;
<b>“document”</b>	includes, unless otherwise specified, any document sent or supplied in electronic form;
<b>“electronic form”</b>	has the meaning given in section 1168 of the 2006 Act;
<b>“executed”</b>	includes any mode of execution whether under seal or under hand;
<b>“fully paid”</b>	in relation to a share, means that the nominal value and any premium to be paid to the Company in respect of that share have been paid to the Company;
<b>the “Group”</b>	means the Company and any subsidiary or subsidiaries for the time being of the Company and <b>“Group Company”</b> shall be construed accordingly;
<b>“hard copy form”</b>	has the meaning given in section 1168 of the 2006 Act;
<b>“holder”</b>	in relation to shares means the person whose name is entered in the register of members as the holder of the shares;
<b>“instrument”</b>	means a document in hard copy form;
<b>“office”</b>	means the registered office of the Company;
<b>“ordinary resolution”</b>	has the meaning given in section 282 of the 2006 Act;
<b>“Ordinary Shares”</b>	the ordinary shares of £0.05 each in the capital of the Company;
<b>“paid”</b>	means paid or credited as paid;
<b>“participate”</b>	in relation to a directors’ meeting, has the

	meaning given in Article 18.8;
<b>"proxy notice"</b>	has the meaning given in Articles 15.9 and 15.10;
<b>the "seal"</b>	means the common seal of the Company (if any) and includes the official seal (if any) kept by the Company by virtue of the 2006 Act;
<b>"secretary"</b>	means any person appointed to perform the duties of the secretary of the Company;
<b>"shareholder"</b>	means a person who is the holder of a share;
<b>"shares"</b>	means shares in the company;
<b>"special resolution"</b>	has the meaning given in section 283 of the 2006 Act;
<b>"subsidiary"</b>	has the meaning given in section 1159 of the 2006 Act;
<b>"transmittee"</b>	means a person entitled to a share by reason of the death or bankruptcy of a shareholder or otherwise by operation of law;
<b>"Uncertificated Securities Regulations"</b>	means the Uncertificated Securities Regulations 2001 in so far as the same applies to the Company and includes: <ul style="list-style-type: none"> <li>(i) any enactment or subordinate legislation which amends or supersedes those Uncertificated Securities Regulations;</li> <li>(ii) any applicable rules made under those Uncertificated Securities Regulations or any such enactment or subordinate legislation for the time being in force; and</li> </ul>
<b>"writing"</b>	means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise.

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

2.3 Where for any purpose an ordinary resolution of the Company is required a special resolution shall also be effective.

### **3. OBJECTS**

The objects of the Company are unrestricted.

### **4. LIMITATION OF LIABILITY**

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

### **5. SHARE CAPITAL**

5.1 The share capital of the Company at the date of adoption of these Articles consists of Ordinary Shares.

5.2 The Ordinary Shares shall rank pari passu in all respects and the holders of the Ordinary Shares shall be entitled to attend and vote at any general meeting of the Company.

5.3 The Company may, without prejudice to the rights attached to any existing share, issue shares with such rights or restrictions as may be determined by ordinary resolution.

5.4 The Company may issue shares which are to be redeemed, or are liable to be redeemed at the option of the Company or the holder, and the directors may determine the terms, conditions and manner of redemption of any such shares.

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

5.6 Shares may be issued for less than the aggregate of their nominal value and for any premium to be paid to the Company in consideration for its issue.

5.7 The Company may exercise the powers of paying commissions conferred by the 2006 Act. Subject to the provisions of the 2006 Act, any such commission may be satisfied by the payment of cash or by the allotment of fully or partly paid shares or partly in one way and partly in another.

5.8 The Directors are generally and unconditionally authorised, for the purposes of section 551 of the 2006 Act, to exercise any power of the Company to offer, allot or grant rights to subscribe for, or convert securities into, or otherwise deal in, or dispose of, any shares to any person, at any time and subject to any terms and conditions as the Directors think proper.

5.9 In accordance with section 567 of the 2006 Act, sections 561 and 562 (inclusive) of the 2006 Act shall not apply to the allotment by the Company of equity securities.

### **6. VARIATION OF RIGHTS ATTACHING TO CLASSES OF SHARE**

6.1 Subject to the 2006 Act, all or any of the special rights for the time being attached to any class of shares for the time being issued may from time to time (whether or not the Company is being wound-up) be altered or abrogated with either:

- 6.1.1 the consent in writing of the holders of not less than three-fourths in nominal value of the issued shares of that class; or
  - 6.1.2 with the sanction of a special resolution passed at a separate general meeting of the holders of such shares.
- 6.2 The quorum for such a separate general meeting shall be two or more persons holding or representing by proxy not less than one-third of the issued shares of the class except where there is only one holder of the relevant class of shares in which case the quorum shall be that holder, that every holder of shares of the class shall be entitled on a poll to one vote for every such share held by him, that any holder of shares of the class present in person or by proxy may demand a poll and that at any adjourned meeting of such holders one holder present in person or by proxy (whatever the number of shares held by him) shall be a quorum. All the provisions of these Articles as to general meetings of the Company shall otherwise apply to any separate general meeting held pursuant to Article 6.1.2.
- 6.3 The special rights conferred upon the holders of any shares or class of shares shall not, unless otherwise expressly provided in the rights attaching to or the terms of issue of such shares, be deemed to be altered by the creation or issue of further shares ranking *pari passu* therewith.
- 7. SHARE CERTIFICATES**
- 7.1 The Company must issue each shareholder, free of charge, with one or more certificates in respect of the shares which that shareholder holds.
- 7.2 Every certificate must specify:
- 7.2.1 in respect of how many shares, of what class, it is issued;
  - 7.2.2 the nominal value of those shares;
  - 7.2.3 the extent to which the shares are fully paid; and
  - 7.2.4 any distinguishing numbers assigned to them.
- 7.3 No certificate may be issued in respect of shares of more than one class and if more than one person holds a share, only one certificate may be issued in respect of it.
- 7.4 Certificates must have affixed to them the Company's common seal or be otherwise executed in accordance with the 2006 Act.
- 7.5 If a certificate is damaged or defaced, or said to be lost, stolen or destroyed, that shareholder is entitled to be issued with a replacement certificate in respect of the same shares.
- 7.6 A shareholder exercising the right to be issued with such a replacement certificate:
- 7.6.1 may at the same time exercise the right to be issued with a single certificate or separate certificates;
  - 7.6.2 must return the certificate which is to be replaced to the Company if it is damaged or defaced; and

