

COMPANIES ACT 2006
SPECIAL/WRITTEN/ORDINARY RESOLUTION

Company number: NI49809

Company name: Sports Merchandising Ireland Ltd

On the 28th day of March 2018 the following special/written/ordinary resolution
was agreed and passed by the members:

See attached

Signed

JPH Law obo Sports Merchandising Ireland Ltd.

WEDNESDAY



JNI *J736DA56* #84
04/04/2018
COMPANIES HOUSE

**CERTIFICATE OF RESOLUTIONS OF THE MEMBERS OF
SPORTS MERCHANDISING IRELAND LIMITED**

Those members of the Company entitled to vote passed the following resolutions proposed by the directors of the Company [by way of written resolution ~~OR at a general meeting of the members~~] on 28th day of March 2018, resolutions 1 and 2 being passed as ordinary resolutions and resolutions 3 and 4 being passed as special resolutions.

1. CREATION OF A NEW CLASS OF SHARES

THAT a new class of GLF ordinary shares of £1.00 each be created in the share capital of the Company, such GLF Ordinary Shares having the rights and being subject to the restrictions in the articles of association adopted contemporaneously hereto.

2. AUTHORITY TO ALLOT SHARES

THAT, in addition to any other authority conferred upon the directors prior to the date of passing of this resolution to allot shares, the directors of the Company be generally and unconditionally authorised for the purposes of section 551 of the Companies Act 2006 to allot or grant rights to subscribe for GLF Ordinary Shares comprising up to five per cent (5.00%) of the number of shares (post issue) in the fully diluted share capital of the Company from time to time (rounded up to the nearest integer), on the terms and conditions set out in a facility letter dated on or around the date of passing of this resolution subject always to the articles of association of the Company and PROVIDED THAT this authorisation shall expire, unless sooner revoked or altered by ordinary resolution of the Company, on the expiry of five years from the date of passing of this resolution, save that the Company may before the expiry of this authorisation make an offer or agreement which would or might require shares to be allotted, or rights to be granted, after the expiry of this authorisation and the directors may allot shares, or grant rights, in pursuance of any such offer or agreement as if the authorisation conferred hereby had not expired.

3. DISAPPLICATION OF PRE-EMPTION RIGHTS

THAT all the members rights of pre-emption, whether in terms of the articles of association of the Company or the Companies Act 2006 or otherwise, be and are hereby waived in respect of any allotment of shares of GLF Ordinary Shares pursuant to resolution 2 above.

4. ADOPTION OF NEW ARTICLES OF ASSOCIATION

THAT the Company adopt the articles of association produced and marked for the purposes of identification in substitution for and to the exclusion of the existing memorandum and articles of association of the Company.

I hereby certify that that the foregoing resolutions were passed by the members of the company


Secretary / Director

No NI49809

The Companies Act 2006
Private Company Limited by Shares

ARTICLES OF ASSOCIATION

(Adopted by Special Resolution passed on 28th March 2018)

of

Sports Merchandising Ireland Limited

1. INTERPRETATION

In these Articles, (unless the context requires otherwise) the following words have the following meanings:

"Act"	means the Companies Act 2006, including any statutory modification or re-enactment thereof for the time being in force;
"Acting in concert"	the meaning set out in the City Code on Takeovers and Mergers for the time being;
"Articles"	means these articles of association as altered from time to time;
"Auditors"	the auditors to the Company for the time being;
"Base Percentage"	has the meaning given to it in article 7(a);
"Board"	means the board of directors for the time being of the Company or any duly constituted and authorised committee of it;
"Business Day"	any day (other than a Saturday or Sunday) on which banks are open in Northern Ireland for normal banking business;
"Change of Control"	any event or circumstance whereby, in relation to any person

- (a) the beneficial ownership of more than 50% of the issued share capital of the person in question or its holding company or parent undertaking becomes exercisable by any person (or persons acting in concert) other than those persons having control of the Company as at the date of the adoption of these Articles; or
- (b) there is a change in "control" (as defined in Section 1124 of the Corporation Tax Act 2010) of the person in question from those persons having control of the borrower as at the date of the adoption of these articles;

"Conversion Date"

the date and time on which GLF Ordinary Shares are to be converted into Conversion Shares in accordance with article 9;

"Conversion Shares"

Ordinary Shares, save in circumstances where:

