

Company number 01374438

COMPANIES ACT 2006

PRIVATE COMPANY LIMITED BY SHARES

WRITTEN RESOLUTION

of

DIAMOND ELECTRONICS LIMITED (Company)

29 JANUARY 2019

Certified by us to be a true  
and complete copy of  
original document.

SAS Daniels  
SAS Daniels LLP 29/01/2019

Pursuant to Chapter 2 of Part 13 of the Companies Act 2006, the directors of the Company propose that the resolution below is passed as a special resolution (**Resolution**).

#### **SPECIAL RESOLUTION**

THAT the articles of association of the Company be amended by deleting the existing article 10(17)(b) and replacing it with the following new article 10(17)(b):

Upon the happening of a relevant event in the case of 17(a)(iii), the member in question shall be deemed to have immediately given a transfer notice in respect of all the share as shall then be registered in the name of such member and the transfer price for such shares shall be the par value of such shares.

Attached to this resolution and initialled for the purposes of identification be and hereby are adopted as the new articles of association of the Company (**New Articles**) in substitution for and in replacement of the existing articles of association of the Company.

#### **AGREEMENT**

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

We the undersigned, being persons entitled to vote on the Resolution on 29 JANUARY 2019, hereby irrevocably agree to the Resolution:

FRIDAY



A17 \*A7YD5IFD\* #138  
01/02/2019  
COMPANIES HOUSE

Signed by **MARY ELIZABETH HESKETH**

M E Hesketh

Date

29 / 1 / 19

Signed by **DARREN RAYMOND HESKETH**

Darren R Hesketh

Date

29 / 1 / 19

Signed by **DAMIEN JOHN HESKETH**

D Hesketh

Date

29 / 1 / 19

Signed by **JOHN PETER HALL**

J P Hall

Date

29 / 1 / 19

Signed by **DARREN PAUL SPENCER**

D P Spencer

Date

29 / 1 / 19

#### NOTES

1. If you agree to the Resolution, please indicate your agreement by signing and dating this document where indicated above and returning it to the Company at the Company's registered office.

If you do not agree to the Resolution, 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 Resolution, you may not revoke your agreement.

3. Unless sufficient agreement has been received for the Resolution to pass within 28 days of the Circulation Date, it will lapse.

Certified by us to be a true  
and complete copy of  
original document.

Company No. 01374438

SAS Daniels  
SAS Daniels LLP 29/01/2019

THE COMPANIES ACT 1985

PRIVATE COMPANY LIMITED BY SHARES

NEW  
ARTICLES OF ASSOCIATION  
of  
DIAMOND ELECTRONICS LIMITED

(Adopted by Written Resolution passed on 29 January 2019)

**1. Preliminary**

The regulations contained in Table A ('Table A') in the Schedule to the Companies (Tables A to F) Regulations 1985 (as amended by the Companies (Tables A to F) (Amendment) Regulations 1985) shall, except as hereinafter provided and so far not inconsistent with the provisions of these Articles, apply to the Company to the exclusion of all other regulations or articles of association. References herein to 'regulations' are to regulations in Table A.

**2. Private company**

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

**3. Interpretation**

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

(3) In these Articles:

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

'Additional Director' means any director appointed and holding office from time to time pursuant to Article 18(3)

"A" Shares means the "A" Shares of £1 each in the share capital of the Company from time to time

"B" Shares means the "B" Shares of £1 each in the share capital of the Company from time to time

'deemed transfer notice' means a transfer notice deemed to be given under any

provision of these Articles or any Relevant Agreement

‘Ordinary Shares’

means the ‘A’ Shares and the ‘B’ Shares together

‘paid up’

means, in relation to a share, paid up or credited as paid

‘Relevant Agreement’

means any agreement relating (in whole or in part) to the management and/or affairs of the Company which is binding from time to time on the Company and the members and which (expressly or by implication) supplements and/or prevails over any provisions of these Articles

means, in relation to a member, any person or persons who have become entitled to his shares in consequence of his death, bankruptcy or mental incapacity

‘share’

means a share in the capital of the Company of whatever class

‘transfer notice’