- 7.6.3 must comply with such conditions as to evidence, indemnity and the payment of a reasonable fee as the directors decide.
- 7.7 Notwithstanding the terms of Articles 7.1 to 7.6 above, where, in accordance with the terms of Article 7.8, any shares or other securities of the Company are issued, transferred, registered or otherwise dealt with in uncertificated form, any references in these Articles requiring title to shares or other securities to be evidenced by or transferred by reference to share certificates or any other form of written instrument shall not apply and the holding, transfer, recording of title to and, registration of, uncertificated securities issued by the Company will be governed by reference to the provisions of Article 7.8.
- 7.8 Nothing in these Articles shall preclude any share or other security of the Company from being issued, held, registered, converted, transferred or otherwise dealt with in an uncertificated form in accordance with the Uncertificated Securities Regulations and any rules or requirements laid down from time to time by CREST or any other relevant system operated pursuant to the Uncertificated Securities Regulations.
- 7.9 In relation to any share or other security which is in uncertificated form, these Articles shall have effect subject to the provisions of the Uncertificated Securities Regulations and (so far as consistent with them) to the following provisions:
- 7.9.1 the Company shall not be obliged to issue a certificate evidencing title to shares and all references to a certificate in respect of any shares or securities held in uncertificated form in these Articles shall be deemed inapplicable to such shares or securities which are in uncertificated form and furthermore shall be interpreted as a reference to such form of evidence of title to uncertificated shares or securities as the Uncertificated Securities Regulations prescribe or permit;
- 7.9.2 the registration of title to and transfer of any shares or securities in an uncertificated form shall be effected in accordance with the Uncertificated Securities Regulations and there shall be no requirement for a written instrument of transfer;
- 7.9.3 a properly authenticated dematerialised instruction given in accordance with the Uncertificated Securities Regulations shall be given effect in accordance with the Uncertificated Securities Regulations;
- 7.9.4 any communication required or permitted by these Articles to be given by a person to the Company may be given in accordance with and in any manner (whether or not in writing) prescribed or permitted by the Uncertificated Securities Regulations;
- 7.9.5 if a situation arises where any provision of these Articles is inconsistent in any respect with the terms of the Uncertificated Securities Regulations in relation to shares or securities of the Company which are in an uncertificated form then:
- (a) the Uncertificated Securities Regulations will be given effect thereto in accordance with their terms; and
- (b) the directors shall have power to implement any procedures they may think fit and as may accord with the Uncertificated Securities Regulations for the recording and transferring of title to shares and securities in uncertificated form and for the

regulation of those proceedings and the persons responsible for or involved in their operation;

the directors shall have the specific powers to elect, without further consultation with the holders of any shares or securities of the Company (except where such shares or securities are constituted by virtue of some other deed, document or other source), that any single or all classes of shares and securities of the Company become capable of being traded in uncertificated form in accordance with the Uncertificated Securities Regulations on CREST or any other operator of a relevant system.

## **8. SHARE TRANSFERS**

- 8.1 Shares may be transferred by means of an instrument of transfer in any usual form or any other form approved by the directors, which is executed by or on behalf of the transferor.
- 8.2 No fee may be charged for registering any instrument of transfer or other document relating to or affecting the title to any share.
- 8.3 The Company may retain any instrument of transfer which is registered.
- 8.4 The transferor remains the holder of a share until the transferee's name is entered in the register of members as holder of it.
- 8.5 The directors may refuse to register the transfer of a share, and if they do so, the instrument of transfer must be returned to the transferee with the notice of refusal unless they suspect that the proposed transfer may be fraudulent.

## **9. DESTRUCTION OF DOCUMENTS**

- 9.1 The Company may destroy:
  - 9.1.1 any share certificate which has been cancelled at any time after the expiry of one year from the date of such cancellation;
  - 9.1.2 any dividend mandate or any variation or cancellation thereof or any notification of change of name or address at any time after the expiry of two years from the date such mandate variation cancellation or notification is recorded by the Company;
  - 9.1.3 any instrument of transfer of shares which has been registered at any time after the expiry of six years from the date of registration; and
  - 9.1.4 any other documents on the basis of which any entry in the register of members is made at any time after the expiry of twelve years from the date an entry in the register of members was first made in respect of it.
- 9.2 It shall conclusively be presumed in favour of the Company that every share certificate so destroyed was a valid certificate duly and properly cancelled and that every instrument of transfer so destroyed was a valid and effective instrument duly and properly registered and that every other document destroyed hereunder was a valid and effective document in accordance with the recorded particulars thereof in the books or records of the Company PROVIDED ALWAYS that:

- 9.2.1 the foregoing provisions of this Article shall apply only to the destruction of a document in good faith and without express notice to the Company that the preservation of such document was relevant to a claim;
- 9.2.2 nothing contained in this Article shall be construed as imposing upon the Company any liability in respect of the destruction of any such document earlier than as aforesaid or in any case where the conditions of Article 9.2.1 above are not fulfilled; and
- 9.2.3 references in this Article to the destruction of any document include references to its disposal in any manner.

## **10. TRANSMISSION OF SHARES**

- 10.1 If title to a share passes to a transmittee, the Company may only recognise the transmittee as having any title to that share.
- 10.2 A transmittee who produces such evidence of entitlement to shares as the directors may properly require:
  - 10.2.1 may, subject to the Articles, choose either to become the holder of those shares or to have them transferred to another person, and
  - 10.2.2 subject to the Articles, and pending any transfer of the shares to another person, has the same rights as the holder had.
- 10.3 But transmittees do not have the right to attend or vote at a general meeting, or agree to a proposed written resolution, in respect of shares to which they are entitled, by reason of the holder's death or bankruptcy or otherwise, unless they become the holders of those shares. The Board may at any time give notice requiring the person to elect either to be registered himself or to transfer the share and if the notice is not complied with within 60 business days the Board may withhold payment of all dividends and other monies payable in respect of the share until the requirements of the notice have been complied with.
- 10.4 Transmittees who wish to become the holders of shares to which they have become entitled must notify the Company in writing of that wish.
- 10.5 If the transmittee wishes to have a share transferred to another person, the transmittee must execute an instrument of transfer in respect of it.
- 10.6 Any transfer made or executed under this Article is to be treated as if it were made or executed by the person from whom the transmittee has derived rights in respect of the share, and as if the event which gave rise to the transmission had not occurred.
- 10.7 If a notice is given to a shareholder in respect of shares and a transmittee is entitled to those shares, the transmittee is bound by the notice if it was given to the shareholder before the transmittee's name has been entered in the register of members.