- (a) the nominal value of the GLF Ordinary Shares is different to the nominal value of the Ordinary Shares, in which case the Conversion Shares shall be ordinary shares having the same nominal value as the GLF Ordinary Shares and ranking *pari passu* in all respects with the issued Ordinary Shares; or
- (b) other than the GLF Ordinary Shares, there is more than one class of share, in which case the Conversion Shares shall be ordinary shares having the same nominal value as the GLF Ordinary Shares and ranking *pari passu* in all respects with the most favourable class of shares (as determined by the Lender) in issue at the date of

	conversion;
"eligible director"	means a director who would be entitled to vote on the matter at a meeting of directors (but excluding any director whose vote is not to be counted in respect of the particular matter);
"Facility Letter(s)"	each and every facility letter between the Growth Loan Fund (acting by the Fund Manager) and the Company, as may be supplemented, varied or amended from time to time;
"Financial Year"	an accounting period in respect of which the Company prepares its accounts in accordance with the applicable provisions of the Act ;
"GLF Ordinary Shares"	the GLF Ordinary Shares of £1.00 each of the Company having the rights set out in these Articles;
"Group"	the Company and its subsidiary undertakings (as defined in section 1162 of the Act 2006) from time to time and references to "member of the Group" and "Group Company" shall be construed accordingly;
"Growth Loan Fund"	the NI Growth Loan Fund LP, defined as the 'Lender' in the Facility Letter(s) (including any successor, assignee, additional or replacement lender in accordance with the Facility Letter(s));
"Growth Loan Fund Group"	in relation to the Growth Loan Fund: <ul style="list-style-type: none"> (a) any nominee, custodian or trustee of the Growth Loan Fund's assets; (b) the Growth Loan Fund or any subsidiary undertaking or parent undertaking of the Growth Loan Fund or subsidiary undertaking of a parent

undertaking of the Growth Loan Fund (each a "Relevant Person");

- (c) any partnership (or the partners in any such partnership) of which any Relevant Person is general partner, manager, consultant or adviser;
- (d) any unit trust or other fund of which any Relevant Person is trustee, manager, consultant or adviser;
- (e) any unit trust, partnership or other fund, the managers of which are advised by any Relevant Person;
- (f) any person which is the successor in title to, or in whom is vested, or by whom responsibility is assumed for the whole or a substantial part of the functions, assets and liabilities of a Relevant Person;
- (g) any fund managed by the Fund Manager; or
- (h) the Fund Manager or any of its subsidiaries;

"Issue Price"

in respect of a share in the Company, the aggregate of the amount paid up (or credited as paid up) in respect of the nominal value and any share premium;

"Model Articles"

means the model articles for private companies limited by shares contained in Schedule 1 of the Companies (Model Articles) Regulations 2008 (SI 2008/3229) as amended prior to the date of adoption of these Articles.

"Net Profits"

the net profit of the Company on ordinary activities calculated on the historical cost accounting basis and in accordance with the accounting practices, policies and bases of

the Company, consistently applied, which are generally accepted in the United Kingdom and as shown in the audited profit and loss account of the Company (or in the event of there being subsidiary undertakings of the Company the audited consolidated profit and loss account of the Company and its subsidiary undertakings) for the relevant Financial Year:

- (a) before interest;
- (b) before depreciation;
- (c) before amortisation of goodwill or provision for the transfer of any sum to reserve;
- (d) before deducting corporation tax (and any other tax levied upon or measured by reference to profits or gains) on such profits (including deferred tax);
- (e) before charging directors and/or Managers' emoluments in excess of £80,000 which sum may be adjusted as shall be agreed between the Company and the Growth Loan Fund on each anniversary of the date of adoption of these articles, but in any event adjusted in accordance with the Retail Prices Index or any substitute or replacement for it. Emoluments includes all salaries cars, fees, bonuses, taxable allowances or expenses, pension contributions and benefits in kind;
- (f) before exceptional and extraordinary items; and
- (g) before provision for, or deducting the amount of, any dividends payable on any Shares or any other distribution;

“Fund Manager”	WhiteRock Capital Partners LLP in its capacity as fund manager from time to time of the Growth Loan Fund or any successor or replacement fund manager of the Growth Loan Fund notified in writing to the Company;
“Managers”	has the meaning set out in any Facility Letter
“Observer”	an individual nominated by the Growth Loan Fund in accordance with article 16 who is permitted to attend meetings of the directors, amongst other things;
“Ordinary Shares”	The ordinary shares of £1.00 each in the capital of the Company having the rights set out in these Articles;
“Preferred Dividend”	the dividend referred to in article 7;
“Preferred Dividend Ratchet”	shall have the meaning given to it in article 7;
“Sale”	any transaction (including, without limitation, any sale, transfer, lease or other disposal and any series of transactions whether taking place at the same time or not) pursuant to which: <ul style="list-style-type: none"> (a) all or substantially all of the business or assets of the Borrower or of any Group Company are sold to any person; or (b) there is a Change of Control of the Company;
“Shares”	the Ordinary Shares and the GLF Ordinary Shares;