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

- (b) words or expressions the definitions of which are contained or referred to in the Act shall be construed as having the meaning thereby attributed to them but excluding any statutory modification thereof not in force on the date of adoption of these Articles;
- (c) words importing the singular include the plural, words importing any gender include every gender, and words importing persons include bodies corporate and unincorporate and (in each case) vice versa;
- (d) references to Articles are references to these Articles and references to paragraphs and sub-paragraphs are, unless otherwise stated, references to paragraphs of the Article or references to sub-paragraphs of the paragraph in which the reference appears;
- (e) in relation to any member, references to any English legal term for any action, remedy, method of judicial proceeding, insolvency proceeding, event of incapacity, legal status, court, governmental or administrative authority or agency, official or any legal concept, practice or principle or thing shall in respect of any jurisdiction other than England where that member is domiciled resident, incorporated or carries on business be deemed to include what most approximates in that jurisdiction to the English legal term concerned

#### **4. Share Capital**

- (1) The authorised share capital of the Company at the date of adoption of these Articles is £1,000 divided into 800 ‘A’ Shares of £1 each and 200 ‘B’ Shares of £1 each. The ‘A’ Shares and the ‘B’ Shares shall be separate classes of shares and shall rank *pari passu* except that the holders of the ‘B’ shares are not entitled to vote

and shall be entitled to dividends only at the discretion of the Directors who shall also in that event decide the amount of the dividend.

- (2) Unless all the members otherwise agree in writing, any new shares issued to a holder of 'A' Shares shall be 'A' Shares and any new shares issued to a holder of 'B' Shares shall be 'B' Shares including any new shares issued pursuant to regulation 110.
- (3) The Company shall not have power to issue share warrants to bearer.

## **5 Issue of new shares**

- (1) Subject to Section 80 of the Act, unissued shares shall be at the disposal of the directors who may allot, grant options over or otherwise dispose of them to such persons at such times and generally on such terms and conditions as they think proper provided that no shares shall be issued at a discount
- (2) Section 89(1) and sub-sections (1) to (6) of Section 90 of the Act shall not apply to the Company.

## **6. Lien**

The lien conferred by regulation 8 shall attach also to fully paid up shares and the Company shall also have a first and paramount lien on all shares, whether fully paid up or not, standing registered in the name of any person indebted or under liability to the Company, whether he shall be the sole registered holder thereof or shall be one of two or more joint holders for all monies presently payable by him or his estate to the Company. Furthermore, such lien shall extend to all amounts payable in respect of a share. The directors may resolve to exclude any share or any amount payable in respect of a share from the application of this Article. Regulation 8 shall be modified accordingly.

## **7. Calls**

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

## **8 Transfer of shares**

- (1) No member shall dispose of any interest in, or right attaching to, or renounce or assign any right to receive or subscribe for any share (save as may be required in pursuance of his obligations under these Articles or any Relevant Agreement) or create or permit to exist

any charge, lien, encumbrance or trust over any share or agree (whether subject to any condition precedent, condition subsequent or otherwise) to do any of such things except (but subject always to paragraph (7) and Article 11):

- (a) as permitted by Article 9;
- (b) as permitted by Article 10;
- (c) pursuant to the acceptance of a written Offer as mentioned in Article 10(17)

