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Company N<sup>o</sup> 3188850

**THE COMPANIES ACTS 1948 to 1983  
AND THE COMPANIES ACT 1985**

**COMPANY LIMITED BY SHARES**

**SPECIAL RESOLUTIONS**

of

**FINSTOP LIMITED**

Passed the *27* day of *September* 1996

At an **EXTRAORDINARY GENERAL MEETING** of the above-named Company duly convened and held at *Eversheds Solicitors, 110th Mill Court, Leeds* on the *27* day of *September* 1996 the following Resolutions were duly passed as Special Resolutions of the Company :-

**SPECIAL RESOLUTIONS**

1. That:-

- (1) the authorised share capital of the Company be hereby increased from £100 divided into 100 ordinary shares of £1.00 to £375,000 divided into 150,000 ordinary shares of £1.00 and 225,000 "A" ordinary shares of £1.00 by the creation of:-
  - (a) 149,900 ordinary shares of £1.00 ranking pari passu in all respects with the existing ordinary shares of £1.00 in the Company; and
  - (b) 225,000 "A" ordinary shares of £1.00

each having the rights set out in the articles of association of the Company to be adopted below.

- (2) for the purposes of Section 80 of the Companies Act 1985 the Directors be and are hereby generally and unconditionally authorised to allot relevant securities (as defined by that Section) up to a maximum nominal value of £375,000 Provided that this authority shall expire five years after the passing of this Resolution.
- (3) the Directors (being generally authorised by paragraph (2) of this Resolution for the purposes of section 80 of the Companies Act 1985) be and they are hereby

unconditionally empowered pursuant to Section 95 of the Companies Act 1985 to allot or agree to allot 149,998 Ordinary Shares of £1.00 each and 225,000 "A" Ordinary Shares of £1.00 each in the capital of the Company and that the provisions of Sections 89 and 90 of the Companies Act 1985 shall not apply to any such allotment or agreement to allot Provided that this authorisation shall expire five years after the passing of this Resolution.

2. That the Memorandum of Association of the Company be amended at clause 3 thereof by :-

(1) adopting the following new sub-clause (a)(i) commencing:-

"3. The objects for which the Company is established are:-

- (a) (i) To carry on the business of a commercial and industrial holding company and to incorporate or acquire in any manner the shares or capital of or any interest in any other company or firm whether a subsidiary or otherwise the acquisition of and interest wherein may appear to be beneficial to the interests of the Company and in particular but without prejudice to the generality of the foregoing to acquire the shares or capital of or any interest in any company or firm carrying on any of the businesses specified in sub-clause (ii) of this clause; to co-ordinate and manage through the holding of the shares and interests of the Company in its subsidiary and other companies and the firms and businesses in which it is interested, the businesses, activities and affairs of such companies and firms or any of them; to finance and aid any such companies or firms by loans, guarantees, advances, credits or otherwise; to invest the moneys of the Company in or otherwise to acquire and hold for investment shares, stocks, debentures, debenture stock, securities and investments of all kinds issued or guaranteed by any company, corporation, governmental or other authority, trust, firm or persons constituted or carrying on business in any part of the world and to acquire by purchase or otherwise for any estate or interest and to hold for investment real and personal property of every description or kind; to act as trustees of any deeds constituting or securing any debentures, debenture stock or other securities or obligations; to undertake and execute any other trusts, to enter into assist or participate in financial transactions, undertakings and businesses of every description and to carry on, develop and extend the same,

or sell, dispose of or otherwise turn the same to account and generally to carry out all the functions of a commercial and industrial holding company but so that nothing herein contained shall permit or authorise the Company to traffic in investments or to deal in or dispose of the same save in connection with the carrying on of its business of holding commercial and industrial investments and securities and co-ordinating the affairs of various companies and firms in which the Company is interested.";

(2) amending line one of the existing sub-clause (a) so that it commences :-

"(a) (ii) To carry on all or any .....";

(3) deleting the existing sub-clause (i) thereof and substituting therefor the following new sub-clause (i) :-

"(i) Either with or without the Company receiving any consideration or advantage, direct or indirect, from giving any such guarantee or indemnity and so as to be an independent object of the Company to guarantee the performance of the obligations of others including the payment of capital or principal together with any premium of and any dividends or interest on or other payment in respect of loans, credits, stocks, shares, or securities or other obligations of any nature whatsoever and without limiting the generality of the foregoing obligations for the repayment of money and/or discharge of liabilities both present and future, actual or contingent and insofar as the same is not prohibited by law, obligations and liabilities incurred in connection with or for the purpose of the acquisition of shares in the Company or in any company which is for the time being the Company's holding company as defined by Section 736 of the Companies Act 1985 due, owing or incurred to bankers or any other person of any company, firm or person, and in particular, (but not by way of limitation) of the Company's holding company or any company which is contemplated to become the Company's holding company or a subsidiary, as defined by Section 736 of the Companies Act 1985 of the Company or of the Company's holding company, or otherwise associated with the Company in business or of any company, firm or person which the Directors of the Company shall think appropriate and to give security whether by way of mortgages, charges, liens or otherwise upon all or any of the property or assets of the Company (both present and future) including its uncalled capital in support of such guarantees or otherwise as security for any such obligations and liabilities of others.";

(4) adopting the following new sub-clause (r) :-

"(r) To purchase and maintain for any officer of the Company, or the auditors of the Company for the time being, insurance against any liability which by virtue of any rule of law would otherwise attach to him or them in respect of any negligence, default, breach of duty or breach of trust of which he or they may be guilty in relation to the Company."; and

(5) re-lettering the existing sub-clauses (r) to (s) as (s) to (t).

3. That the regulations contained in the printed document put before the Meeting and for the purpose of identification signed by the Chairman thereof be approved and adopted as the Articles of Association of the Company in substitution for and to the complete exclusion Of all the existing Articles of Association of the Company.