2. The ‘**Model Articles**’ shall apply to the Company save insofar as they are excluded by or varied in or are otherwise inconsistent with the ‘**Articles**’.
3. Save as otherwise specifically provided in these ‘**Articles**’ (and unless the context requires otherwise), words and expressions which are given meanings

in the **'Model Articles'** shall have the same meanings in these **'Articles'**, subject to which (and unless the context requires otherwise), words and expressions which have particular meanings in the **'Act'** shall have the same meanings in these **'Articles'**.

4. Article 20 of the **'Model Articles'** shall be amended by the insertion of the words "(including alternate directors) and the secretary" before the words "properly incur".
5. Article 24(2)(c) of the **'Model Articles'** shall be amended by the deletion of the word "that" and the insertion in its place of the words "whether or not".
6. Article 44(3) of the **'Model Articles'** shall be amended by the insertion, at the end of that article, of the words "A demand withdrawn in accordance with this article shall not invalidate the result of a show of hands declared before the demand was made".
7. **Preferred Dividends**
 - (a) In respect of each Financial Year the Company shall, without resolution of the directors or the Company (whether in general meeting or by written resolution) and before application of any profits to reserve or any other purpose, pay to the members holding GLF Ordinary Shares in priority to the dividends on any other class of shares as a class a cumulative preferential net cash dividend (the **"Preferred Dividend"**) which is equal to six per cent (6.0%) (the **"Base Percentage"**) of the Net Profits for the first Financial Year (or part thereof) in which the GLF Ordinary Shares are in issue, such figure increasing in each Financial Year thereafter by 1.5 times the percentage of Net Profits in the immediately preceding Financial Year (the **"Preferred Dividend Ratchet"**), subject to a maximum of 25% of Net Profit.
 - (b) The Preferred Dividend shall be adjusted *pro rata* where the Growth Loan Fund is a member of the Company for part only of a Financial Year. Each Preferred Dividend shall be paid four months after the end of the relevant Financial Year or ten Business Days after the date on which the audited accounts of the Company for the relevant Financial Year are signed by the directors, whichever is earlier.
 - (c) Subject to the provisions of this article, the GLF Ordinary Shares shall rank *pari passu* in all respects with the Ordinary Shares as to all other dividends and distributions declared.

- (d) For so long as there are GLF Ordinary Shares in issue, the Company shall require the Auditors at the Company's expense to prepare a statement of the Net Profits for each Financial Year within four months of the end of the relevant Financial Year.
- (e) Where the Company is precluded by the Act or otherwise by law from paying in full any Preferred Dividends on any date specified in this article 7, then in respect of any such dividend which would otherwise require to be paid pursuant to these articles on that date:
 - (f) the Company shall pay, on that date, to the holders of the GLF Ordinary Shares on account of the Preferred Dividends the maximum sum (if any) which can then, consistent with the Act , be paid by the Company; and
 - (g) as soon as the Company is no longer precluded from doing so, the Company shall in respect of the GLF Ordinary Shares pay on account of the balance of Preferred Dividends for the time being remaining outstanding, and until all arrears, accruals and deficiencies of the Preferred Dividend have been paid in full, the maximum amount of Preferred Dividend which can, consistent with the Act , properly be paid by the Company at that time.

8. Capital

On a return of capital on liquidation or capital reduction or otherwise, the surplus assets of the Company remaining after the payment of its liabilities shall be applied in priority to any other class of share:

- (a) in paying to each member holding GLF Ordinary Shares all unpaid arrears and accruals of the Preferred Dividends on the GLF Ordinary Shares held by them (the amount of the Preferred Dividend being calculated on the pro rata basis set out in article 9(c) as if the date of return of capital were the Conversion Date), calculated down to and including the date the return of capital is made (such arrears and accruals being payable irrespective of whether the relevant dividend has become due and payable in accordance with the articles) and, subject thereto; and
- (b) thereafter, to all members *pari passu* in all respects with the Ordinary Shares.