- (2) If a member at any time commits a breach of paragraph (1) in relation to any share he shall be deemed immediately prior to such breach to have given a transfer notice in respect of such share.
- (3) For the purpose of ensuring that a particular transfer of shares is permitted under these Articles any member may require the transferor or the person named as transferee in any transfer lodged for registration to furnish him and the directors with such information and evidence as such member may think reasonably necessary or relevant. Failing such information or evidence being furnished to the reasonable satisfaction of such member within a period of 28 days after such request the directors shall, unless such member otherwise directs, refuse to register the transfer in question.
- (4) Where a transfer notice in respect of any share is deemed to have been given under any provision of these Articles or under any Relevant Agreement and the circumstances are such that the directors (as a whole) are unaware of the facts giving rise to the same such transfer notice shall be deemed to have been received by the directors on the date on which the directors (as a whole) actually become aware of such facts and the provisions of Article 10 shall apply accordingly.
- (5) A deemed transfer notice shall be deemed not to contain a Total Transfer Condition (as defined in Article 10) and shall not be revocable.
- (6) The directors shall not refuse to register any transfer of a share which is permitted under these Articles but may, in their absolute discretion and without assigning any reason therefore decline to register any transfer of any share which would otherwise be permitted hereunder if it is a transfer;
  - (a) of a share on which the Company has a lien;
  - (b) of a share (not being a fully paid share) to a person of whom they shall not approve. The first sentence of regulation 24 shall not apply.
- (7) If a member or any of his Representatives becomes aware of any event which is deemed to give rise to an obligation to serve a transfer notice he shall forthwith give written notice thereof to the

directors.

- (8) The election by the Representatives of a member to become the registered holders of any share pursuant to regulation 30 shall be permitted by the directors and shall not give rise to any obligation to serve a transfer notice in respect of such share. Regulation 30 shall be modified accordingly.
- (9) Whenever a share is transferred to a member holding shares only of another class such first mentioned share shall ipso facto and forthwith be converted into and redesignated as a share of such other class.

## **9. Permitted Transfers**

- (1) A member may at any time transfer all or any of his shares:
  - (a) to any other member holding shares of the same class;
  - (b) in the case of a member being a nominee, to the person who is the beneficial owner or to a person to whom the beneficial owner, if he were registered as the holder, would have been entitled to transfer his shares in accordance with this Article; provided that the provisions of this paragraph shall not apply in circumstances where the beneficial ownership of the shares in question became vested in the beneficial owner in contravention of any of the provisions of these Articles or any Relevant Agreement; -
  - (c) to any person with the prior written consent of all the other members.
- (2) The Representatives of a member may at any time transfer all or any of the shares to which they are entitled to any person to whom the registered holder would be permitted to transfer the same under these Articles -
- (3) If the Representatives of a member are permitted under these Articles to become registered as the holders of any of such member's shares and elect so to do then such shares may at any time be transferred by those Representatives to any person to whom under this Article the same could have been transferred by such member if he had remained the holder thereof, but no other transfer of such shares by the Representatives shall be permitted under this Article.
- (4) Unless all the members otherwise agree, no transfer of any share permitted by this Article shall be made during the active period of any transfer notice or deemed transfer notice in respect of such share (and for this purpose 'active period' in respect of a given notice means the period from the time of its service until the time when no member has any further rights or obligations directly or indirectly, pursuant to that notice).

## 10. Pre-emption rights

- (1) (a) Except for a transfer of shares which is permitted under these Articles as mentioned in Article 8(l), no share shall be transferred until the following conditions of this Article are compelled with:
- (b) Any member proposing to transfer a share ('the proposing transferor') shall give notice in writing ('transfer notice') to the directors that the proposing transferor desires to transfer such share. In the transfer notice the proposing transferor shall specify:
- (i) the number and class of shares which the proposing transferor wishes to transfer ('the Transfer Shares') (which may be all or part only of the shares then held by the proposing-transferor);
  - (ii) whether or not the proposing transferor has received an offer from a third party for the Transfer Shares and if so the identity of such third party and the price offered for the Transfer Shares;
- (c) A transfer notice shall also state whether the proposing transferor wishes to impose a Total Transfer Condition (meaning a condition that unless all of the Transfer Shares are sold pursuant to the following provisions of this Article none shall be so sold), but in the absence of such a statement the transfer notice shall be deemed not to contain a Total Transfer Condition. Any two or more members shall be entitled to serve a joint transfer notice (meaning a notice signed by each of them specifying the shares which they wish together to transfer) containing a Total Transfer Condition and such notice shall for all the purposes of this Article take effect as if it were a single transfer notice and the Total Transfer Condition related to all the shares the subject of the joint transfer notice, but the obligations of those members thereunder or in respect thereof shall be several only in proportion to the number of Transfer Shares which they hold respectively;
- (d) The transfer notice shall constitute the Company (by its board of directors) as the agent of the proposing transferor empowered to sell the Transfer Shares (together with all rights attaching thereto at the date of the transfer notice or at any time thereafter) at the Transfer Price (as hereinafter defined) on the terms of this Article. Save as expressly provided otherwise in these Articles or in any Relevant Agreement a transfer notice shall be revocable at any time until the expiration of the Withdrawal Period (as hereinafter defined). If a proposing transferor revokes a transfer notice - he may not subsequently transfer the shares the subject of the Articles and any Relevant Agreement.
- (2) Where a transfer notice is given in respect of more than one class of share it shall be deemed for the purposes of this Article to comprise a number of separate transfer notices, one in respect of each such class, However,