## **11. COMPULSORY TRANSFERS AND UNTRACED SHAREHOLDERS**

- 11.1 If any shares remain registered in the name of a deceased shareholder for longer than one year after the date of his death, the directors may require the legal personal representatives of that deceased shareholder either:

- 11.1.1 to effect a transfer of those shares; or
  - 11.1.2 to show, to the satisfaction of the directors, that a transfer will be effected before (or promptly on) the completion of the administration of the estate of the deceased shareholder.
- 11.2 If either Articles 11.1.1 or 11.1.2 are not fulfilled to the satisfaction of the directors, the legal personal representatives shall be deemed to appoint any person nominated by the Company as its agent and attorney to execute an instrument of transfer of the share or in the case of a share for the time being in uncertificated form to take such other steps in the name of the holder as may be necessary to transfer the shares. The instrument or steps (as the case may be) shall be as effective as if it had been executed by the person entitled by transmission to the share. The Company shall account to the shareholder or other person entitled to such shares for the net proceeds of such sale and shall be deemed to be his debtor and not a trustee for him in respect of the same and no interest shall be payable by the Company to the shareholder or other person entitled to such shares.
- 11.3 If a shareholder is adjudged bankrupt or makes any arrangement or composition with his creditors generally then that shareholder shall immediately be deemed to appoint any person nominated by the Company as its agent and attorney to execute an instrument of transfer of the share or in the case of a share for the time being in uncertificated form to take such other steps in the name of the holder as may be necessary to transfer the shares. The instrument or steps (as the case may be) shall be as effective as if it had been executed by the shareholder entitled to the share. The Company shall account to the shareholder or other person entitled to such shares for the net proceeds of such sale and shall be deemed to be his debtor and not a trustee for him in respect of the same and no interest shall be payable by the Company to the shareholder or other person entitled to such shares.
- 11.4 If a shareholder that is a company suffers or resolves for the appointment of a liquidator, administrator or administrative receiver over it (or a material part of its business) or enters into a composition or arrangement with its creditors generally, then that shareholder shall immediately be deemed to appoint any person nominated by the Company as its agent and attorney to execute an instrument of transfer of the share or in the case of a share for the time being in uncertificated form to take such other steps in the name of the holder as may be necessary to transfer the shares. The instrument or steps (as the case may be) shall be as effective as if it had been executed by the shareholder entitled to the share. The Company shall account to the shareholder or other person entitled to such shares for the net proceeds of such sale and shall be deemed to be his debtor and not a trustee for him in respect of the same and no interest shall be payable by the Company to the shareholder or other person entitled to such shares.
- 11.5 If on two consecutive occasions dividend warrants and/or notices have been sent through the post to any shareholder at his registered address or his address for the service of notices but have been left uncashed and/or returned undelivered or if, after one such occasion reasonable enquiries have failed to establish any new address of the registered shareholder, such shareholder shall not thereafter be entitled to receive dividend warrants and/or notices by post from the Company until he shall have communicated with the Company and supplied in writing to the office a new registered address or address within the United Kingdom for service of the notices.

## 12. **LIEN**

- 12.1 The Company shall have a first and paramount lien on every share (not being a fully paid share) for all moneys (whether presently payable or not) payable at a fixed time or called in respect of that share. The directors may at any time declare any share to be wholly or in part exempt from the provisions of this regulation. The Company's lien on a share shall extend to all moneys payable in respect of it.
- 12.2 The Company may sell in such manner as the directors determine any shares on which the Company has a lien if a sum in respect of which the lien exists is presently payable and is not paid within fourteen clear days after notice has been given to the holder of the share or the person entitled to it by reason of the death or bankruptcy of the holder demanding payment of the sum presently payable and stating that if the notice is not complied with the shares may be sold.
- 12.3 To give effect to a sale the directors may authorise some person to execute an instrument of transfer of the shares sold, or in the case of shares for the time being in uncertificated form to take such other steps in the name of the holder as may be necessary to transfer the shares sold to, or in accordance with the directions of, the purchaser. The purchaser shall be registered as the holder of the share and he shall not be bound to see the application of the purchase money. The title of the transferee to the shares shall not be affected by any irregularity in or invalidity of the proceedings in reference to the sale.
- 12.4 The net proceeds of the sale, after payment of the costs, shall be applied in payment of so much of the sum for which the lien exists as is presently payable, and any residue shall, in the case of shares in certificated form (upon surrender to the Company for cancellation of the certificate for the shares sold and subject to a like lien for any moneys not presently payable as existed upon the shares before the sale) be paid to the person entitled to the shares immediately before the date of the sale.

## 13. **CALLS ON SHARES AND FORFEITURE**

- 13.1 Subject to the provisions of these Articles and to the terms of issue, the directors may make calls upon the shareholders in respect of any moneys unpaid on their shares and not by the terms of issue thereof made payable at a date fixed by or in accordance with such terms of issue (whether in respect of nominal value or premium) and each shareholder shall (subject to receiving at least fourteen clear days' notice specifying when and where payment is to be made) pay to the Company as required by the notice the amount called on his shares. A call may be required to be paid by instalments. A call may, before receipt by the Company of a sum due thereunder, be revoked in whole or in part and payment of a call may be postponed in whole or part. A shareholder shall remain liable for calls made upon him notwithstanding the subsequent transfer of the shares in respect whereof the call was made.
- 13.2 A call shall be deemed to have been made at the time when the resolution of the directors authorising the call was passed.
- 13.3 The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
- 13.4 If a call remains unpaid after it has become due and payable the person from whom the sum is due shall pay interest on the unpaid sum from the day it became due until it is paid at the rate fixed by the terms of allotment of the share

or in the notice of the call or, if no rate is fixed, at such rate not exceeding 15 per cent per annum as the directors may determine but the directors may waive payment of the interest wholly or in part. The Company may also recover any costs, charges and expenses incurred by reason of the non-payment of any call.

- 13.5 A sum payable in respect of a share on allotment or at any fixed date, whether in respect of nominal value or premium or as an instalment of a call, shall be deemed to be a call and if it is not paid the provisions of these Articles shall apply as if that sum had become due and payable by virtue of a call.
- 13.6 Subject to the terms of allotment the directors may on the issue of shares differentiate between the allottees or holders as to the amount of calls to be paid and the times of payment.
- 13.7 The directors may receive from any shareholder willing to advance the same all or any part of the money unpaid upon the shares held by him beyond the sums actually called up thereon as a payment in advance of calls, and such payment in advance of calls shall extinguish, so far as the same shall extend, the liability upon the shares in respect of which it is advanced, and the Company may pay interest upon the money so received, or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which it has been received, at such rate as the shareholder paying such sum and the directors agree; but provided that any such payment in advance of calls shall not entitle the holder of the shares to participate in respect thereof in a dividend subsequently declared by reference to a record date earlier than the due date for the call. The directors may repay any amount paid in advance of the call, upon giving the shareholder concerned at least three months' notice in writing.
- 13.8 If a call or instalment of a call remains unpaid after it has become due and payable the directors may give to the person from whom it is due not less than fourteen clear days' notice requiring payment of the amount unpaid together with any interest which may have accrued. The notice shall name the place where payment is to be made and shall state that if the notice is not complied with the shares in respect of which the call was made or instalment is payable will be liable to be forfeited.
- 13.9 If the notice is not complied with any share in respect of which it was given may, before the payment required by the notice has been made, be forfeited by a resolution of the directors and the forfeiture shall include all dividends or other moneys payable in respect of the forfeited shares and not paid before the forfeiture. Where any share has been forfeited in accordance with these Articles, the Company will serve a notice of forfeiture on the person who was the holder of the share before forfeiture. The accidental omission to give notice or the non-receipt of notice will not invalidate the forfeiture.
- 13.10 Subject to the provisions of the 2006 Act, a forfeited share may be sold, re-allotted or otherwise disposed of on such terms and in such manner as the directors determine either to the person who was before the forfeiture the holder or to any other person upon such terms and in such manner as the directors think fit and at any time before a sale, re-allotment or other disposition the forfeiture may be annulled by the directors on such terms as they think fit. Where for the purposes of its disposal a forfeited share is to be transferred to any person the directors may authorise some person to execute an instrument of transfer of the share, or in the case of a share for the time being in uncertificated form to take such steps in the name of the holder as may be necessary to transfer the share to that person.