9. Conversion

- (a) Any member holding GLF Ordinary Shares may at any time convert all the GLF Ordinary Shares held by that member into the same number of fully paid

Conversion Shares by notice in writing given to the Company. The conversion shall take effect immediately upon the date of delivery of that notice to the Company (unless the notice states that conversion is to be effective when any conditions specified in the notice have been fulfilled, in which case conversion shall take effect when those conditions have been fulfilled) and the Company and its members shall do all acts necessary to procure that conversion.

- (b) If a member holding GLF Ordinary Shares issues a notice under article 9(a), that member shall deliver the certificate(s) for those Shares which are the subject of that notice (or an indemnity in a form reasonably satisfactory to the Company in respect of any missing certificate) to the Company on or before the Conversion Date. On the Conversion Date the Company shall issue to the persons entitled thereto certificates for the Ordinary Shares arising on conversion.
- (c) The GLF Ordinary Shares shall rank for an apportioned part of the Preferred Dividend attributable to the Financial Year in which the Conversion Date falls, calculated on a daily basis down to and including the Conversion Date. The Company shall accordingly deliver to each holder of GLF Ordinary Shares on the Conversion Date, in cleared funds, an amount equal to the aggregate of:
 - i. all arrears and accruals of the Preferred Dividends attributable to Financial Years ending on or before the Conversion Date, whether declared or earned and payable under these articles or not; and
 - ii. the Preferred Dividends from the date of the commencement of the then current Financial Year of the Company down to and including the Conversion Date, whether declared or earned and payable under these articles or not. "Net Profits" for this purpose in respect of the Preferred Dividend shall be the net profits of the Company, calculated on the same basis as "Net Profits", by reference to the unaudited management accounts of the Company for the period from the start of the then current Financial Year to the latest practicable date prior to the Conversion Date. If there is any dispute as to the amount of the Net Profits for this purpose the matter shall be referred for determination to the Auditors and article 17 shall apply.
- (d) The Conversion Shares shall entitle the holders of them to all dividends and other distributions declared, made or paid by reference to a record date on or after the Conversion Date.

10. Voting

The holders of the GLF Ordinary Shares shall be entitled to:

- (a) be sent or supplied with any resolution proposed as a written resolution and to signify agreement thereto as an eligible member; and
- (b) receive notice of, attend, speak and vote at any general meetings of the Company and the holder of GLF Ordinary Shares who is present in person or by proxy or (being a corporation) is present by duly authorised representative shall, on a show of hands, have one vote, and, on a poll, have one vote each for every GLF Ordinary Share of which he is the holder.

11. Application Of Proceeds On A Sale

In the Event of a Sale then, notwithstanding anything to the contrary in the terms and conditions governing such Sale the selling holders and/or the Company (immediately prior to such Sale) shall procure that the consideration (whenever received) shall be paid into a designated trustee account and shall be distributed as soon thereafter as is practical in the following order:

- (a) first in paying in respect of all the GLF Ordinary Shares an amount equal to all arrears of the Preferred Dividends; and
- (b) second in paying, in respect of those GLF Ordinary Shares subject to the Sale, all accruals of Preferred Dividends up to the date of the Sale and the Issue Price thereof as if the Sale were a return of capital pursuant to article 8(a); and
- (c) thereafter in distributing the balance to all holders of Shares pari passu.

12. Variation Of Rights

- (a) Whenever the share capital of the Company is divided into different classes of share, the rights attached to any such class may only be varied in accordance with section 630 of the Act . To every such separate general meeting all the provisions of these articles relating to general meetings of the Company shall apply.
- (b) The rights conferred upon the holders of the GLF Ordinary Shares shall be deemed to be varied by the following:
 - i. any increase, variation, alteration, subdivision, consolidation or

- redenomination in the share capital of the Company or the creation or the granting of any options or other rights to subscribe for, or convert into, shares of the Company or any Group Company or the variation of the rights attaching to such shares;
- ii. the reduction of the Company's share capital, share premium account, capital redemption reserve or any other reserve or of any uncalled liability in respect of partly paid shares or the purchase by the Company of any of its own shares;
 - iii. the amendment of any provisions of the constitution of the Company;
 - iv. the capitalisation of any undistributed profits (whether or not the same are available for distribution and including profits standing to the credit of the reserve) or any sums standing to the credit of the share premium account or capital redemption reserve fund of the Company;
 - v. the calling of a meeting to consider any resolution or the sending or supplying of any resolution proposed as a written resolution in each case for the winding up, administration or entry into any arrangement with creditors of the Company or any Group Company;
 - vi. the voluntary appointment by the Company or its members of a receiver, manager, administrative receiver, administrator or liquidator of the Company or any Group Company;
 - vii. any disposal of the whole or substantially the whole of the business of the Company or any Group Company;
 - viii. the declaration, making or payment of any dividend or other distribution to the holders of the Shares other than as expressly permitted under these articles; and
 - ix. the creation of any charge or other security by the Company or any Group Company other than arising in the ordinary course of business.