where the proposing transferor simultaneously serves transfer notices in respect of more than one class of shares he may stipulate in such notices by reference to this paragraph of this Article that any Total Transfer Condition shall apply to all of such shares and not merely to one class only.

- (3) seven days after the receipt of any transfer notice the directors shall serve a copy of that transfer notice on all the members other than the proposing transferor. In the case of a deemed transfer notice the directors shall similarly serve notice - on all the members (including the proposing transferor), notifying them that the same has been deemed to have been given, within 3 months after (i) the date of the event giving rise to the deemed transfer notice or (ii) (if later) the date on which the directors (as a whole) actually became aware of such event.
- (4) subject as provided otherwise in these Articles or in any Relevant Agreement the Transfer Shares shall be offered for purchase (as hereinafter provided) at a price per Transfer Share ('the Transfer Price') determined in accordance with paragraph (5)
- (5)
  - (a) If the Transfer Notice is a deemed Transfer Notice, the Transfer Price shall be such price as shall be agreed in writing between all the members or in the absence of such agreement (whether by reason of disagreement, absence, death or otherwise) within 21 days after the service of notices pursuant to paragraph (3) the Transfer Price will be determined by an independent Chartered Accountant of not less than ten years' standing ('the Expert') who shall be nominated by agreement between all the members or failing such nomination within 14 days after the request of any member to the others therefore nominated at the request of any member by the President from time to time of the Institute of Chartered Accountants in England and Wales, The Expert shall act as an expert and not as an arbitrator and his written determination shall be final and binding on the members.
  - (b) The Expert will certify the open market value of the Transfer Shares as at the date of the transfer notice on the following assumptions and bases:
    - (i) valuing the Transfer Shares as on an arm's length sale between a willing vendor and a willing purchaser;
    - (ii) if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so; -
    - (iii) that the Transfer Shares are capable of being transferred without restriction;
    - (iv) valuing the Transfer Shares as a rateable proportion of the total value of all the issued shares of the Company which value shall not be discounted or enhanced by reference to the class of the Transfer Shares or the number thereof; -

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

The Transfer Price shall be a sum equal to the open market value of the Transfer Shares determined as aforesaid divided by the number of Transfer Shares. The Company will use its best endeavours to procure that the Expert determines the Transfer Price within 21 days of being requested so to do.