Chairman

THE COMPANIES ACT 1985  
COMPANY LIMITED BY SHARES  
NEW ARTICLES OF ASSOCIATION

of

EINSTOP LIMITED

Registered Number 3188850

(adopted by special resolution on 27<sup>th</sup> September 1996)

Preliminary

1. In these articles:-

- 1.1 'the Act' means the Companies Act 1985 and every statutory modification or re-enactment thereof for the time being in force.
- 1.2 'Table A' means Table A in the Companies (Tables A - F) Regulations 1985 as amended by the Companies (Tables A - F) (Amendment) Regulations 1985.
- 1.3 '3i' means 3i Group plc (registered number 1142830).
- 1.4 '3i Investors' means 3i, 3i Partners and any other person which is a member of such Investor's Group or a fund, partnership or other entity managed by any such person and who is or becomes an Investor for the purposes of the Investment Agreement.
- 1.5 '3i Partners' means 3i UK Investment Partners (a limited partnership with registered number LP 5042).
- 1.6 'the Investment Agreement' means the agreement for share subscription entered into or to be entered into between the Company (1) the Promoters (as defined therein) (2) 3i plc (3) 3i (4) 3i Partners (5) A Armitage, S Armitage and K Crossfield as trustees of the AA 1996/1 Trust (6) and J Huntington, W Huntington and D Newlove as trustees of the JMH 1996/1 Trust (7).

- 1.7 The expression 'Investor' shall mean each of 3i or 3i Partners and any person who is or becomes an Investor for the purposes of the Investment Agreement. The expression 'member of an Investor's Group' shall mean an Investor, any subsidiary of that Investor and any holding company of that Investor and any subsidiary of such holding company and any nominee of any of the foregoing and 'Investor's Group' or 'Group' shall be construed accordingly.
- 1.8 The expression 'Relevant Directors' shall mean John Michael Huntington and Alan Armitage.
- 1.9 The word 'emoluments' shall include all salary and all other items set out in paragraph 1(4) of schedule 6 to the Act.
- 1.10 The expression 'Independent Expert' means an umpire (acting as an expert and not as an arbitrator) nominated by the parties concerned or in the event of disagreement as to nomination, appointed by the President for the time being of the Institute of Chartered Accountants in England and Wales.
- 1.11 Where any amount is stated to be Index Linked it shall be increased on the last day in February in each year for the following period of 12 months. The first increase shall take place on the last day in February 1997. The amount of the increase shall be the percentage increase (if any) in the retail prices index published by the Government for the preceding 12 months except that the first increase shall be made by reference to the period from the date on which these articles are adopted to the last day in February 1997.
- 1.12 The expression 'Equity Shares' means 'A' ordinary shares and ordinary shares.
- 1.13 The expression "Employee Member" means a person who is or has been a director and or an employee of the Company or any of its subsidiaries.
- 1.14 The expression "Termination Date" means:
- 1.14.1 where employment ceases by virtue of notice given by the employer to the employee, the date on which such notice expires;

1.14.2 where a contract of employment is terminated by the employer and a payment is made in lieu of notice, the date on which notice of termination was served;

1.14.3 where the Employee Member concerned is a director but not an employee, the date on which his contract for services with the Company is terminated; and

1.14.4 in any other case, the date on which the contract of employment is terminated.

1.15 The expression "Third Party Purchaser" means any person (excluding a party to the Investment Agreement on the date on which it is entered into).

1.16 "Borrowings" shall have the meaning given to that expression in the Senior Loan Documents and "Group Borrowings" means the aggregate amount for the time being outstanding of all Borrowings of members of the Group (excluding amounts borrowed from one member of the Group by another member of the Group).

1.17 "Exit Event" means the earliest to occur of:

a. the date and time at which an agreement referred to in the definition of "Sale" is completed; and

b. the date and time at which a listing takes place;

1.18 "Exit Value" means the Listing Value in the event of a Listing and the Sale Value in the event of Sale plus, in each case, an amount equal to the Notional Outstanding Term Debt at the Exit Event;

1.19 "Listing Value" means:

(a) the amount equal to the price per share at which shares comprised in the equity share capital of the Company are offered to be sold or subscribed in connection with that Listing

multiplied by,

(b) the number of Relevant Shares;

1.20 "Notional Outstanding Term Debt" means the principal amount of the term loan (excluding rolled up interest thereon and any other amounts outstanding under the Banking Agreements) which will be outstanding under the Banking Agreements at the Exit Event assuming that:

(a) there is no prepayment or early repayment by reason of default of that loan; and

(b) - the repayment terms of that loan are not altered from those in force at the Investment Date;

1.21 "Relevant Shares" means the shares forming part of the issued equity share capital of the Company at the Exit Event and following conversion of the Preferred Ordinary Shares but, in the case of a Listing, excluding any shares issued by the Company on the occasion of the Listing in order to raise money for the Group;

1.22 "Sale Value" means the aggregate value of the entire issued share capital of the Company being:

(a) if the Sale is by private treaty or public offer and to the extent that the consideration is a fixed cash sum payable in full on completion of the Sale, the total amount of that cash sum;

(b) if the Sale is by private treaty or public offer and to the extent that the consideration is the issue of shares which will rank *pari passu* in all respects with a class of shares already admitted to the Official List of the London Stock Exchange, the value of that consideration determined by reference to the average middle market quotations of such shares over the five business days prior to the day on which the offer for or intention to acquire the Company is first announced;

(c) if, and to the extent that, neither (a) nor (b) above is applicable, the value of the relevant consideration for the entire issued share capital of the Company due under the terms of the relevant Sale;



- (i) as agreed between the holders of not less than 75 per cent of the Preferred Ordinary Shares and the holders of not less than 75 per cent of the Ordinary Shares, or in the absence of such agreement prior to the Exit Event;
- (ii) as is reported on by the Auditors (acting as experts and not as arbitrators, at the cost of all the holders of the Preferred Ordinary shares and Ordinary Shares pro rata to their holdings prior to the Exit Event and whose decision shall be final and binding) as being in their opinion, the monetary value of the relevant consideration at the relevant Exit Event; and
- (d) in the case of a sale of part only of the issued share capital of the Company, the value of the relevant consideration of that part of the issued share capital of the Company which is sold adjusted to reflect the value of the entire issued share capital of the Company as agreed or reported on the same manner as in (c) (ii) above;

in each case, determined on the basis that completion of the Sale has taken place in accordance with its terms;

1.23 Terms and expressions defined in the Investment Agreement shall where the context so admits bear the same meaning in these articles.

2.1 The regulations contained in or incorporated in Table A shall apply to the Company save insofar as they are excluded or varied hereby or are inconsistent herewith and such regulations (save as so excluded varied or inconsistent) and the articles hereinafter contained shall be the regulations of the Company.