13. Permitted Transfer Of Shares

- (a) If the Growth Loan Fund is a body corporate, it shall be entitled to transfer all or any of its Shares to any other member of the Growth Loan Fund Group but if that member of the Growth Loan Fund Group, whilst it is a holder of Shares in the Company, shall cease to be a member of the Growth Loan Fund Group,

it shall, within 15 Business Days of so ceasing to be such a member, transfer the Shares held by it to a member of the Growth Loan Fund Group.

- (b) The Growth Loan Fund may transfer all or any of its Shares to any person whose business comprises to a material extent the holding for investment purposes of securities in and/or the provision of debt and other financial facilities to United Kingdom unlisted companies and includes any subsidiary undertaking, nominee, custodian or manager used by such person to hold such investments or to make available such facilities.
- (c) If the Growth Loan Fund is a limited partnership, it may transfer Shares to any partner in such limited partnership acting in such capacity (provided such transfer is made in accordance with the fund or partnership agreement governing such entity or partnership).

14. Tag Along

- (a) In this Article 14 “**Tag Along Offer**” means an unconditional offer, open for acceptance for not less than 20 Business Days, to purchase Shares held by the recipients of a Tag Along Offer or Shares for which recipients may subscribe free from all liens, charges and encumbrances at a price per share equal to the highest price per share (exclusive of stamp duty, stamp duty reserve tax and commission) paid or to be paid by any transferee referred to in article 14(b) (or any person with whom such transferee is connected or with whom such transferee is acting in concert) for Shares (inclusive of the Shares giving rise to the obligation to make the Tag Along Offer) within the period of one year prior to and on the proposed date of completion of such transfer of Shares.
- (b) Subject to article 14(c), if the effect of any transfer of Shares by a vendor would, if completed, result in a Change of Control of the Company, the vendor(s) shall procure the making, by the proposed transferee of the vendor’s Shares, of a Tag Along Offer to all of the other holders of Shares of the Company (including the GLF Ordinary Shares). Every holder or recipient of such offer, on receipt of a Tag Along Offer, shall be bound within 20 Business Days of the date of such offer (which date shall be specified therein) either to accept or reject such offer in writing (and in default of so doing shall be deemed to have rejected the offer). Until such Tag Along Offer has been made and completed the directors shall not sanction the making and registration of the relevant transfer or transfers.

- (c) The provisions of article 14(b) shall not apply to any transfer of Shares
 - i. pursuant to article 13 (other than a transfer permitted solely as a result of the exercise of discretionary consent); or
 - ii. to any person who was an original party to the Facility Letter(s).
- (d) In the event of disagreement, the calculation of the relevant Tag Along Offer price shall be referred for determination to the Referee (as defined in article 17) and the provisions of 17 shall apply to such referral.

15. Quorum At General Meetings

For so long as there are GLF Ordinary Shares in issue, a holder of GLF Ordinary Shares, present in person, by proxy or by duly authorised representative shall be required for to form a quorum at any general meeting of the Company.

16. Growth Loan Fund Board Observer

The holders of a majority of the GLF Ordinary Shares for the time being in issue shall be entitled by reasonable notice in writing to the Company to appoint one or more persons to attend directors' meetings of the Company and to receive board papers and notice of proposed resolutions of the directors. Such person or persons shall be known as Observers and shall be entitled to reasonable notice of all such meetings and to speak at such meetings but shall not be entitled to vote.

17. Determination

- (a) If any matter is referred by any member for determination, the directors shall promptly instruct (and in any event within 14 days of such referral by any member) an independent referee (a "Referee") to make the determination and notify any relevant person of such instruction. If any relevant member does not agree with the instruction of that Referee, within seven days of being notified of the instruction, the Referee shall be appointed by the Chairman for the time being of the Chartered Accountants Ireland Ulster Society under the application by any member or the directors.
- (b) If any matter under these articles is referred to a Referee for determination then the Referee shall act as expert(s) and not as arbitrator(s) and their or his decision shall be conclusive and binding on the Company and all the holders of Shares (in the absence of fraud or manifest error).