- (6) If the determination of the Transfer Price is referred to the Expert the date of determination of the Transfer Price ('the Determination Date') shall be the date on which the directors receive the Expert's determination of the Transfer Price in writing. If the Transfer Price is determined by written agreement between all the members as aforesaid then the Determination Date shall be the date on which such agreement is made.
- (7) Where the Expert has determined the Transfer Price as aforesaid the proposing transferor shall be entitled if the Transfer Price is not acceptable to him (save as otherwise provided in these Articles or in any Relevant Agreement) to revoke the transfer notice by giving notice in writing to the directors that he does so within a period of 14 days after the Determination Date (such period being herein- referred to as 'the Withdrawal Period').
- (8) The costs and expenses of the Expert in determining the Transfer Price and of his apportionment shall be borne as to one half by the proposing transferor and as to the other half by the purchasers (as hereinafter defined) pro rata according to the number of Transfer Shares purchased by them unless (a) the proposing transferor shall revoke the Transfer Notice pursuant to paragraph (7); or (b) none of the Transfer Shares are purchased pursuant to paragraphs (9), (10) or (12), in either of which events the proposing transferor shall pay all of such costs and expenses. In the case of default by a person in paying his due proportion of such costs and expenses any of the other contributors or (if the proposing transferor is solely responsible for such costs and expenses) the Company may pay such sum in his stead and any payment made in so doing shall be recoverable from the defaulter as a debt payable on demand.
- (9) Within 7 days after the Determination Date or, if the transfer notice is capable of being revoked, within 7 days after the expiry of the Withdrawal Period the Transfer Shares shall be offered for purchase at the Transfer Price by the directors to those members who at the date of the offer are registered as the respective holders of shares of the same class as the Transfer Shares (other than (a) the proposing transferor and (b) any member to whom under Article 11 shares may not be transferred) in proportion to the number of shares of that class then held by them respectively. Every such offer shall be made in writing and shall specify (a) the total number of Transfer Shares; (b) the number of Transfer Shares offered to the member ('Pro-Rata Entitlement'); (c) whether or not the transfer notice contained a Total Transfer Condition and (d) a period (being not less than 14 days and not more than 21 days) within which the offer must be accepted or shall lapse, and shall be accompanied by a form of application for use by the member in applying for his Pro-Rata Entitlement and for any shares in excess of such entitlement which he wishes to purchase. Upon the expiry of the said offer period, the directors shall allocate the Transfer Shares in the following manner:

- (a) to each member who has agreed to purchase shares, his Pro-Rata Entitlement or such lesser number of Transfer Shares for which he may have applied;
  - (b) if any member has applied for less than his Pro-Rata Entitlement, the excess shall be allocated to the members who have applied for any part of such excess in proportion to the number of shares of the class then held by them respectively (but without allocating to any member a greater number of Transfer Shares than the maximum number applied for by him) and any remaining excess shall be apportioned by applying this subparagraph (b) without taking account of any member whose application has already been satisfied in full.
- (10) If and to the extent that the Transfer Shares are not accepted by a member or members holding shares of the same class as the Transfer Shares within the time limited for acceptance or if there are no other holders of shares of that class the directors shall (in the former case) within 7 days after the expiration of such time as aforesaid (and in the latter case immediately), offer the Transfer Shares or so many thereof as have not been accepted as aforesaid (as the case may be) to members holding shares of the other class or classes (other than any member to whom under Article 11 shares may not be transferred) and the provisions of paragraph (9) shall apply mutatis mutandis to such offer (save that in the case of competition the Transfer Shares shall be sold to the acceptors in proportion to the aggregate nominal value of the shares then held by each of them respectively).
- (11) If any of the Transfer Shares shall not be capable of being offered or allocated as aforesaid without involving fractions, the same shall be offered to or allocated amongst the members, or some of them, in such proportions as may be determined by lots drawn in respect thereof and the lots shall be drawn in such manner as the directors shall think fit.
- (12)
  - (a) If by the foregoing procedure the directors shall not receive acceptances from members in respect of all of the Transfer Shares within the period(s) of the aforesaid offer(s) they shall forthwith give notice in writing of that fact to all the members, whereupon the holders of at least three-quarters in nominal value of the issued shares of the Company (excluding the shares held by the proposing transferor) shall be entitled within 14 days of the date of service of that notice to nominate (by giving notice in writing to the directors signed by each such holder or on his behalf and which may consist of several notices in the like form) any person or persons (whether or not a member but not the Company) who has expressed his willingness in writing to purchase all or any of those Transfer Shares in respect of which acceptances have not been received at the Transfer Price as the purchasers) of such Transfer Shares (and the directors shall be deemed to have made an offer of such shares accordingly); Provided that if any such nominated purchaser shall fail to complete any such purchase in accordance with this Article or to perform or discharge any of his other obligations hereunder the members (other than those who did not sign the aforesaid notice(s)) shall be jointly and severally liable to complete such purchase in place of that nominated purchaser and to