2.2 Regulations 54, 73-80 (inclusive), 85, 86, 94-98 (inclusive) and 118 of Table A shall not apply to the Company.

## Share capital

3. The share capital of the Company is £375,000 divided into 225,000 'A' ordinary shares of £1 each and 150,000 ordinary shares of £1 each. The rights attaching to the respective classes of shares shall be as follows and as otherwise set out in these articles:-

### 3.1 Income

The profits of the Company available for distribution shall be applied as follows:-

- 3.1.1 First in paying to the holders of the 'A' ordinary shares in respect of each financial year of the Company ending on or before 28th February 1999 a cumulative preferential net cash dividend of a sum which is equal to 8 per cent of the Net Profit for the relevant financial year and in respect of each financial year of the Company ending on or after 1st March 1999 a cumulative preferential net cash dividend of a sum which is equal to 9 per cent of the Net Profit for the relevant financial year (hereinafter in these articles referred to as 'the Participating Dividend').

- 3.1.2 The Participating Dividend (if any) shall be paid not later than 4 months after the end of each successive accounting reference period of the Company or not later than 14 days after the audit report on the accounts of the Company for such period is signed by the Company's auditors, whichever is earlier.

For the purpose of calculating the Participating Dividend, the expression 'Net Profit' shall mean the profit on ordinary activities before taxation of the Company and its subsidiaries calculated on the historical cost accounting basis and shown in the audited consolidated profit and loss account of the Company and its subsidiaries for the relevant financial year (to the nearest £1) but adjusted by:-

- 3.1.2.1 adding back any payment or provision which has been made for any dividend on any share in the capital of the Company or any of its subsidiaries or for any other distribution or for the transfer of any sum to reserve and any amortisation of goodwill;

- 3.1.2.2 disregarding extraordinary items;
- 3.1.2.3 adding back any amount in excess of £200,000 Index Linked in the aggregate charged in respect of emoluments payable to Relevant Directors.
- 3.1.3 No dividend shall be declared or paid to the holders of ordinary shares in respect of any financial year of the Company unless and until:-
- 3.1.3.1 the Participating Dividend (if any) including any arrears, accruals and deficiencies thereof has been paid in full in respect of that financial year and in respect of all previous financial years of the Company;
- 3.1.3.2 the Subordinated Loan and all other sums due to the 3i Investors pursuant to the Subordinated Documents have been repaid in full;
- but subject thereto and provided that the aggregate of the total amount of all dividend payments made or proposed to be made in respect of that financial year does not exceed one third of the amount of the profits after taxation of the Company and its subsidiaries for such financial year calculated on the historical cost accounting basis as shown in the audited consolidated profit and loss account of the Company and its subsidiaries (to the nearest £1) and provided that the profits of the Company remaining available for distribution following the payment of Initial Ordinary Dividend and all prior dividends would not be less than £500,000, the profits which the Company may determine to distribute in respect of any financial year shall be applied:-
- 3.1.3.3 First in paying to the holders of the ordinary shares a dividend ('the Initial Ordinary Dividend') on each share of an amount up to but not exceeding the Participating Dividend paid on each 'A' ordinary share for such year;
- 3.1.3.4 Second with the prior written consent of the holders of 75% of the 'A' ordinary shares in distributing the balance of such profits amongst the

holders of the 'A' ordinary shares and the ordinary shares (pari passu as if the same constituted one class of share).

- 3.1.4 Every dividend shall be distributed to the appropriate shareholders pro-rata according to the amounts paid up or credited as paid up on the shares held by them respectively and shall accrue on a daily basis.
- 3.1.5 Unless the Company has insufficient profits available for distribution and the Company is thereby prohibited from paying dividends by the Act the Participating Dividend shall (notwithstanding regulations 102 to 108 inclusive contained in Table A or any other provision of these articles and in particular notwithstanding that there has not been a recommendation of the directors or resolution of the Company in general meeting) be paid immediately on the due date and if not then paid shall be a debt due by the Company and be payable in priority to any other dividend provided that if due to delays in the preparation of the audited accounts of the Company the Participating Dividend cannot be calculated by the date it is due for payment then there shall be paid forthwith an interim dividend in respect of the Participating Dividend of a sum equal to the last Participating Dividend payable. The next and (if appropriate) any subsequent Participating Dividend shall be adjusted to take account of any overpayment or underpayment in respect of the said interim dividend which becomes apparent when the audited accounts are available.
- 3.1.6 The Company shall procure that each of its subsidiaries which has profits available for distribution shall from time to time declare and pay to the Company such dividends as are necessary to permit lawful and prompt payment by the Company of the Participating Dividend.

### 3.2 Capital

On a return of assets on liquidation or capital reduction or otherwise, the assets of the Company remaining after the payment of its liabilities shall be applied as follows:-

- 3.2.1 first in paying to the holders of the 'A' ordinary shares £1 per share together with a sum equal to any arrears or accruals of the dividends on the 'A' ordinary shares calculated down to the date of the return of capital;
- 3.2.2 second in paying to the holders of ordinary shares £1 per share; and
- 3.2.3 the balance of such assets shall be distributed amongst the holders of the 'A' ordinary shares and ordinary shares (pari passu as if the same constituted one class of share) in proportion to the amounts paid up or credited as paid up on the 'A' ordinary shares and ordinary shares held by them respectively.

### 3.3 Conversion

The holders of the 'A' ordinary shares may at any time convert the whole of their 'A' ordinary shares into a like number of ordinary shares and the following provisions shall have effect:-

- 3.3.1 the conversion shall be effected by notice in writing given to the Company signed by the holders of 75% of the 'A' ordinary shares and the conversion shall take effect immediately upon the date of delivery of such notice to the Company unless such 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 such conditions have been fulfilled;
- 3.3.2 forthwith after conversion takes effect the holders of the ordinary shares resulting from the conversion shall send to the Company the certificates in respect of their respective holdings of 'A' ordinary shares and the Company shall issue to such holders respectively certificates for the ordinary shares resulting from the conversion;
- 3.3.3 the ordinary shares resulting from the conversion shall rank from the date of conversion pari passu in all respects with the other ordinary shares in the capital of the Company except that they shall not be entitled to participate in any dividend paid with reference to a record date on or before the date of conversion;

3.3.4 on the date of conversion the Company shall pay a dividend to the holders of the 'A' ordinary shares of a sum equal to any arrears or accruals of the dividends on the 'A' ordinary shares calculated on a daily basis to the date of conversion and the Participating Dividend shall be calculated pro rata according to the profits of the Company and its subsidiaries for the relevant financial year down to the date of such conversion such profits to be calculated by the Company on a basis reasonably acceptable to the holders of 75% of the 'A' ordinary shares.