- (c) The costs of the Referee in making any determination under these articles shall be borne by the Company unless the Referee shall otherwise determine.

18. Number of Directors

Unless and until otherwise determined by the Company by ordinary resolution, the number of directors (other than alternate directors) shall be not less than two in number. The Company may from time to time by ordinary resolution fix a maximum number of directors and from time to time vary that maximum number.

19. Calling a directors' meeting

- (a) Any director may call a directors' meeting by giving not less than 10 business days' notice of the meeting (or such lesser notice as all the directors may agree) to the directors or by authorising the company secretary (if any) to give such notice.

- (b) Any agreement by all the directors to any lesser notice period may relate either to a specific meeting (in which case, it need not be in writing) or to all meetings which may be convened during any period specified in such agreement (in which case, it must be in writing).

20. Quorum for directors' meetings

- (a) No business shall be transacted at any meeting of the directors unless a quorum is present. The quorum may be fixed by the directors and unless so fixed at any other number shall be two.
- (b) For the purposes of any meeting (or part of a meeting) held pursuant to article 18 to authorise a director's conflict, if there is only one 'eligible director' in office other than the conflicted director(s), the quorum for such meeting (or part of a meeting) shall be one 'eligible director'.
- (c) If the total number of directors in office for the time being is less than the quorum required, the directors must not resolve on any matter other than:
 - i. to appoint further directors; or
 - ii. to call a general meeting so as to enable the shareholders to appoint further directors.

21. Voting

Questions arising at a meeting shall be decided by a majority of votes. For the avoidance of doubt, in the case of an equality of votes, the chairman shall not have a second or casting vote.

22. Transactions or other arrangements with the Company

- (a) Subject to the provisions of the 'Act' and to the other provisions of these 'Articles', no director or proposed or intending director shall be disqualified by his office from contracting with the Company, either with regard to his tenure of any office or place of profit or as vendor, purchaser or in any other manner whatever, nor shall any contract in which any director is in any way interested be liable to be avoided, nor shall any director who is so interested be liable to account to the Company or the members for any remuneration, profit or other benefit realised by the contract by reason of the director holding that office or of the fiduciary relationship so established.
- (b) A director may hold any other office or place of profit with the Company (except that of auditor) in conjunction with his office of director for such period (subject to the provisions of the 'Act') and upon such other terms as the 'Board' may decide, and may be paid such extra remuneration for so doing (whether by way of salary, commission, participation in profits or otherwise) as the 'Board' (or any committee authorised by the 'Board') may decide, and either in addition to or in lieu of any remuneration provided for by or pursuant to any other Article.
- (c) A director may be or become a director or other officer of, or otherwise interested in, any company promoted by the Company or in which the Company may be interested or as regards which it has any power of appointment, and shall not be liable to account to the Company or the members for any remuneration, profit or other benefit received by him as a director or officer of or from his interest in the other company. The 'Board' may also cause any voting power conferred by the shares in any other company held or owned by the Company or any power of appointment to be exercised in such manner in all respects as it thinks fit, including the exercise of the voting power or power of appointment in favour of the appointment of the directors or any of them as directors or officers of the other company, or in favour of the payment of remuneration to the directors or officers of the other company.
- (d) A director may act by himself or his firm in a professional capacity for the Company (otherwise than as auditor) and he or his firm may be entitled to

remuneration for professional services as if he were not a director.

- (e) Subject to the provisions of the 'Act', a director may vote on and be counted in the quorum in relation to any resolution of the 'Board' in respect of any contract in which he has an interest.

23. Directors' Conflicts Of Interests

- (a) A director who is in any way (directly or indirectly) interested in a proposed transaction or arrangement with the Company shall declare the nature of his interest to the other directors (i) at a meeting of the directors; or (ii) by a notice in writing in accordance with section 184 of the 'Act'; or (iii) by a general notice in accordance with section 185 of the 'Act' prior to that transaction or arrangement being entered into by the Company (where section 177 of the 'Act' applies) or as soon as required by section 182 of the 'Act', where that section applies. If a declaration of interest under this Article proves to be, or becomes, inaccurate or incomplete, a further declaration must be made. This Article 7.1 does not require a declaration of an interest of which the director is not aware of the transaction or arrangement in question. For this purpose a director shall be deemed to be aware of matters of which he ought reasonably to be aware. A director need not declare an interest in the circumstances set out in section 177(6) or section 182(6) of the 'Act', as applicable.