perform and discharge all such other obligations

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

- (13) If, by the foregoing procedure, the directors shall receive acceptances in respect of all of the Transfer Shares the directors shall forthwith give notice in writing as hereinafter mentioned to the proposing transferor and to the member or members who have agreed to purchase the same (or to the person or persons nominated pursuant to paragraph 12(a)) ('purchaser' or 'purchasers') and the proposing transferor shall thereupon become bound upon payment of the Transfer Price to the proposing transferor (whose receipt shall be a good discharge to the purchaser, the Company and the directors therefore none of whom shall be bound to see to the application thereof) to transfer to each purchaser those Transfer Shares accepted by him. Every such notice shall state the name and address of each purchaser, the number of Transfer Shares agreed to be purchased by him and the place and time appointed by the directors for the completion of the purchase (being not less than 7 days nor more than 23 days after the date of the said notice and not being at a place outside England). Subject to the giving of such notice the purchase shall be completed at the time and place appointed by the directors.

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

- (a) shall thereupon become bound upon payment of the Transfer Price to transfer to each purchaser (if any) those Transfer Shares accepted by him and the provisions of paragraph (13) shall apply mutatis mutandis thereto;

- (b) may within a period of 3 months after the date of the directors' said notice sell all or any of those Transfer Shares which have not been accepted as aforesaid to any person or persons (including any member) at any price which is not less than the Transfer Price (after deducting, where appropriate, the amount of any net dividend or other distribution to be retained by the proposing transferor).
- (15) If a proposing transferor, having become bound to transfer any Transfer Shares pursuant to this Article, makes default in transferring the same the directors may authorise some person (who is (as security for the performance of the proposing transferor's obligations) hereby irrevocably and unconditionally appointed as the attorney of the proposing transferor for the purpose) to execute the necessary instrument of transfer of such Transfer Shares and may deliver it on his behalf and the Company may receive the purchase money and shall thereupon (subject to such instalment being duly stamped with any necessary stamp duty) cause the transferee to be registered as the holder of such Transfer Shares and shall hold such purchase money on behalf of the proposing transferor. The Company shall not be bound to earn or pay interest on any money so held and shall not pay such money to the proposing transferor until he shall have delivered his share certificates (or an appropriate indemnity in respect of any lost certificates) to the Company. The receipt of the Company for such purchase money shall be a good discharge to the transferee who shall not be bound to see to the application thereof, and after the name of the transferee has been entered in the register of members in purported exercise of the aforesaid power the validity of the proceedings shall not be questioned by any person.
- (16) Without prejudice to the generality of Article 3(4), the directors may require to be satisfied that any shares being transferred by the proposing transferor pursuant to either paragraph(12)(b) or paragraph (14)(b) are being transferred in pursuance of a bona fide sale for the consideration stated in the transfer and if not so satisfied may refuse to register the instrument of transfer.
- (17) (a) In this paragraph a 'Relevant Event' means in relation to a "B" Shareholder":
- (i) such member being adjudicated bankrupt; or
  - (ii) the happening of any such event as is referred to in paragraphs (a), (b), (d) or (e) of regulation 81; or
  - (iii) such member ceasing to be an employee or director of the Company in circumstances in which the Company has lawfully terminated such employment or office or in circumstances in which he has resigned from his employment or office during the two years following adoption of these Articles;-

- (iv) such member committing a material breach of any of the terms of a Relevant Agreement;
  - (v) such member being an employee of the Company and such employment being terminated in circumstances other than those mentioned in paragraph 17(a)(iii) above;
  - (vii) the death or permanent physical incapacity of such member
- (b) Upon the happening of a relevant event in the case of 17(a)(iii), the member in question shall be deemed to have immediately given a transfer notice in respect of all the shares as shall then be registered in the name of such member and the transfer price for such shares shall be the par value of such shares;
- (c) Upon the happening of any other relevant event, the member in question shall be deemed to have immediately given a transfer notice in respect of all the shares as shall then be registered in the name of such member but in such a case the transfer price shall be determined by the Expert in accordance with Article 10(5).
- (18) An obligation to transfer a share under the provisions of this Article shall be deemed to be an obligation to transfer the entire legal and beneficial interest in such share free from any lien, charge or other encumbrance.
- (19) If, under any of the provisions of this Article, any members become jointly and severally liable to complete the purchase of any Transfer Shares in place of any nominated purchaser then as between such members each of them shall purchase such number thereof as shall bear to the total number of Transfer Shares in question the same proportion as the number of shares held by such member at the date of the relevant nomination bore to the total number of shares then held by all such members.
- (20) If the 'A' Shareholders wish to transfer all his issued 'A' shares to an independent buyer then the 'B' Shareholders shall be deemed to have given a transfer notice pursuant to Article 10(1)(b)