### 3.4 Ratchet

#### 3.4.1 Upon an Exit Event:

3.4.1.1 such number of Preferred Ordinary Shares shall be converted into and redesignated as the same number of Ordinary Shares as will result in the number of Ordinary Shares arising from such conversion bearing the proportion (as nearly as practicable) to the total number of Relevant Shares immediately after such conversion, expressed as a percentage, calculated in accordance with Article 3.4.2 (the "Ratchet Percentage"); and

3.4.1.2 the balance of the Preferred Ordinary Shares shall be converted into and redesignated as the same number of Deferred Shares of £1 each ("Deferred Shares") having the rights and being subject to the restrictions set out in Article 3.4.6:

and the relative proportions of Ordinary Shares and Deferred Shares derived by each Member under this Article 3.4 from his holding of Preferred Ordinary Shares prior to such conversion and redesignation shall be, so far as practicable, identical:

3.4.2 The Ratchet Percentage shall be calculated by reference to the Exit Value in accordance with the following provisions of this Article 3.4(b):

3.4.2.1 If the Exit Value is less than or equal to £20,000,000, the Relevant Percentage shall be 60 per cent.

- 3.4.2.2 If the Exit Value is more than £20,000,000 but less than or equal to £22,000,000, the Relevant Percentage shall be 57 per cent.
- 3.4.2.3 If the Exit Value is more than £22,000,000 but less than or equal to £24,000,000, the Relevant Percentage shall be 54 per cent.
- 3.4.2.4 If the Exit Value is more than £24,000,000 but less than or equal to £25,000,000, the Relevant Percentage shall be 51 per cent.
- 3.4.2.5 If the Exit Value is more than £25,000, the Relevant Percentage shall be 50 per cent.

If the Exit Event occurs on or after the fifth anniversary of Completion no Preferred Ordinary Shares shall be converted.

3.4.3 Each Member holding Preferred Ordinary Shares shall deliver the certificates for those shares (or an indemnity in lieu thereof in terms satisfactory to the Board) to the Company on the Exit Event whereupon the Company shall issue to the persons entitled thereto certificates for the relevant Ordinary Shares and (subject to the terms thereof) Deferred Shares arising on conversion.

3.4.4 The Preferred Ordinary Shares shall rank for an apportioned part of the Participating Preferred Dividend attributable to the financial year of the Company in which the Exit Event falls, calculated on a daily basis down to and including the Exit Event. The Company shall accordingly deliver to each holder of Preferred Ordinary Shares, in respect of his Preferred Ordinary Shares, on the Exit Event, in cleared funds, an amount equal to the aggregate of:

3.4.4.1 all arrears, accruals and deficiencies of the Participating Preferred Dividend attributable to financial years ending on or before the Exit Event, whether declared or earned and payable under these articles or not; and

- 3.4.4.2 a pro rata amount of the Participating Preferred Dividend payable in respect of those shares from the date of the commencement of the current financial year of the Company down to and including the Exit Event, whether declared or earned and payable under these articles or not. That dividend shall be calculated on the basis set out in Article 3.1.1 save that "Net Profits" for this purpose shall be:

**Adjusted Profits multiplied by Proportion of Financial Year**

where:

"Adjusted Profits" means the net profit of the Group, calculated on the same basis as "Net Profits" by reference to the latest available unaudited consolidated 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 Exit Event; and

"Proportion of Financial Year" means the number of days from the date of the start of the then current financial year down to and including the Exit Event divided by the number of days in the period to which such management accounts relate.

- 3.4.5 The Ordinary Shares arising on conversion shall, as from conversion, rank pari passu in all respects with the issued Ordinary Shares and shall entitle the holders of them to all dividends and other distributions declared, made or paid on the Ordinary Shares by reference to a record date on or after the Exit Event.

- 3.4.6 The rights attached to the Deferred Shares arising on conversion under this Article 3.4 are as follows:-

- 3.4.6.1 the Deferred Shares shall not confer on the holders of them any right to receive payment of any dividend;



3.4.6.2 the Deferred Shares shall not confer on the holders of them any right to receive notice of, or to attend and vote at, any general meeting of the Company:

3.4.6.3 on a return of assets on a winding up or otherwise the Deferred Shares shall entitle the holders thereof only to payment of 1 penny for each Deferred Share held after the repayment of the capital paid up on each Ordinary Share and Preferred Ordinary Share and the payment of £5,000 on each Ordinary Share and Preferred Ordinary Share: and

3.4.6.4 the Company shall have irrevocable authority at any time to appoint any person to execute on behalf of the holders of all or any of the Deferred Shares a transfer thereof (and/or an agreement to transfer the same) to such person(s) as the Company may determine as custodian thereof and/or to purchase the same itself (in accordance with the provisions of the Statutes), in any such case for not more than 1 penny for each Deferred Share held by any Member, without further obtaining the sanction of the holder or holders thereof and pending such transfer and/or purchase to retain the certificate for the Deferred Shares.

3.5 All payments of dividend and capital in respect of shares registered in the name of 3i 96 Partners Nominees Limited shall (unless such member otherwise notifies the Company in writing) be made to 3i UK Investment Partners.