- (b) References in this Article to:

- i. a contract include references to any proposed contract and to any transaction or arrangement whether or not constituting a contract;
- ii. any contract with or situation involving the Company shall include also any contract with or situation involving any of its subsidiaries or subsidiary undertakings for the time being;
- iii. an interest of a director shall include any interest of any person who is connected with him for the purposes of sections 252 to 255 (inclusive) of the 'Act', to the extent the director is aware of the interest of such connected person; and
- iv. an interest of an alternate director shall also include the interest of his appointor, to the extent the alternate director is aware of that interest.

- (c) Subject to the provisions of the 'Act', the Company may, by ordinary

resolution, suspend or relax the provisions of this Article to any extent or ratify any contract not properly authorised by reason of a contravention of this Article. A director nor any member connected with him for the purposes of section 239 of the 'Act' shall vote on any resolution of the Company relating to the ratification of any action by him amounting to negligence, default, breach of duty or breach of trust in relation to the Company.

- (d) Subject to first obtaining authorisation under an ordinary resolution, the 'Board' may resolve in accordance with section 175(4)(a) of the 'Act' to authorise a director to enter into a specific 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 as described in section 175(1) of the 'Act'.

24. Appointment And Removal Of Alternate Directors

- (a) Any director other than an alternate director ("appointor") may appoint (and remove any alternate so appointed) as an alternate any other director, or any other person approved by resolution of the directors, to:
- i. exercise that director's powers; and
 - ii. carry out that director's responsibilities,
 - iii. in relation to the taking of decisions by the directors, in the absence of the alternate's appointor.
- (b) Any appointment or removal of an alternate must be effected by notice in writing and the appointment will take effect on the later of:
- i. the date that the Company is served with the notice;
 - ii. the date specified in the notice as being the appointment or removal date of the alternate; and
 - iii. in the case of an appointment where the proposed alternate is not a director, the date when the appointment is approved by the directors.
- (c) The notice must:
- i. identify the proposed alternate; and
 - ii. in the case of a notice of appointment, contain a statement signed by the proposed alternate that the proposed alternate is willing to act as the

alternate of the director giving the notice.

25. Rights And Responsibilities Of Alternate Directors

- (a) An alternate director may act as alternate director to more than one director and has the same rights in relation to any decision of the directors as the alternate's appointor.
- (b) Every person acting as an alternate director shall be an officer of the Company, shall alone be responsible to the Company for his own acts and defaults and shall not be deemed to be the agent of the director appointing him.
- (c) A person who is an alternate director but not a director:
 - i. may be counted as participating for the purposes of determining whether a quorum is present (but only if that person's appointor is not participating);
 - ii. may participate in a unanimous decision of the directors (but only if his appointor is an 'eligible director' in relation to that decision, but does not participate);
- (d) A director who is also an alternate director is entitled, in the absence of his appointor, to a separate vote on behalf of his appointor, in addition to his own vote on any decision of the directors (provided that his appointor is an 'eligible director' in relation to that decision.
- (e) An alternate director is not entitled to receive any remuneration from the company for serving as an alternate director except such part of the alternate's appointor's remuneration as the appointor may direct by notice in writing made to the company.

26. Termination Of Appointment Of Alternate Director

An alternate director's appointment as an alternate terminates:

- (a) if his appointor revokes his appointment by notice to the Company in writing specifying when it is to terminate; or
- (b) if any event happens in relation to him which, if he were a Director, would cause his office as Director to be vacated.

27. Company's Lien Over Partly Paid Shares

- (f) The Company has a lien ("the Company's lien") over every share which is

partly paid for any part of:

- i. that share's nominal value, and
- ii. any premium at which it was issued,

which has not been paid to the company, and which is payable immediately or at some time in the future, whether or not a call notice has been sent in respect of it.

(g) The Company's lien over a share –

- i. takes priority over any third party's interest in that share, and
- ii. extends to any dividend or other money payable by the company in respect of that share and (if the lien is enforced and the share is sold by the company) the proceeds of sale of that share.

(h) The directors may at any time decide that a share which is or would otherwise be subject to the company's lien shall not be subject to it, either wholly or in part.

28. **Secretary**

The directors may from time to time appoint or remove any person who is willing to act as the secretary of the Company on such terms as they think fit.