13.11 A person any of whose shares have been forfeited shall cease to be a shareholder in respect of them and, in the case of shares in certificated form shall surrender to the Company for cancellation the certificate for the shares forfeited but shall remain liable to the Company for all moneys which at the date of forfeiture were presently payable by him to the Company in respect of those shares with interest at such rate as may be fixed by the terms of allotment of the share or in the notice of the call or, if no rate is fixed, at the appropriate rate (as defined in the 2006 Act) from the date of forfeiture until payment but the directors may waive payment wholly or in part or enforce payment without any allowance for the value of the shares at the time of forfeiture or for any consideration received on their disposal. Forfeiture of a share shall extinguish all interest and all claims and demands against the Company in respect of that share.

13.12 A statutory declaration by a director or the secretary that a share has been forfeited on a specified date shall be conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share and the declaration shall (subject to the execution of an instrument of transfer if necessary) constitute a good title to the share and the person to whom the share is disposed of shall not be bound to see to the application of the consideration, if any, nor shall his title to the share be affected by any irregularity in the proceedings in reference to the forfeiture or disposal of the share.

#### 14. **DRAG ALONG**

14.1 If the holders of 75% of the shares in issue for the time being ("**Selling Shareholders**") wish to transfer all of their interest in shares ("**Sellers' Shares**") to a bona fide arm's length purchaser ("**Proposed Buyer**"), the Selling Shareholders have the option to require all the other holders of shares ("**Called Shareholders**") to sell and transfer all their shares to the Proposed Buyer (or as the Proposed Buyer directs) in accordance with the provisions of this Article ("**Drag Along Option**").

14.2 The Selling Shareholders may exercise the Drag Along Option by giving written notice to that effect ("**Drag Along Notice**") at any time before the transfer of the Sellers' Shares to the Proposed Buyer. The Drag Along Notice shall specify that:

14.2.1 the Called Shareholders are required to transfer all their shares ("**Called Shares**") pursuant to this Article 14;

14.2.2 the person to whom the Called Shares are to be transferred;

14.2.3 the consideration payable for the Called Shares calculated in accordance with Article 14.4; and

14.2.4 the proposed date of the transfer.

14.3 Once issued, a Drag Along Notice shall be irrevocable. However, a Drag Along Notice shall lapse if, for any reason, the Selling Shareholders have not sold the Sellers' Shares to the Proposed Buyer within 15 business days of serving the Drag Along Notice. The Selling Shareholders may serve further Drag Along Notices following the lapse of any particular Drag Along Notice.

14.4 The Called Shareholders shall sell each Called Share for the same price per share as that proposed to be paid by the Proposed Buyer for each of the Sellers' Shares.

14.5 No Drag Along Notice shall require a Called Shareholder to agree to any terms except those specifically set out in this Article 14.

- 14.6 Completion of the sale of the Called Shares shall take place on the same date as the date proposed for completion of the sale of the Sellers' Shares unless all of the Called Shareholders and the Selling Shareholders agree otherwise.
- 14.7 On the completion date determined in accordance with Article 14.6, the Called Shareholders shall deliver stock transfer forms for the Called Shares, together with the relevant share certificate (or a suitable indemnity for any lost share certificate) to the Company (or, in the case of a share in uncertificated form such other steps as may be necessary to sell the Shares) and, against delivery of such documents, the Company shall pay the Called Shareholders, on behalf of the Proposed Buyer, the amounts they are due pursuant to Article 14.4 to the extent that the Proposed Buyer has put the Company in the requisite funds. The Company's receipt for the price shall be a good discharge to the Proposed Buyer. The Company shall hold the amounts due to the Called Shareholders pursuant to Article 14.4 in trust for the Called Shareholders without any obligation to pay interest.
- 14.8 To the extent that the Proposed Buyer has not, on the completion date determined in accordance with Article 14.6, put the Company in funds to pay the consideration due pursuant to Article 14.4, the Called Shareholders shall be entitled to the return of the stock transfer form and share certificate (or suitable indemnity) for the relevant Called Shares (or such other documents as are delivered by any holder of uncertificated shares) and the Called Shareholders shall have no further obligations under this Article in respect of their shares.
- 14.9 If any Called Shareholder does not, on completion of the Called Shares, execute transfer(s) in respect of all of the Called Shares led by him, the defaulting Called Shareholder shall be deemed to have irrevocably appointed any person nominated for the purpose by the Selling Shareholders to be their agent to execute all necessary transfer(s) on his behalf and, against receipt by the Company (on trust for such holder) of the consideration payable for the Called Shares, deliver such transfer(s) to the Proposed Buyer (or as they may direct) as the holder thereof. After the Proposed Buyer (or their nominee) has been registered as the holder, the validity of such proceedings shall not be questioned by any such person. Failure to produce a share certificate shall not impede the registration of shares under this Article 14.
- 14.10 Following the issue of a Drag Along Notice, on any person becoming a shareholder of the Company pursuant to the exercise of a pre-existing option to acquire shares or on the conversion of any convertible security of the Company (a "**New Shareholder**"), a Drag Along Notice shall be deemed to have been served on the New Shareholder on the same terms as the previous Drag Along Notice. The New Shareholder shall then be bound to sell and transfer all shares acquired by him to the Proposed Buyer (or as the Proposed Buyer may direct) and the provisions of this Article 14 shall apply with the necessary changes to the New Shareholder, except that completion of the sale of the shares shall take place immediately on the Drag Along Notice being deemed served on the New Shareholder.

## 15. **GENERAL MEETINGS**

### 15.1 **Attendance and speaking at general meetings**

- 15.1.1 A person is able to exercise the right to speak at a general meeting when that person is in a position to communicate to all those attending the meeting, during the meeting, any information or opinions which that person has on the business of the meeting.

- 15.1.2 A person is able to exercise the right to vote at a general meeting when:
- (a) that person is able to vote, during the meeting, on resolutions put to the vote at the meeting; and
  - (b) that person's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting.
- 15.1.3 The directors may make whatever arrangements they consider appropriate to enable those attending a general meeting to exercise their rights to speak or vote at it.
- 15.1.4 In determining attendance at a general meeting, it is immaterial whether any two or more shareholders attending it are in the same place as each other.
- 15.1.5 Two or more persons who are not in the same place as each other attend a general meeting if their circumstances are such that if they have (or were to have) rights to speak and vote at that meeting, they are (or would be) able to exercise them.
- 15.1.6 Unless the directors otherwise determine, no shareholder shall be entitled to receive notice of or to vote at any general meeting, either in person or by proxy, in respect of any share held by him unless all monies presently payable by him in respect of that share have been paid.