#### **11. Prohibited transfers**

Notwithstanding anything else contained in these Articles no share shall be issued or transferred to any infant, bankrupt or person of unsound mind.

#### **12. Proceedings at general meetings**

- (1) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business. Three members present in person or by proxy of whatever class of shares shall be a quorum.
- (2) If with half an hour from the time appointed for a general meeting a quorum is not present, the meeting, if convened upon the requisition of members, shall be dissolved; in any other case it shall stand adjourned to the same day in the next week, at the same time and place (or to such other day and at such other time and place as all the members may agree in

writing). If at any adjourned meeting such a quorum is not present within half an hour from the time appointed for the adjourned meeting any two members present in person or by proxy shall be a quorum. Regulation 41 shall not apply.

- (3) In regulation 44 the words 'of the class of shares the holders of which appointed him as director' shall be substituted for the words 'any class of shares in the Company'.
- (4) At any general meeting a poll may be demanded by any member present in person or by proxy and entitled to vote. Regulation 46 shall be modified accordingly. -
- (5) An instrument appointing a proxy may, in the case of a corporation, be signed on its behalf by a director or the secretary thereof or by its duly appointed attorney or duly authorised representative.
- (6) The instrument appointing a proxy to vote at a meeting shall be deemed also to confer authority to vote on a poll on the election of a chairman and on a motion to adjourn the meeting.
- (7) The chairman of a general meeting shall be entitled to a second or casting vote and Regulation 50 shall apply.
- (8) Except with the prior written agreement of all the other members, no member who has agreed to cast any of the voting rights exercisable in respect of any of the shares held by him in accordance with the directions, or subject to the consent of, any other person (including another member) shall be entitled during the relevant period (as hereinafter defined) to exercise any of the voting rights attached to any of the shares registered in his name from time to time or to be present or reckoned in a quorum at any general meeting and any resolution passed at any such meeting during the relevant period which would not have been passed but for the vote(s) of such member cast in contravention of the provisions of this paragraph shall be null and void and of no effect.

For the purposes of this paragraph:-

- (a) 'relevant period' means the period from, and including, the date on which the member in question first agreed to cast the said voting rights in accordance with the directions, or subject to the consent of, the other person up to, and including, the date on which the transaction or arrangement which gave rise to that agreement is annulled or terminated;
- (b) any member who has assigned the beneficial interest in, or created any charge or other security interest over any share to or in favour of any other person shall be deemed, in the absence of clear evidence to the contrary, to have agreed to exercise the voting rights attached to that share in accordance with the directions of that other person.

The provisions of this paragraph shall not apply to a share held by trustees upon a family trust (as defined in Article 9) in circumstances where the trustees are acting solely in accordance with the

directions of the beneficiaries under such trust.

**13. Written resolutions**

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

**14. Votes of the members**

- (1) Subject as provided below in this paragraph and to any other special rights or restrictions as to voting attached to any shares by or in accordance with these Articles, on a show of hands every member who (being an individual) is present in person or (being a corporation) is present by a duly authorised representative, not being himself a member entitled to vote, shall have one vote and on a poll every member shall have one vote for every share of which he is the holder; Provided that no shares of either 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.
- (2) Regulation 54 shall not apply.

**15. Alternate directors**

- (1) Any director (other than an alternate director or an Additional Director) may at any time appoint any person (including another director) to be an alternate director and may at any time terminate such appointment. Any such appointment or termination of appointment shall be effected in like manner as provided in Article 17(4). The same person may be appointed as the alternate director of more than one director.
- (2) The appointment of an alternate director shall determine on the happening of any event which if he were a director would cause him to vacate such office or if his appointor ceases to be a director.
- (3) An alternate director shall be entitled to receive notices of meetings of the directors and of any committee of the directors of which his appointor is a member and shall be entitled to attend and vote as a director and be counted in the quorum at any such meeting at which his appointor is not personally present and generally at such meeting to perform all functions of his appointor as a director and for the purposes of the proceedings at such meeting the provisions of these Articles shall apply as if he were a director of the relevant class. It shall not be necessary to give notices of meetings to an alternate director who is absent from the United Kingdom. If an alternate director shall be himself a director or shall attend any such meeting as an alternate for more than one director his voting rights shall be cumulative, but he shall count as only one for the purpose of determining whether a quorum is present. If his appointor is from time to time absent from the United



Kingdom or temporarily unable to act through ill-health or disability his signature to any resolution in writing of the directors shall

be as effective as the signature of his appointor. An alternate director shall not (save as aforesaid) have power to act as a director nor shall he be deemed to be a director for the purposes of these Articles.

- (4) An alternate director shall be entitled to contract and be interested in and benefit from contracts or arrangements or transactions and to be repaid expenses and to be indemnified to the same extent *mutatis mutandis* as if he were a director but he shall not be entitled to receive from the Company in respect of his appointment as an alternate director any remuneration except only such part (if any) of the remuneration otherwise payable to his appointor as such appointor may by notice in writing to the Company from time to time direct.

- (5) Regulations 65 to 69 shall not apply.

#### **16. Delegation of directors' powers**

The holder or holders of a majority in nominal value of the 'A' Shares or the holder or holders of a majority in nominal value of the 'B' Shares may at any time and from time to time revoke all or any of the powers delegated to a managing director or other executive director pursuant to regulation 72 by notice in writing in like manner as provided, in Article 17(4). Regulation 72 shall be modified accordingly.

#### **17. Pensions**

The directors may give or award pensions, annuities, gratuities and superannuation or other allowances or benefits to any employees or ex-employees and to officers and ex-officers (including directors and ex-directors) of the Company or its predecessors in business or of any holding company or subsidiary of the Company or to the relations or dependants of any such persons and may establish, support and maintain pensions, superannuation or other funds or (whether contributory or non-contributory) for the benefit of any such persons and/or their relations or dependants or any of them. Any director shall be entitled to receive and retain for his own benefit any such pension, annuity, gratuity, allowance or other benefit and may vote as a director in respect of the exercise of any of the powers by this Article conferred upon the directors notwithstanding that he is or may become interested therein. Regulation 87 shall not apply.

#### **18. Proceedings of directors**

*The quorum for the transaction of the business of the directors shall be three.*

19. The chairman of any meeting of the directors or of any committee of the directors shall be entitled to a second or casting vote,

20. A director who is in any way whether directly or indirectly interested in a transaction or arrangement or proposed transaction or arrangement with the Company may vote in respect of any such transaction or arrangement or proposed transaction or arrangement or any matter arising thereout and if he does so vote his vote shall be counted and he shall be capable of constituting a quorum at any meeting of the directors at which any such transaction or arrangement or proposed transaction or arrangement shall come before the board of directors for consideration and may retain for his own absolute use and benefit all profits and advantages directly or indirectly accruing to him thereunder or in consequence thereof. Regulations 94 to 97 shall not apply.

**21. Borrowing powers**

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

**22. Accounts and information**

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

**23. Notices**

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

**24. Overriding provisions**

- (1) Notwithstanding the provisions of these Articles the directors shall be obliged, so far as may be permitted by law, to act in all respects in accordance with and give effect to any Relevant Agreement,
- (2) Where the approval, agreement or consent of any member or director is required under any provision of these Articles to any particular matter, such approval, agreement or consent may be given subject to such terms and conditions as that member or director may require and any breach of such terms and conditions

shall ipso facto be deemed to be a breach of these Articles.

**25. Company seal**

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

**26. Representatives**

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