29. **Poll Votes**

A poll may be demanded at any general meeting by any qualifying person (as defined in section 318 of the 'Act') present and entitled to vote at the meeting.

30. **Notices**

(a) Any notice shall be deemed to be served on or delivered to the intended recipient:

- i. if sent by prepaid United Kingdom first class post to an address in the United Kingdom, 24 hours after it was posted (or five business days after posting either to an address outside the United Kingdom or from outside the United Kingdom to an address within the United Kingdom, in each case if sent by reputable international overnight courier addressed to the intended recipient];
- ii. if sent by electronic means, one hour after the document or

information was sent;

iii. if delivered by hand, when it was left at the appropriate address.

(b) For the purposes of this article, any notice received after 5pm on any business day (or on any non-business day) shall be deemed to have been received at 9am on the following business day.

31. Indemnity

(a) Subject to and to the fullest extent permitted by the 'Act', but without prejudice to any indemnity to which he may be otherwise entitled:

i. every director and alternate director (and every director or alternate director of any associated company of the Company) shall be entitled to be indemnified out of the assets of the Company against all costs and liabilities incurred by him in relation to any proceedings (whether civil or criminal) or any regulatory investigation or action which relate to anything done or omitted or alleged to have been done or omitted by him in his capacity as such, save that no such person shall be entitled to be indemnified (whether directly or indirectly):

1. for any liability incurred by him in connection with any negligence, default, breach of duty or breach of trust in relation to the Company or any associated company of the Company (as defined in s.256 of the 'Act' for these purposes);
2. for any fine imposed in criminal proceedings which have become final;
3. for any sum payable to a regulatory authority by way of a penalty in respect of non-compliance with any requirement of a regulatory nature howsoever arising;
4. for any liability incurred by him in defending any criminal proceedings in which he is convicted and such conviction has become final;
5. for any liability incurred by him in defending any civil proceedings brought by the Company or an associated company of the Company in which a final judgment has been given against him; and
6. for any liability incurred by him in connection with any application under ss.661(3) or (4) or 1157 of the 'Act', in

which the court refuses to grant him relief and such refusal has become final;

ii. every director and alternate director (and every director or alternate director of any associated company of the Company) shall be entitled (i) to have funds provided to him by the Company to meet expenditure incurred or to be incurred by him in defending himself in any proceedings (whether civil or criminal) or in connection with an application for relief (as defined in s.205(5) of the 'Act') or in an investigation, or against action proposed to be taken, by a regulatory authority or (ii) to receive assistance from the Company as will enable any such person to avoid incurring such expenditure, where such proceedings, application, investigation or action are in connection with any alleged negligence, default, breach of duty or breach of trust by him in relation to the Company or any associated company of the Company, provided that he will be obliged to repay any funds provided to him no later than:

- (1) in the event he is convicted in such proceedings, the date when the conviction becomes final; or
- (2) in the event of judgment being given against him in such proceedings, the date when the judgment becomes final; or
- (3) in the event of the court refusing to grant him such relief, the date when the refusal becomes final; or
- (4) in the event he becomes liable for any sum payable to a regulatory authority by way of penalty in respect of non-compliance with any requirement of a regulatory nature howsoever arising, the date on which any appeal relating to such sum becomes final (within the meaning of s.205(3) of the 'Act'); and

iii. every director and alternate director shall be entitled to be indemnified out of the assets of the Company against all costs and liabilities incurred by him in relation to any of the Company's activities as trustee of an occupational pension scheme (as defined in s.235(6) of the 'Act') save that no director or alternate director shall be entitled to be indemnified:

- (1) for any fine imposed in criminal proceedings which have become final;
- (2) for any sum payable to a regulatory authority by way of a

penalty in respect of non-compliance with any requirement of a regulatory nature howsoever arising; and

- (3) for any costs for which he has become liable in defending any criminal proceedings in which he is convicted and such conviction has become final.

32. Insurance

Subject to the 'Act', the directors may exercise all the powers of the Company to purchase and maintain insurance at the expense of the Company for the benefit of any person who is or was at any time a director or other officer or employee of the Company or any associated company of the Company or in which the Company has or had an interest (whether direct or indirect) or who is or was at any time a trustee of any pension fund or employee benefits trust in which any employee of any such body corporate is or has been interested indemnifying such person against any liability which may attach to him or loss or expenditure which he may incur in relation to anything done or alleged to have been done or omitted to be done as a director, officer, employee or trustee.