#### Class Rights

4. Whenever the capital of the Company is divided into different classes of shares the special rights attached to any class may be varied or abrogated either whilst the Company is a going concern or during or in contemplation of a winding up, only with the consent in writing of the holders of 75% of the issued shares of that class. Without prejudice to the generality of this article, the special rights attached to the 'A' ordinary shares shall be deemed to be varied:-

- 4.1 by the grant of any option or other right to subscribe for shares and by any alteration or increase or reduction or sub-division or consolidation of the authorised or issued capital of the Company or of any of its subsidiaries, or any variation of the rights attached to any of the shares for the time being in the capital of the Company or of any of its subsidiaries; or
- 4.2 by the disposal of the undertaking of the Company or of any of its subsidiaries or any substantial part thereof or by the disposal of any share in the capital of any subsidiary of the Company; or
- 4.3 by the acquisition of any interest in any share in the capital of any company by the Company or any of its subsidiaries; or
- 4.4 by the application by way of capitalisation of any sum in or towards paying up any share or loan capital of the Company; or
- 4.5 by any alteration of the restrictions on the powers of the directors of the Company and its subsidiaries to borrow give guarantees or create charges; or
- 4.6 by the winding up of the Company; or
- 4.7 by the redemption of any of the Company's shares or by the entering into of a contract by the Company to purchase any of its shares; or
- 4.8 by any alteration of the Company's memorandum or articles of association; or
- 4.9 by the appointment or removal of auditors to the Company; or
- 4.10 by any alteration of the Company's accounting reference date; or
- 4.11 by the calling of a meeting of the Company to effect or approve any matter which would by virtue of this article be a variation of the class rights of the 'A' ordinary shares.

### Lien

5. The lien conferred by regulation 8 of Table A shall apply to all shares of the Company whether fully paid or not and to all shares registered in the name of any person indebted or under liability to the Company whether he be the sole registered holder thereof or one of several joint holders.

### Calls

6. 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 in Table A of the words 'and all expenses that may have been incurred by the Company by reason of such non-payment.'

### Transfer of Shares

7. The directors shall refuse to register any transfer of shares made in contravention of the provisions of these articles but (subject to Regulation 24 of Table A) shall not otherwise be entitled to refuse to register any transfer of shares. For the purpose of ensuring that a particular transfer of shares is permitted under the provisions of these articles, the directors may request the transferor, or the person named as transferee in any transfer lodged for registration, to furnish the Company with such information and evidence as the directors may reasonably think necessary or relevant. Failing such information or evidence being furnished to the satisfaction of the directors within a period of 28 days after such request the directors shall be entitled to refuse to register the transfer in question.

### Preliminary definitions

- 8.1 For the purposes of these articles:-

- 8.1.1 'Privileged Relation' in relation to a member means the spouse or widow or widower of the member and the member's children and grandchildren (including step and adopted children and their issue) and step and adopted children of the member's children:

8.1.2 'Family Trust' in relation to a settlor means a trust which does not permit any of the settled property or the income therefrom to be applied otherwise than for the benefit of:-

8.1.2.1 that settlor and/or a Privileged Relation of that settlor; or

8.1.2.2 any charity or charities as default beneficiaries (meaning that such charity or charities have no immediate beneficial interest in any of the settled property or the income therefrom when the trust is created but may become so interested if there are no other beneficiaries from time to time except another such charity or charities);

and under which no power of control is capable of being exercised over the votes of any shares which are the subject of the trust by any person other than the trustees or the settlor or the Privileged Relations of the settlor;

8.1.3 'settlor' includes a testator or an intestate in relation to a Family Trust arising respectively under a testamentary disposition or an intestacy of a deceased member.

#### Permitted transfers to relations and Family Trusts

8.2.1 Notwithstanding any other provision in these articles any member may at any time transfer (or by will bequeath or otherwise dispose of on death) all or any shares held by him to a Privileged Relation or to trustees to be held upon a Family Trust of which he is the settlor provided that any transfer of shares to trustees to be held upon a Family Trust made during the lifetime of such member may only be made with the consent in writing of the holders of 75% of the 'A' ordinary shares.

#### Criteria for consents to Family Trusts

8.2.2 Where the consent of a holder of 'A' ordinary shares is requested to a transfer to a Family Trust such consent shall be given when the holder is reasonably satisfied:-

8.2.2.1 with the terms of the trust instrument and in particular with the powers of the trustees;

8.2.2.2 with the identity of the proposed trustees:

8.2.2.3 that the proposed transfer will not result in 50% or more in the aggregate of the Company's equity share capital being held by trustees of that and any other trusts: and

8.2.2.4 that no costs incurred in connection with the setting up or administration of the Family Trust in question are to be paid by the Company.

#### Permitted transfers by Family Trusts

8.3 Where any shares are held by trustees upon a Family Trust:-

8.3.1 on any change of trustees such shares may be transferred to the new trustees of that Family Trust:

8.3.2 such shares may be transferred at any time to the settlor or to another Family Trust of which he is the settlor or to any Privileged Relation of the settlor.

#### Permitted transfers by Investors

8.4 Notwithstanding any other provision in these articles the following transfers may be made without restriction as to price or otherwise and any such transfers shall be registered by the directors:-

8.4.1 any transfer by any member of an Investor's Group to any other member in the same Investor's Group (but if such transferee ceases to be a member of the Investor's Group it shall forthwith transfer the relevant shares to a member of the relevant Investor's Group):

8.4.2 a transfer of any shares in the Company held by an Investor (or a nominee of an Investor) who is:-

(1) a person whose principal business is to make, manage or advise upon investments (an "Investment Manager"); or

- (2) a fund, partnership, company, syndicate or other entity whose principal purpose is to make investments and whose business is managed by an Investment Manager (an "Investment Fund"); or
- (3) a nominee of an Investment Manager or an Investment Fund

may be made between the Investor (or its nominee) and:-

(A) where the Investor is an Investment Manager or a nominee of an Investment Manager:-

- (i) any participant or partner in or member of any Investment Fund in respect of which the shares are held (but only in connection with the dissolution of such Investment Fund or any distribution of assets of the Investment Fund pursuant to the operation of the Investment Fund in the ordinary course);
- (ii) any Investment Fund whose business is managed by the Investment Manager who is or whose nominee is the transferor;
- (iii) any other Investment Manager who manages the business of the Investment Fund in respect of which the shares are held;

(B) where that Investor is an Investment Fund or a nominee of an Investment Fund:-

- (i) any participant or partner in or member of the Investment Fund which is or whose nominee is the transferor (but only in connection with the dissolution of such Investment Fund or any distribution of assets of the Investment Fund pursuant to the operation of the Investment Fund in the ordinary course);

(ii) any other Investment Fund whose business is managed by the same Investment Manager as the Investment Fund which is or whose nominee is the transferor;

(iii) the Investment Manager who manages the business of the Investment Fund which is or whose nominee is the transferor

(or, in any such case, a nominee on behalf thereof).

#### Transfers with shareholder approval

8.5 Notwithstanding any other provisions of these articles a transfer of any shares approved by the holders of 75% of the ordinary shares and the holders of 75% of the 'A' ordinary shares may be made without restriction as to price or otherwise and any such transfer shall be registered by the directors.