## 15.2 **Quorum for general meetings**

No business other than the appointment of the chairman of the meeting is to be transacted at a general meeting if the persons attending it do not constitute a quorum. Two persons entitled to vote upon the business to be transacted, each being a shareholder or a proxy for a shareholder or a duly authorised representative of a corporation, shall be a quorum.

## 15.3 **Chairing general meetings**

- 15.3.1 If the directors have appointed a chairman, the chairman shall chair general meetings if present and willing to do so.
- 15.3.2 If the directors have not appointed a chairman, or if the chairman is unwilling to chair the meeting or is not present within ten minutes of the time at which a meeting was due to start:
- (a) the directors present; or
  - (b) (if no directors are present), the meeting;
- must appoint a director or shareholder to chair the meeting, and the appointment of the chairman of the meeting must be the first business of the meeting.
- 15.3.3 The person chairing a meeting in accordance with this Article is referred to as "the chairman of the meeting".

#### 15.4 **Attendance and speaking by directors and non-shareholders**

15.4.1 Directors may attend and speak at general meetings, whether or not they are shareholders.

15.4.2 The chairman of the meeting may permit other persons who are not:

- (a) shareholders of the Company; or
- (b) otherwise entitled to exercise the rights of shareholders in relation to general meetings;

to attend and speak at a general meeting.

#### 15.5 **Adjournment**

15.5.1 If the persons attending a general meeting within half an hour of the time at which the meeting was due to start do not constitute a quorum, or if during a meeting a quorum ceases to be present, the chairman of the meeting must adjourn it.

15.5.2 The chairman of the meeting may adjourn a general meeting at which a quorum is present if:

- (a) the meeting consents to an adjournment; or
- (b) it appears to the chairman of the meeting that an adjournment is necessary to protect the safety of any person attending the meeting or ensure that the business of the meeting is conducted in an orderly manner.

15.5.3 The chairman of the meeting must adjourn a general meeting if directed to do so by the meeting.

15.5.4 When adjourning a general meeting, the chairman of the meeting must:

- (a) either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the directors; and
- (b) have regard to any directions as to the time and place of any adjournment which have been given by the meeting.

15.5.5 If the continuation of an adjourned meeting is to take place more than 14 business days after it was adjourned, the Company must give at least 7 clear days' notice of it (that is, excluding the day of the adjourned meeting and the day on which the notice is given):

- (a) to the same persons to whom notice of the Company's general meetings is required to be given; and
- (b) containing the same information which such notice is required to contain.

15.5.6 No business may be transacted at an adjourned general meeting which could not properly have been transacted at the meeting if the adjournment had not taken place.

## 15.6 **Voting at general meetings**

A resolution put to the vote of a general meeting must be decided on a show of hands unless a poll is duly demanded in accordance with the Articles. In the case of joint holders the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders; and seniority shall be determined by the order in which the names of the holders stand in the register of members.

## 15.7 **Errors and disputes**

15.7.1 No objection may be raised to the qualification of any person voting at a general meeting except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting is valid.

15.7.2 Any such objection must be referred to the chairman of the meeting, whose decision is final.

## 15.8 **Poll votes**

15.8.1 A poll on a resolution may be demanded:

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

15.8.2 A poll may be demanded by:

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

15.8.3 A demand for a poll may be withdrawn if:

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

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

## 15.9 **Content of proxy notices**

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

## 15.10 **Delivery of proxy notices**

- 15.10.1 A person who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a general meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid proxy notice has been delivered to the Company by or on behalf of that person.
- 15.10.2 An appointment under a proxy notice may be revoked by delivering to the Company a notice in writing given by or on behalf of the person by whom or on whose behalf the proxy notice was given.
- 15.10.3 A notice revoking a proxy appointment only takes effect if it is delivered before the start of the meeting or adjourned meeting to which it relates.
- 15.10.4 If a proxy notice is not executed by the person appointing the proxy, it must be accompanied by written evidence of the authority of the person who executed it to execute it on the appointor's behalf.

## 15.11 Amendments to resolutions

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

## 16. REPRESENTATION OF CORPORATIONS

Any corporation being a shareholder may, by resolution of its directors or other governing body, authorise such person as it thinks fit to act as its representative (or, as the case may be, representatives) at any general meeting of the Company or any class meeting of the shareholders of the Company. A person so authorised shall be entitled to exercise the same powers on behalf of the grantor as the grantor could exercise if it were an individual shareholder of the Company and each person so authorised shall, if present at any such meeting, for the purpose of these Articles be deemed to be a shareholder present in person at such meeting.

## 17. ALTERNATE DIRECTORS

- 17.1 Any director (other than an alternate director) may appoint any other director, or any other person approved by the directors, to be an alternate director and may remove from office an alternate director so appointed by him. An alternate director shall cease to be an alternate director if his appointor ceases to be a director. Every appointment and removal of an alternate director shall be in writing executed by the director making or revoking the appointment and (in the case of an appointment) by the person appointed and shall be deposited at the office or tendered at a meeting of the directors or in any other manner approved by the directors.
- 17.2 An alternate director shall be entitled to receive notices of all meetings of directors, to attend and vote at any such meeting 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.

- 17.3 Every person acting as an alternate director shall (save as regards the power to appoint an alternate director and remuneration) be subject in all respects to the provisions of these Articles relating to directors and shall alone be responsible for his own acts and defaults and he shall not be deemed to be the agent of the director appointing him. The remuneration of any alternate director shall be payable out of the remuneration payable to the director appointing him, and shall consist of such part (if any) of the last-mentioned remuneration as shall be agreed between the alternate director and the director appointing him.

## 18. **POWERS OF DIRECTORS**

### 18.1 **Directors' general authority**

Subject to the Articles, the directors are responsible for the management of the Company's business, for which purpose they may exercise all the powers of the Company.

### 18.2 **Shareholders' reserve power**

18.2.1 The shareholders may, by special resolution, direct the directors to take, or refrain from taking, specified action.

18.2.2 No such special resolution invalidates anything which the directors have done before the passing of the resolution.

### 18.3 **Directors may delegate**

18.3.1 Subject to the Articles, the directors may delegate any of the powers which are conferred on them under the Articles:

- (a) to such person or committee;
- (b) by such means (including by power of attorney);
- (c) to such an extent;
- (d) in relation to such matters or territories; and
- (e) on such terms and conditions;

as they think fit.

18.3.2 If the directors so specify, any such delegation may authorise further delegation of the directors' powers by any person to whom they are delegated.