#### Mandatory transfer if trust ceases to be a 'Family Trust'

8.6 If and whenever any shares held by trustees upon a Family Trust cease to be so held upon a Family Trust (otherwise than in consequence of a transfer to the settlor or to any Privileged Relation of the settlor) or there cease to be any beneficiaries of the Family Trust other than a charity or charities a Transfer Notice (as hereinafter defined) shall be deemed to have been given in respect of the relevant shares (as hereinafter defined) by the holders thereof and such shares may not otherwise be transferred.

For the purposes of this sub-article the expression 'relevant shares' means and includes the shares originally transferred to the trustees and any additional shares issued or transferred to the trustees by virtue of the holding of the relevant shares or any of them.

#### Mandatory transfer on cessation of employment

8.7 If an Employee Member ceases to be a director or employee of the Company or any of its subsidiaries and does not continue in that capacity in relation to any of them, Transfer Notices shall be deemed to have been served on the relevant Termination Date in respect of:

8.7.1 all shares then held by the Employee Member; and

8.7.2 all shares then held by the Employee Member's Privileged Relations and/or Family Trusts (other than shares which the directors are satisfied were not acquired by such holders either (i) directly or indirectly from the Employee Member or (ii) by reason of their connection with the Employee Member, and the decision of the board of directors in this respect will be final).

Transfers under this sub-article are in these articles referred to as "Compulsory Employee Transfers".

### Pre-emption rights

#### Transfer notices

9.1 Save as otherwise provided in these articles every member who desires to transfer any shares (hereinafter called 'the Vendor') shall give to the Company notice in writing of such desire (hereinafter called a 'Transfer Notice'). Where the Transfer Notice is deemed to have been given it is referred to as a Deemed Transfer Notice. Transfer Notices and Deemed Transfer Notices shall constitute the Company the Vendor's agent for the sale of the shares specified therein (hereinafter called 'the Sale Shares') in one or more lots at the discretion of the directors at the Sale Price.

#### Calculation of the Sale Price

9.2 Save as provided in Article 9.3 the Sale Price shall be the price agreed by the Vendor and the directors. If the Vendor and the directors are unable to agree a price within 28 days of the Transfer Notice being given or being deemed to have been given the Sale Price will instead be the price which the Independent Expert shall certify to be in his opinion a fair value thereof. In arriving at his opinion the Independent Expert will value the shares on a going concern basis as between a willing seller and a willing buyer ignoring any reduction in value which may be ascribed to the Sale Shares by virtue of the fact that they represent a minority interest and on the assumption that the Sale Shares are capable of transfer without restriction. The decision of the Independent Expert as to the Sale Price will be final and binding.

9.3 In the case of a Compulsory Employee Transfer where the Termination Date falls on or before the date being 2 years from the date of adoption of these articles the Sale Price shall be the par value of the Sale Shares.



#### Right of Vendor to reject partial sales

- 9.4. A Transfer Notice (but not a Deemed Transfer Notice) may contain a condition ('a Total Transfer Condition') that unless all the shares comprised therein are sold by the Company pursuant to this article none shall be sold. Any such provision shall be binding on the Company.

#### Certification of the Sale Price and right of Vendor to cancel

- 9.5 If the Independent Expert is asked to certify the fair value his certificate shall be delivered to the Company. As soon as the Company receives the certificate it shall deliver a copy of it to the Vendor. The Vendor shall be entitled by notice in writing given to the Company within ten days of the service upon him of the copy certificate to cancel the Company's authority to sell the Sale Shares unless the shares are to be sold pursuant to a Deemed Transfer Notice. The cost of obtaining the certificate shall be paid by the Company unless the Vendor cancels it in which case the Vendor shall bear the cost.

#### Pre-emptive offers-general

- 9.6 Once the Sale Price has been determined then unless the Vendor gives a valid notice of cancellation the Sale Shares shall be offered for sale as set out below. All offers made by the Company shall give details of the number and Sale Price of the Sale Shares.

#### Board Invitees

- 9.7.1 Where any ordinary shares are the subject of a Transfer Notice or a Deemed Transfer Notice the provisions of this article 9.7 shall apply prior to the operation of articles 9.8 to 9.14.
- 9.7.2 Upon receipt of a Transfer Notice or a Deemed Transfer Notice the Board shall have a period of six months in which to decide whether the ordinary shares which are the subject of the relevant Transfer Notice or Deemed Transfer Notice or, in the case of ordinary shares held by John Huntington or Alan Armitage and/or their Privileged Relations and/or Family Trusts, ten per cent of the ordinary shares which are the subject of the relevant Transfer Notice or Deemed Transfer Notice, should be offered to a Board Invitee. The balance of such ordinary shares shall be dealt with in accordance with the provisions of articles 9.8 to 9.14.

- 9.7.3 If the Board has not selected any Board Invitees within the period of six months referred to in article 9.7.2 a Special Director may, by notice to the Board (which the Company shall serve on all holders of Shares), extend the expiry date for consideration of potential Board Invitees by one or more periods not exceeding 28 days in aggregate.
- 9.7.4 Any ordinary shares which the Board wishes to offer to Board Invitees shall be offered at the price determined in accordance with this article 9.
- 9.7.5 A holder of ordinary shares in addition to any consideration which he is entitled to receive for his shares in accordance with this article 9, shall be entitled to receive interest on such amount at the rate of 4 per cent per annum from the date on which the consideration is agreed or determined to the date on which the period referred to in article 9.7.2 (as extended) expires.
- 9.7.6 Upon the expiry of the period referred to in article 9.7.2 (as extended) if the Board has not selected any Board Invitees the ordinary shares which are the subject of the Transfer Notice or Deemed Transfer Notice shall be offered in accordance with the provisions of articles 9.8 to 9.14.

#### First Offer

- 9.8 Subject always to article 9.7 as soon as Sale Shares become available they shall be forthwith offered for sale by the Company as follows:-
- 9.8.1 in the cases of 'A' ordinary shares, to all holders of 'A' ordinary shares (other than the Vendor) pro rata as nearly as may be to the respective numbers of 'A' ordinary shares held by such members:
- 9.8.2 in the case of ordinary shares, to all holders of ordinary shares (other than the Vendor) pro rata as nearly as may be to the respective numbers of ordinary shares held by such members.