18.3.3 The directors may revoke any delegation in whole or part, or alter its terms and conditions.

### 18.4 **Committees**

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

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

### 18.5 **Directors to take decisions collectively**

18.5.1 The general rule about decision-making by directors is that any decision of the directors must be either a majority decision at a meeting or a decision taken in accordance with Article 18.6.

18.5.2 If:

- (a) the Company only has one director; and
- (b) no provision of the Articles requires it to have more than one director;

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

### 18.6 **Unanimous decisions**

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

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

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

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

### 18.7 **Calling a directors' meeting**

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

18.7.2 Notice of any directors' meeting must indicate:

- (a) its proposed date and time;
- (b) where it is to take place; and
- (c) if it is anticipated that directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting.

18.7.3 Notice of a directors' meeting must be given to each director, but need not be in writing. A director absent or intending to be absent from the United Kingdom may request the directors that notice of meetings of

directors shall, during his absence, be sent in writing to him at an address given by him to the Company for that purpose, but in the absence of any such request it shall not be necessary to give notice of a meeting to a director who is absent from the United Kingdom.

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

## **18.8 Participation in directors' meetings**

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

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

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

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

## **18.9 Quorum for directors' meetings**

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

- 18.9.2 The quorum for directors' meetings may be fixed from time to time by a decision of the directors, but it must never be less than two, and unless otherwise fixed it is two.

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

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

## **18.10 Chairing of directors' meetings**

- 18.10.1 The directors may appoint a director to chair their meetings.

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

- 18.10.3 The directors may terminate the chairman's appointment at any time.

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

#### **18.11 Casting vote**

18.11.1 If the numbers of votes for and against a proposal are equal, the chairman or other director chairing the meeting has a casting vote.

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

#### **18.12 Directors' discretion to make further rules**

Subject to the Articles, the directors may make any rule which they think fit about how they take decisions, and about how such rules are to be recorded or communicated to directors.

#### **18.13 Methods of appointing directors**

18.13.1 Any person who is willing to act as a director, and is permitted by law to do so, may be appointed to be a director:

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

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

18.13.3 For the purposes of Article 18.13.2, where 2 or more shareholders die in circumstances rendering it uncertain who was the last to die, a younger shareholder is deemed to have survived an older shareholder.

#### **18.14 Termination of director's appointment**

18.14.1 A person ceases to be a director as soon as:

- (a) that person ceases to be a director by virtue of any provision of the 2006 Act or is prohibited from being a director by law;
- (b) a bankruptcy order is made against that person;
- (c) a composition is made with that person's creditors generally in satisfaction of that person's debts;
- (d) a registered medical practitioner who is treating that person gives a written opinion to the Company stating that that person has become physically or mentally incapable of acting as a director and may remain so for more than three months;
- (e) by reason of that person's mental health, a court makes an order which wholly or partly prevents that person from

personally exercising any powers or rights which that person would otherwise have;

- (f) notification is received by the Company from the director that the director is resigning from office, and such resignation has taken effect in accordance with its terms.

#### **18.15 Directors' remuneration**

- 18.15.1 Directors may undertake any services for the Company that the directors decide.
- 18.15.2 Directors are entitled to such remuneration as the directors determine:
  - (a) for their services to the Company as directors; and
  - (b) for any other service which they undertake for the Company.
- 18.15.3 Subject to the Articles, a director's remuneration may:
  - (a) take any form; and
  - (b) include any arrangements in connection with the payment of a pension, allowance or gratuity, or any death, sickness or disability benefits, to or in respect of that director.
- 18.15.4 Unless the directors decide otherwise, directors' remuneration accrues from day to day.
- 18.15.5 Unless the directors decide otherwise, directors are not accountable to the Company for any remuneration which they receive as directors or other officers or employees of the Company's subsidiaries or of any other body corporate in which the Company is interested.

#### **18.16 Directors' expenses**

- 18.16.1 The Company may pay any reasonable expenses which the directors properly incur in connection with their attendance at:
  - (a) meetings of directors or committees of directors;
  - (b) general meetings; or
  - (c) separate meetings of the holders of any class of shares or of debentures of the Company;

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

#### **19. CONFLICTS OF INTEREST OF DIRECTORS**

- 19.1 Subject to the provisions of the 2006 Act and provided that he has previously disclosed the nature and extent of such duty or interest to the directors in accordance with the provisions of the 2006 Act, a director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the Company:

- 19.1.1 may vote at a Board meeting (or any committee of the directors), and form part of a quorum present at that meeting, or participate in any decision making of the directors in relation to such transaction or arrangement with the Company;
  - 19.1.2 may be a party to, or otherwise interested in, any such transaction or arrangement; and
  - 19.1.3 shall not, save as he may otherwise agree, be accountable to the Company for any benefit which he (or a person connected with him) derives from any such transaction or arrangement and no such transaction or arrangement shall be liable to be avoided on the grounds of any such interest nor shall the receipt of any remuneration or other benefit constitute a breach of his duty under section 176 of the 2006 Act.
- 19.2 For the purposes of section 175 of the 2006 Act, the directors shall have the power to authorise any matter which would or might otherwise constitute or give rise to a breach of the duty of a director under that section to avoid a situation in which he has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company.
- 19.3 Authorisation of a matter under Article 19.2 shall be effective only if:
- 19.3.1 the matter in question shall have been proposed in writing for consideration at a meeting of the directors or in accordance with the Board's normal procedures or in such other manner as the directors may approve;
  - 19.3.2 any requirement as to the quorum at the meeting of the directors at which the matter is considered is met without counting the director in question and any other interested director (together the "**Interested Directors**") save that if there are only two directors holding office, the quorum for that part of the meeting at which the matter is to be authorised under Article 19.2, shall be any director who is not interested in the matter and Article 18.9.2 of these Articles shall be amended accordingly;
  - 19.3.3 the matter was agreed to without the Interested Directors voting or would have been agreed to if the votes of the Interested Directors had not been counted; and
  - 19.3.4 in taking the decision, the directors act in a way they consider, in good faith, will be most likely to promote the Company's success.
- 19.4 Any authorisation of a matter pursuant to Article 19.2 shall extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter so authorised.
- 19.5 Any authorisation of a matter under Article 19.2 shall be subject to such conditions or limitations as the directors (excluding the Interested Directors) may determine, whether at the time such authorisation is given or subsequently, and may be varied or terminated by the directors (excluding the Interested Directors) at any time. Such conditions or limitations may include (without limitation):
- 19.5.1 (without prejudice to a director's general obligations of confidentiality) the application to the Interested Director of a strict duty of

confidentiality to the Company for any confidential information of the Company in relation to the matter;

- 19.5.2 the exclusion of the Interested Director from all information relating to, and discussion by the Company of, the matter; and
  - 19.5.3 that, where the Interested Director obtains (other 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 it to the Company or to use it in relation to the Company's affairs in circumstances where to do so would amount to a breach of that confidence.
- 19.6 A director shall comply with any obligations imposed on him by the directors pursuant to any such authorisation.
- 19.7 A director shall not, save as otherwise agreed by him, be accountable to the Company for any benefit which he (or a person connected with him) derives from any matter authorised by the directors under Article 19.2 and any contract, transaction or arrangement relating thereto shall not be liable to be avoided on the grounds of any such benefit.
- 19.8 Subject to compliance by him with his duties as a director under Part 10 of the 2006 Act (other than the duty in section 175(1) of the 2006 Act which is the subject of this Article 19.8), a director (including the chairman of the Board (if any) and any other non-executive director) may, at any time:
- 19.8.1 be an officer of, employed by, or hold shares or other securities (whether directly or indirectly) in, the Company; or
  - 19.8.2 be a director or other officer of, employed by or hold shares or other securities (whether directly or indirectly) in, or otherwise be interested, whether directly or indirectly, in any other Group Company,
- (in either case a "**Group Company Interest**") and notwithstanding his office or the existence of an actual or potential conflict between any Group Company Interest and the interests of the Company which would fall within the ambit of that section 175(1), the relevant director:
- (a) shall be entitled to attend any meeting or part of a meeting of the directors or a committee of the directors at which any matter which may be relevant to the Group Company Interest may be discussed, and to vote on any resolution of the directors or a committee thereof relating to such matter, and any board papers relating to such matter shall be provided to the relevant director at the same time as the other directors (save that a director may not vote on any resolution in respect of matters relating to his employment with the Company or other Group Company);
  - (b) shall not, save as otherwise agreed by him, be accountable to the Company for any benefit which he (or a person connected with him) derives in consequence of any Group Company Interest and any contract, transaction or arrangement relating to a Group Company Interest shall not be liable to be avoided on the grounds of any such benefit; and

- (c) will not be obliged to disclose to the Company or use for the benefit of the Company any confidential information received by him by virtue of his Group Company Interest and otherwise than by virtue of his position as a director, if to do so would breach any duty of confidentiality to any other Group Company or third party.

19.9 Any director who has a Group Company Interest shall, as soon as reasonably practicable following the relevant interest arising, disclose to the Board the existence of such interest and the nature and extent of such interest so far as the relevant director is able at the time the disclosure is made provided that no such disclosure is required to be made of any matter in respect of which the relevant director owes any duty of confidentiality to any third party. A disclosure made to the Board under this Article 19.9 may be made either at a meeting of the Board or by notice in writing to the Company marked for the attention of the directors.

19.10 Notwithstanding the provisions of Article 19.2, the directors (excluding the Interested Directors) may at any time impose such conditions or limitations on the authorisations given under Article 19.2 and may vary or terminate any such authorisations in respect of a particular Group Company Interest.

## 20. **SECRETARY**

The secretary shall be appointed by the directors for such term, at such remuneration and upon such conditions as they think fit and any secretary so appointed may be removed by the directors and not replaced.

## 21. **COMPANY SEALS**

21.1 Any common seal may only be used by the authority of the directors.

21.2 The directors may decide by what means and in what form any common seal is to be used.

21.3 Unless otherwise decided by the directors, if the Company has a common seal and it is affixed to a document, the document must also be signed by at least one authorised person in the presence of a witness who attests the signature.

21.4 For the purposes of this Article, an authorised person is:

21.4.1 any director of the Company;

21.4.2 the company secretary (if any); or

21.4.3 any person authorised by the directors for the purpose of signing documents to which the common seal is applied.

## 22. **PROVISION FOR EMPLOYEES ON CESSATION OF BUSINESS**

The directors may decide to make provision for the benefit of persons employed or formerly employed by the Company or any of its subsidiaries (other than a director or former director or shadow director) in connection with the cessation or transfer to any person of the whole or part of the undertaking of the Company or that subsidiary.

## 23. **NO RIGHT TO INSPECT ACCOUNTS AND OTHER RECORDS**

Except as provided by law or authorised by the directors or an ordinary resolution of the Company, no person is entitled to inspect any of the Company's accounting or other records or documents merely by virtue of being a shareholder.

## 24. **DIVIDENDS**

### 24.1 **Procedure for declaring dividends**

- 24.1.1 The Company may by ordinary resolution declare dividends, and the directors may decide to pay interim dividends.
- 24.1.2 A dividend must not be declared unless the directors have made a recommendation as to its amount. Such a dividend must not exceed the amount recommended by the directors.
- 24.1.3 No dividend may be declared or paid unless it is in accordance with shareholders' respective rights.
- 24.1.4 Unless the shareholders' resolution to declare or directors' decision to pay a dividend, or the terms on which shares are issued, specify otherwise, it must be paid by reference to each shareholder's holding of shares on the date of the resolution or decision to declare or pay it.
- 24.1.5 If the Company's share capital is divided into different classes, no interim dividend may be paid on shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrear.
- 24.1.6 The directors may pay at intervals any dividend payable at a fixed rate if it appears to them that the profits available for distribution justify the payment.
- 24.1.7 If the directors act in good faith, they do not incur any liability to the holders of shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on shares with deferred or non-preferred rights.

### 24.2 **Calculation of dividends**

- 24.2.1 Except as otherwise provided by the Articles or the rights attached to shares, all dividends must be:
  - (a) declared and paid according to the amounts paid up on the shares on which the dividend is paid, and
  - (b) apportioned and paid proportionately to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid.
- 24.2.2 If any share is issued on terms providing that it ranks for dividend as from a particular date, that share ranks for dividend accordingly.
- 24.2.3 For the purposes of calculating dividends, no account is to be taken of any amount which has been paid up on a share in advance of the due date for payment of that amount.

### 24.3 **Payment of dividends and other distributions**

24.3.1 Where a dividend or other sum which is a distribution is payable in respect of a share, it must be paid by one or more of the following means:

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

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

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

### 24.4 **Deductions from distributions in respect of sums owed to the Company**

24.4.1 If:

- (a) a share is subject to the Company's lien, and
- (b) the directors are entitled to issue a lien enforcement notice in respect of it,

they may, instead of issuing a lien enforcement notice, deduct from any dividend or other sum payable in respect of the share any sum of money which is payable to the Company in respect of that share to the extent that they are entitled to require payment under a lien enforcement notice.

24.4.2 Money so deducted must be used to pay any of the sums payable in respect of that share.

24.4.3 The Company must notify the distribution recipient in writing of:

- (a) the fact and amount of any such deduction;

- (b) any non-payment of a dividend or other sum payable in respect of a share resulting from any such deduction; and
- (c) how the money deducted has been applied.

#### 24.5 **No interest on distributions**

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

- 24.5.1 the terms on which the share was issued, or
- 24.5.2 the provisions of another agreement between the holder of that share and the Company.