Any offer made by the Company under this sub-article will invite the relevant members to state in writing the maximum number of the shares offered to them they wish to purchase and will remain open for twenty one days ('the First Offer Period').

9.9 Second Offer

If at the end of the First Offer Period there are any Sale Shares offered which have not been allocated the Company shall offer such shares to such members as have stated in writing their willingness to purchase all the shares previously offered to them.

This offer will invite the relevant members to state in writing the maximum number of shares they wish to purchase. If there are insufficient Sale Shares to meet the demand then the directors will allocate the Sale Shares pro rata as nearly as may be in proportion to the number of ordinary shares or 'A' ordinary shares (as the case may be) held by the relevant members. This further offer will remain open for a further period of twenty one days ('the Second Offer Period').

9.10 Third Offer

If at the end of the Second Offer Period there are any Sale Shares which have not been allocated the Company will offer such shares as follows:

9.10.1 in the case of 'A' ordinary shares to all holders of ordinary shares (other than the Vendor if applicable) pro rata as nearly as may be to the respective numbers of ordinary shares held by such members; and

9.10.2 in the case of ordinary shares, to all holders of 'A' ordinary shares (other than the Vendor if applicable) pro rata as nearly as may be to the respective numbers of 'A' ordinary shares held by such members.

The Company shall invite each such member to whom shares have been offered under this sub-article to state in writing within twenty-one days from the date of the relevant notice whether he is willing to purchase any of the Sale Shares so offered to him and if so the maximum thereof which he is willing to purchase. This offer will remain open for a period of twenty one days ('the Third Offer Period').

9.11 Fourth Offer

If at the end of the Third Offer Period there are any Sale Shares which have not been allocated the Company shall offer such shares to such members as have stated in writing their willingness to purchase all the shares previously offered to them. Such remaining shares shall be offered pro rata as nearly as may be to the respective numbers of ordinary shares or 'A' ordinary shares (as the case may be) then held by such members which offer shall remain open for a fourth period of twenty-one days. Thereafter the Company shall continue to make offers on the same terms while any member continues to state in writing his willingness to purchase all shares offered to him.

Transfer procedure for pre-emptive offers

9.12 If the Company finds a purchaser for all or any of the Sale Shares under the terms of this article the Vendor shall be bound upon receipt of the Sale Price to transfer the Sale Shares (or such of the same for which the Company shall have found a purchaser or purchasers) to such persons. If the Vendor defaults in transferring Sale Shares the Company shall if so required by the person or persons willing to purchase such Sale Shares receive and give a good discharge for the purchase money on behalf of the Vendor and shall authorise some person to execute transfers of the Sale Shares in favour of the purchasers and shall enter the names of the purchasers in the Register of Members as the holder of such of the Sale Shares as shall have been transferred to them as aforesaid.

Transfers free of pre-emption

9.13 If the Company does not find purchasers for all of the Sale Shares under the terms of this article the Vendor shall at any time within six months after the final offer by the Company to its members be free to sell and transfer such of the Sale Shares as have not been so sold to any person at a price which is no less than the Sale Price. However if the Sale Shares were the subject of a Total Transfer Condition such a sale may only be made of all the shares and not part only.

Effect of non-compliance

9.14 Any purported transfer of shares otherwise than in accordance with the foregoing provisions of these articles shall be void and have no effect.

### Limitation on transfer of control

10.1 No sale or transfer of the legal or beneficial interest in any shares in the Company may be made or validly registered without the consent in writing of the holders of 75% of the 'A' ordinary shares if as a result of such sale or transfer and registration thereof a Controlling Interest (as hereinafter defined) would be obtained in the Company:-

10.1.1 by a company (other than a company to which the immediately following sub-article applies) or by a person or persons (other than a company) who are not Original Members (as hereinafter defined) unless the proposed transferee or transferees or his or their nominees are independent third parties acting in good faith and has or have offered to purchase all the 'A' ordinary shares at the Specified Price (as hereinafter defined); or

10.1.2 by a company in which one or more of the members of the Company or persons acting in concert (which expression shall have the meaning ascribed to it in the July 1993 edition of the City Code on Takeovers and Mergers) with any member of the Company has or as a result of such sale or transfer will have a Controlling Interest.

10.2 For the purpose of this article:-

10.2.1 the expression 'a Controlling Interest' shall mean an interest in shares in a company conferring in the aggregate 50% or more of the total voting rights conferred by all the issued shares in that company;

10.2.2 the expression 'Original Members' shall mean persons who were members of the Company on the date of the adoption of these articles and the Privileged Relations and/or Family Trusts of such members;

10.2.3 the expressions 'transfer' and 'transferee' shall include respectively the renunciation of a renounceable letter of allotment and the renounee under any such letter of allotment; and

10.2.4 the expression 'the Specified Price' shall mean at the option of the holders of 75% of the Equity Shares either:-

10.2.4.1 a price per share of £1; or

10.2.4.2 the consideration (in cash or otherwise) per share equal to that offered or paid or payable by the proposed transferee or transferees or his or their nominees for any other shares in the Company plus the relevant proportion of any other consideration (in cash or otherwise) received or receivable by the holders of such other shares which having regard to the substance of the transaction as a whole can reasonably be regarded as an addition to the price paid or payable for such other shares provided that if any part of the price per share is payable otherwise than by cash the holders of the 'A' ordinary shares may at their option elect to take a price per share of such cash sum as may be agreed by them having regard to the substance of the transaction as a whole;

plus in either case a sum equal to any arrears or accruals of the dividends on such share grossed up at the rate of corporation tax then in force calculated down to the date of sale or transfer. In the event of disagreement the calculation of the Specified Price shall be referred to an Independent Expert whose decision shall be final and binding.

10.3 All other regulations of the Company relating to the transfer of shares and the right to registration of transfers shall be read subject to the provisions of this article.

#### Coming Along Option

11.1 If there has occurred an event of default under the Banking Agreements which results in the relevant lender taking steps to enforce its security by the appointment of a receiver or an administrative receiver or an administrator or a liquidator or any other encumbrance, and the Investors (together 'the Selling Shareholders') wish to transfer their entire interest in Equity Shares, the Selling Shareholders shall have the option ('the Come Along Option') to require

all the other holders of Equity Shares to transfer all their shares to a Third Party Purchaser or as the Third Party Purchaser shall direct in accordance with this Article 11.

11.2 The Selling Shareholders may exercise the Come Along Option by giving notice to that effect ('a Come Along Notice') to all other holders of Equity Shares ('the Called Shareholders'). A Come Along Notice shall specify that the Called Shareholders are required to transfer all their Equity Shares ('the Called Shares') pursuant to Article 11.1, the price at which the Called Shares are to be transferred (calculated in accordance with Article 11.4) and the proposed date of transfer.

11.3 A Come Along Notice shall be irrevocable.

11.4 The Called Shareholders shall be obliged to sell the Called Shares at a price per share which is equal to the consideration (in cash or otherwise) per share equal to that to be paid to the Selling Shareholders. In the event of disagreement the calculation of the consideration shall be referred to an Independent Expert.

11.5 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 Selling Shareholders' Equity Shares unless:

- (a) all of the Called Shareholders and the Selling Shareholders agree otherwise; or
- (b) that date is less than 7 days after the Come Along Notice, where it shall be deferred until the 7th day after the Come Along Notice; or
- (c) the consideration is to be determined under Article 11.4 where the date shall be deferred until the 7th day after the consideration is determined.

#### Voting

12. Subject to any 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 representative not being himself a member, shall have one vote, and on a poll every member who is present in person or by

proxy or (being a corporation) is present by a representative or by proxy shall have one vote for every £1 in nominal amount of shares in the capital of the Company of which he is the holder.

#### Appointment of Directors

13.1 The directors may appoint a person who is willing to act to be a director, either to fill a vacancy or as an additional director. In addition, the holders of shares representing more than half of the shares which carry the right to attend a vote at general meetings of the Company may by notice to the Company together appoint a person who is willing to act to be a director either to fill a vacancy or as an additional director.

13.2 No Promoter (as defined in the Investment Agreement) may be removed from his office as a director of the Company without the consent of the Special Director (as defined in the Investment Agreement).

#### Proceedings of Directors

14. Notice of every meeting of the directors shall be given to each director at any address supplied by him to the Company for that purpose whether or not he be present in the United Kingdom provided that any director may waive notice of any meeting either prospectively or retrospectively and if he shall do so it shall be no objection to the validity of such meeting that notice was not given to him.

15.1 Subject to the provisions of the Act and provided that he has disclosed to the directors the nature and extent of any material interest of his, a director notwithstanding his office:-

15.1.1 may be a party to or otherwise interested in any transaction or arrangement with the Company or in which the Company is in any way interested:

15.1.2 may be a director or other officer of or employed by or be a party to any transaction or arrangement with or otherwise interested in any body corporate promoted by the Company or in which the Company is in any way interested:



15.1.3 may (and any firm or company of which he is a partner or member or director may) act in a professional capacity for the Company or any body corporate in which the Company is in any way interested:

15.1.4 shall not by reason of his office be accountable to the Company for any benefit which he derives from such office service or employment or from any such transaction or arrangement or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit: and

15.1.5 shall be entitled to vote and be counted in the quorum on any matter concerning the foregoing paragraphs of this article.

15.2 For the purposes of this article:-

15.2.1 a general notice to the directors that a director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the director has an interest in any such transaction of the nature and extent so specified:

15.2.2 an interest of which a director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his: and

15.2.3 an interest of a person who is for any purpose of the Act (excluding any statutory modification not in force when these articles were adopted) connected with a director shall be treated as an interest of the director and in relation to an alternate director an interest of his appointor shall be treated as an interest of the alternate director without prejudice to any interest which the alternate director has otherwise.

#### Directors' Powers

16. Subject as hereinafter provided the directors may exercise all the powers of the Company (whether express or implied):-

- 16.1 of borrowing or securing the payment of money;
- 16.2 of guaranteeing the payment of money and the fulfilment of obligations and the performance of contracts; and
- 16.3 of mortgaging or charging the property assets and uncalled capital of the Company and (subject to section 80 of the Act) of issuing debentures

but so that:-

- 16.4 the directors of the Company shall restrict the Borrowings of the Company and procure the exercise of all voting and other rights exercisable by the Company so as to secure that the aggregate amount for the time being outstanding of all Group Borrowings shall not at any time without the previous sanction of a special resolution of the Company exceed the aggregate amount of the amount of the Senior Debt and the Subordinated Debt and an amount equal to 10% of the Senior Debt.
- 16.5 no debt incurred or security given in respect of borrowings or to be taken into account as Borrowings in excess of the limit in Article 16.4 shall be invalid or ineffectual except in the case of express notice to the lender or the recipient of the security at the time when the debt was incurred or security given that the limit in Article 16.4 had been or was thereby exceeded, but no lender or other person dealing with the Company shall be concerned to see or enquire whether such limit is observed.
- 16.6 when the amount of Borrowings required to be taken into account for the purposes of this Article on any particular day is being ascertained, any of such money denominated or repayable in a currency other than sterling shall be converted for the purpose of calculating the sterling equivalent either:
- (a) at the rate of exchange prevailing at the close of business in London on that day; or
  - (b) where the repayment of such moneys is expressly covered by a forward purchase contract, currency option, back to back loan, swap or other arrangement taken out or

- entered into to reduce the risk associated with fluctuations in exchanged rates, at the rate of exchange specified in that arrangement.
- 16.8 a report or certificate of the Auditors as to the aggregate amount of Group Borrowings falling to be taken into account for the purposes of or in compliance with this Article shall be conclusive and binding on all concerned.
- 16.9 except with the previous sanction of the holders of 75% of the 'A' ordinary shares no mortgage or charge shall be created on any part of the undertaking property or assets of the Company or any subsidiary of the Company except for the purpose of securing moneys borrowed from any member of an Investor's Group with interest thereon and from bankers with interest thereon and bank charges.

#### Special Directors

17. Notwithstanding any other provisions of these Articles each of the 3i Investors shall be entitled to appoint directors of the Company in accordance with the Investment Agreement.

#### Indemnity

18. Subject to the provisions of the Act but without prejudice to any indemnity to which a director may otherwise be entitled, every director or other officer or auditor of the Company shall be indemnified out of the assets of the Company against all costs, charges, losses, expenses and liabilities incurred by him in the execution of his duties or in relation thereto including any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part or in connection with any application in which relief is granted to him by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company.