#### 24.6 **Unclaimed distributions**

- 24.6.1 All dividends or other sums which are:
  - (a) payable in respect of shares, and
  - (b) unclaimed after having been declared or become payable,may be invested or otherwise made use of by the directors for the benefit of the Company until claimed.
- 24.6.2 The payment of any such dividend or other sum into a separate account does not make the Company a trustee in respect of it.
- 24.6.3 If:
  - (a) twelve years have passed from the date on which a dividend or other sum became due for payment, and
  - (b) the distribution recipient has not claimed it,the distribution recipient is no longer entitled to that dividend or other sum and it ceases to remain owing by the Company.

#### 24.7 **Non-cash distributions**

- 24.7.1 Subject to the terms of issue of the share in question, the Company may, by ordinary resolution on the recommendation of the directors, decide to pay all or part of a dividend or other distribution payable in respect of a share by transferring non-cash assets of equivalent value (including, without limitation, shares or other securities in any Company).
- 24.7.2 If the shares in respect of which such a non-cash distribution is paid are uncertificated, any shares in the Company which are issued as a non-cash distribution in respect of them must be uncertificated.
- 24.7.3 For the purposes of paying a non-cash distribution, the directors may make whatever arrangements they think fit, including, where any difficulty arises regarding the distribution:
  - (a) fixing the value of any assets;

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

#### 24.8 **Waiver of distributions**

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

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

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

#### 25. **CAPITALISATION OF PROFITS**

25.1 The directors may, if they are so authorised by an ordinary resolution:

25.1.1 decide to capitalise any profits of the Company (whether or not they are available for distribution) which are not required for paying a preferential dividend, or any sum standing to the credit of the Company's share premium account or capital redemption reserve; and

25.1.2 appropriate any sum which they so decide to capitalise (a "**capitalised sum**") to the persons who would have been entitled to it if it were distributed by way of dividend (the "**persons entitled**") and in the same proportions.

25.2 Capitalised sums must be applied:

25.2.1 on behalf of the persons entitled, and

25.2.2 in the same proportions as a dividend would have been distributed to them.

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

25.4 A capitalised sum which was appropriated from profits available for distribution may be applied:

25.4.1 in or towards paying up any amounts unpaid on existing shares held by the persons entitled, or

25.4.2 in paying up new debentures of the Company which are then allotted credited as fully paid to the persons entitled or as they may direct.

25.5 The directors may:

- 25.5.1 apply capitalised sums in accordance with paragraphs 25.3 and 25.4 partly in one way and partly in another;
- 25.5.2 make such arrangements as they think fit to deal with shares or debentures becoming distributable in fractions under this Article (including the issuing of fractional certificates or the making of cash payments); and
- 25.5.3 authorise any person to enter into an agreement with the Company on behalf of all the persons entitled which is binding on them in respect of the allotment of shares and debentures to them under this Article.

## 26. **COMMUNICATION**

- 26.1 Any document or information required or permitted to be given by or to the Company, any shareholders and directors under these Articles or the 2006 Act, other than a notice convening a meeting of the directors, shall, unless otherwise specified in these Articles, be in writing and, subject to the 2006 Act and any specific requirements of these Articles, may be given:
  - 26.1.1 personally or by sending it by post or other delivery service in a prepaid envelope addressed to the recipient at its registered address, or any other address notified to the sender for the time being for the service of documents or information, or by leaving it at any such address or by any other means authorised in writing by the recipient concerned;
  - 26.1.2 by sending it in electronic form to an address for the time being notified to the sender by the recipient for that purpose;
  - 26.1.3 in the case of any document or information to be given by the Company, by making it available on a website.
- 26.2 If properly addressed, a document or information sent or supplied by the Company in accordance with Article 26.1 shall be deemed to be received:
  - 26.2.1 in the case of a document or information delivered personally or left at the recipient's address, when delivered or left;
  - 26.2.2 in the case of a document or information sent by post or other delivery service, 48 hours after sending;
  - 26.2.3 in the case of a document or information sent by electronic means, 48 hours after sending;
  - 26.2.4 in the case of a document or information made available on a website:
    - (a) when the document or information was first made available on the website; or
    - (b) if later, when the recipient received (or is deemed to have received) notice of the fact that the document or information was made available on the website.
- 26.3 In the case of documents or information sent or supplied by the Company, proof that an envelope containing a document or information was properly addressed, prepaid and posted (or consigned to the relevant delivery service or, in the case

of a document or information delivered personally or left at the recipient's address, was properly addressed and delivered personally or left at the recipient's address) shall be conclusive evidence that the document or information was given. In the case of documents or information sent or supplied by the Company, proof that a document or information contained in an electronic communication was sent in accordance with guidance issued by the Institute of Chartered Secretaries and Administrators shall be conclusive evidence that the document or information was given.

- 26.4 A document or information sent in electronic form shall not be treated as received by the Company if it is rejected by computer virus protection arrangements.
- 26.5 Where a document or information is sent or supplied to the Company it must be authenticated. Where a document or information is sent or supplied to the Company by a person on behalf of another, the Company may require reasonable evidence of the authority of the former to act on behalf of the latter.
- 26.6 In the case of joint holders of a share, all documents or information required to be given by the Company may be given either to each of the joint holders or to the joint holder whose name stands first in the register of members in respect of the joint holding and documents or information so given shall be sufficiently given to all the joint holders.
- 26.7 A shareholder whose registered address is not within the United Kingdom and who gives to the Company an address within the United Kingdom at which documents or information may be given to him or an address to which documents or information may be given to him in electronic form shall be entitled to have documents or information given to him at such address but otherwise, subject to the 2006 Act, no such shareholder shall be entitled to receive any document or information from the Company.
- 26.8 A shareholder present, either in person or by proxy or (being a corporation) by a duly authorised representative, at any meeting of the Company or of the holders of any class of shares shall be deemed to have received notice of the meeting and, where requisite, of the purposes for which it was called.
- 26.9 Every person who becomes entitled to a share shall be bound by any notice in respect of that share which, before his name is entered in the register of members, has been duly given to a person from whom he derives his title.

## 27. **INDEMNITY AND INSURANCE**

- 27.1 Subject to Article 27.2, a relevant director of the Company or an associated Company may be indemnified out of the Company's assets against:
- 27.1.1 any liability incurred by that director in connection with any negligence, default, breach of duty or breach of trust in relation to the Company or an associated company;
- 27.1.2 any liability incurred by that director in connection with the activities of the Company or an associated company in its capacity as a trustee of an occupational pension scheme (as defined in section 235(6) of the 2006 Act);
- 27.1.3 any other liability incurred by that director as an officer of the Company or an associated company.

- 27.2 This Article does not authorise any indemnity which would be prohibited or rendered void by any provision of the 2006 Act or by any other provision of law.
- 27.3 The directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any relevant director in respect of any relevant loss.
- 27.4 In this Article:
- 27.4.1 a "**relevant director**" means any director or former director of the Company or an associated company;
  - 27.4.2 a "**relevant loss**" means any loss or liability which has been or may be incurred by a relevant director in connection with that director's duties or powers in relation to the Company, any associated company or any pension fund or employees' share scheme of the Company or associated company; and
  - 27.4.3 companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate.