

Articles of association
OF
CHANDLER MATERIAL SUPPLIES LIMITED

Company Number: 1480021

(Adopted by Special Resolution dated 21 December 2022)

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The Companies Act 2006
Private Company Limited by Shares
ARTICLES OF ASSOCIATION

of

CHANDLER MATERIAL SUPPLIES LIMITED

(Adopted by Special Resolution dated 27th July 2016)

PART 1, INTERPRETATION AND LIMITATION OF LIABILITY

1 Defined terms and interpretation

1.1 In the articles, unless the context requires otherwise:

Accepting Shareholder	has the meaning given in article 48.2;
address	has the meaning given in section 1148 of the Companies Act 2006;
articles	means the company's articles of association;
bankruptcy	includes individual insolvency proceedings in a jurisdiction other than England and Wales or Northern Ireland which have an effect similar to that of bankruptcy;
call	has the meaning given in article 34;
call notice	has the meaning given in article 34;
chairman	has the meaning given in article 12;
chairman of the meeting	has the meaning given in article 64;
clear days	in relation to a notice, excludes the day the notice is deemed under the articles to be given and the day on which the specified period expires;
Companies Acts	means the Companies Acts (as defined in section 2 of the Companies Act 2006), in so far as they apply to the company;
company's lien	has the meaning given in article 32;
director	means a director of the company, and includes any person occupying the position of director, by whatever name called;
distribution recipient	has the meaning given in article 55;
document	includes, unless otherwise specified, any document sent or supplied in electronic form
electronic form	has the meaning given in section 1168 of the Companies Act 2006;
electronic means	has the meaning given in section 1168 of the Companies Act 2006;
eligible director	has the meaning given in article 8;
family member	means in relation to a member, his brother or sister, his half-brother or half-sister, his children and grandchildren (including step and adopted children), and step and adopted children of the member's children;

fully paid	in relation to a share means that the nominal value and any premium to be paid to the company in respect of that share have been paid to the company;
hard copy form	has the meaning given in section 1168 of the Companies Act 2006
holder	in relation to shares means the person whose name is entered in the register of members as the holder of the shares;
instrument	means a document in hard copy form;
Leaver	has the meaning given in article 47.2;
lien enforcement notice	has the meaning given in article 33;
Majority Holding	has the meaning given in article 49.1
New Member	has the meaning given in article 48.5;
ordinary resolution	has the meaning given in section 282 of the Companies Act 2006;
Original Member	has the meaning given in article 47.5;
Offeror	has the meaning given in article 48.3;
Other Shareholders	has the meaning given in article 48.3;
paid	means paid or credited as paid;
participate	in relation to a directors' meeting, has the meaning given in article 10;
Partner	means in relation to a member, his spouse, civil partner, widow or widower, or co-habitee;
Proposed Buyer	has the meaning given in article 49.2;
Proposed Sale Date	has the meaning given in article 49.2;
Proposed Sale Notice	has the meaning given in article 49.2;
Proposed Sellers	has the meaning given in article 49.1;
proxy notice	has the meaning given in article 70;
Qualifying Offer	has the meaning given in article 48.1;
Relevant Employee	has the meaning given in article 47.2;
relevant officer	means any person who is or was at any time a director, secretary or other officer (except an auditor) of the company or of any undertaking in the same group as the company;
Separated Partner	has the meaning given in article 47.5;
shares	means shares in the company;
special resolution	has the meaning given in section 283 of the Companies Act 2006;
subsidiary	has the meaning given in section 1159 of the Companies Act 2006;
transmittee	means a person entitled to a share by reason of the death or bankruptcy of a member or otherwise by operation of law; and
writing	means the representation or reproduction of words, symbols or other

information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise.

- 1.2 The relevant model articles (within the meaning of section 20 of the Companies Act 2006) are excluded.
- 1.3 Unless the context otherwise requires, other words or expressions contained in the articles bear the same meaning as in the Companies Act 2006 as in force on the date when the articles become binding on the company.
- 1.4 Except where the contrary is stated or the context otherwise requires, any reference in the articles to a statute or statutory provision includes any order, regulation, instrument or other subordinate legislation made under it for the time being in force, and any reference to a statute, statutory provision, order, regulation, instrument or other subordinate legislation includes any amendment, extension, consolidation, re-enactment or replacement of it for the time being in force.
- 1.5 Words importing the singular number only include the plural and vice versa. Words importing the masculine gender include the feminine and neuter gender. Words importing persons include corporations.

2 Liability of members

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

PART 2, DIRECTORS

DIRECTORS' POWERS AND RESPONSIBILITIES

3 Directors' general authority

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

4 Members' reserve power

- 4.1 The members may, by special resolution, direct the directors to take, or refrain from taking, specified action.
- 4.2 No such special resolution invalidates anything which the directors have done before the passing of the resolution.

5 Directors may delegate

- 5.1 Subject to the articles, the directors may delegate any of the powers which are conferred on them under the articles:
 - 5.1.1 to such person or committee;
 - 5.1.2 by such means (including by power of attorney);
 - 5.1.3 to such an extent;
 - 5.1.4 in relation to such matters or territories; and
 - 5.1.5 on such terms and conditionsas they think fit. The power to delegate shall be effective in relation to the powers, authorities and discretions of the directors generally and shall not be limited by the fact that

in certain of the articles, but not in others, express reference is made to particular powers, authorities or discretions being exercised by the directors or by a committee authorised by the directors.

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

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

6 Committees

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

6.2 A member of a committee need not be a director.

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

DECISION-MAKING BY DIRECTORS

7 Directors to take decisions collectively

7.1 The general rule about decision-making by directors is that any decision of the directors must be either a majority decision at a meeting or a decision taken in accordance with article 8.

7.2 If:

7.2.1 the company only has one director; and

7.2.2 no provision of the articles requires it to have more than one director,
the general rule does not apply, and the director may take decisions without regard to any of the provisions of the articles relating to directors' decision-making.

8 Unanimous decisions

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

8.2 Such a decision may take the form of a resolution in writing signed by each eligible director (whether or not each signs the same document) or to which each eligible director has otherwise indicated agreement in writing.

8.3 References in the articles to **eligible directors** are to directors who would have been entitled to vote on the matter had it been proposed as a resolution at a directors' meeting (but excluding any director whose vote is not to be counted in respect of that particular matter).

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

9 Calling a directors' meeting

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

9.2 Notice of any directors' meeting must indicate:

9.2.1 its proposed date and time;

9.2.2 where it is to take place; and

- 9.2.3 if it is anticipated that directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting.
- 9.3 Notice of a directors' meeting need not be in writing and must be given to each director provided that, if a director is absent (whether habitually or temporarily) from the United Kingdom, the company has an address for sending or receiving documents or information by electronic means to or from that director outside the United Kingdom.
- 9.4 Notice of a directors' meeting need not be given to directors who waive their entitlement to notice of that meeting, by giving notice to that effect to the company not more than seven days after the date on which the meeting is held. Where such notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it.

10 Participation in directors' meetings

- 10.1 Subject to the articles, directors participate in a directors' meeting, or part of a directors' meeting, when
- 10.1.1 the meeting has been called and takes place in accordance with the articles; and
- 10.1.2 they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.
- 10.2 In determining whether directors are participating in a directors' meeting, it is irrelevant where any director is or how they communicate with each other.
- 10.3 If all the directors participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is.

11 Quorum for directors' meetings

- 11.1 At a directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.
- 11.2 The quorum for directors' meetings may be fixed from time to time by a decision of the directors and unless otherwise fixed it is two provided that:
- 11.2.1 if and so long as there is only one director the quorum shall be one; and
- 11.2.2 for the purposes of any meeting held pursuant to article 15 to authorise a director's conflict, if there is only one director besides the director concerned and directors with a similar interest, the quorum shall be one.
- 11.3 If the total number of directors for the time being is less than the quorum required, the directors must not take any decision other than a decision
- 11.3.1 to appoint further directors; or
- 11.3.2 to call a general meeting so as to enable the members to appoint further directors.

12 Chairing of directors' meetings

- 12.1 The directors may appoint a director to chair their meetings.
- 12.2 The person so appointed for the time being is known as the chairman.
- 12.3 The directors may terminate the chairman's appointment at any time.
- 12.4 If no director has been appointed chairman, or the chairman is unwilling to chair the meeting or is not participating in a directors' meeting within ten minutes of the time at which it was to start, the participating directors must appoint one of themselves to chair it.

13 Casting vote

- 13.1 If the numbers of votes for and against a proposal are equal, the chairman or other director chairing the meeting has a casting vote.
- 13.2 But this does not apply if, in accordance with the articles, the chairman or other director chairing the meeting is not to be counted as participating in the decision-making process for quorum or voting purposes.

14 Directors' interests

Except to the extent that article 15 applies or the terms of any authority given under that article otherwise provide, and without prejudice to such disclosure as is required under the Companies Act 2006, a director may be a party to, or otherwise interested in, any transaction or arrangement with the company and shall be entitled to participate in the decision-making process for quorum and voting purposes on any resolution concerning a matter in which he has, directly or indirectly, an interest or duty that conflicts or may conflict with the interests of the company.

15 Directors' conflicts of interest

- 15.1 Subject to the provisions of the Companies Act 2006 and provided that he has disclosed to the directors the nature and extent of any material interest of his, a director may, notwithstanding his office or that, without the authorisation conferred by this article 15.1, he would or might be in breach of his duty under the Companies Act 2006 to avoid conflicts of interest, be a director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any undertaking in the same group as the company, or promoted by the company or by any undertaking in the same group as the company, or in which the company or any undertaking in the same group as the company is otherwise interested.
- 15.2 No director shall:
- 15.2.1 by reason of his office, be accountable to the company for any benefit which he derives from any office or employment, or from any transaction or arrangement, or from any interest in any undertaking, that is authorised under article 15.1 (and no such benefit shall constitute a breach of the duty under the Companies Act 2006 not to accept benefits from third parties, and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit);
 - 15.2.2 be in breach of his duties as a director by reason only of his excluding himself from the receipt of information, or from participation in decision-making or discussion (whether at meetings of the directors or otherwise), that will or may relate to any office, employment, transaction, arrangement or interest that is authorised under article 15.1; or
 - 15.2.3 be required to disclose to the company, or use in relation to the company's affairs, any confidential information obtained by him in connection with any office, employment, transaction, arrangement or interest that is authorised under article 15.1 if his doing so would result in a breach of a duty or an obligation of confidence owed by him in that connection.
- 15.3 A general notice given 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; and 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.

- 15.4 The directors may, if the quorum and voting requirements set out below are satisfied, authorise any matter that would otherwise involve a director breaching his duty under the Companies Act 2006 to avoid conflicts of interest, and any director (including the director concerned) may propose that the director concerned be authorised in relation to any matter the subject of such a conflict provided that:
- 15.4.1 such proposal and any authority given by the directors shall be effected in the same way that any other matter may be proposed to and resolved upon by the directors under the provisions of the articles, except that the director concerned and any other director with a similar interest:
- (a) shall not be counted for quorum purposes as participating in the decision-making process while the conflict is under consideration;
 - (b) may, if the other directors so decide, be excluded from participating in the decision-making process while the conflict is under consideration; and
 - (c) shall not vote on any resolution authorising the conflict except that, if any such director does vote, the resolution will still be valid if it would have been agreed to if his votes had not been counted; and
- 15.4.2 where the directors give authority in relation to such a conflict:
- (a) they may (whether at the time of giving the authority or at any time or times subsequently) impose such terms upon the director concerned and any other director with a similar interest as they may determine, including, without limitation, the exclusion of that director and any other director with a similar interest from the receipt of information, or participation in any decision-making or discussion (whether at meetings of the directors or otherwise) related to the conflict;
 - (b) the director concerned and any other director with a similar interest will be obliged to conduct himself in accordance with any terms imposed from time to time by the directors in relation to the conflict but will not be in breach of his duties as a director by reason of his doing so;
 - (c) the authority may provide that, where the director concerned and any other director with a similar interest obtains information that is confidential to a third party, the director will not be obliged to disclose that information to the company, or to use the information in relation to the company's affairs, where to do so would amount to a breach of that confidence;
 - (d) the authority may also provide that the director concerned or any other director with a similar interest shall not be accountable to the company for any benefit that he receives as a result of the conflict;
 - (e) the receipt by the director concerned or any other director with a similar interest of any remuneration or benefit as a result of the conflict shall not constitute a breach of the duty under the Companies Act 2006 not to accept benefits from third parties;
 - (f) the terms of the authority shall be recorded in writing (but the authority shall be effective whether or not the terms are so recorded); and
 - (g) the directors may withdraw such authority at any time.
- 15.5 Subject to article 15.6, if a question arises at a meeting of directors or of a committee of directors as to the right of a director to participate in the meeting (or part of the meeting) for voting or quorum purposes, the question may, before the conclusion of the meeting, be referred to the chairman, whose ruling in relation to any director other than the chairman is to be final and conclusive.
- 15.6 If any question as to the right to participate in the meeting (or part of the meeting) should arise in respect of the chairman, the question is to be decided by a decision of the directors at that meeting,

for which purpose the chairman is not to be counted as participating in the meeting (or that part of the meeting) for voting or quorum purposes.

16 Records of decisions to be kept

The directors must ensure that the company keeps a record, in hard copy form, for at least 10 years from the date of the decision recorded, of every unanimous or majority decision taken by the directors.

17 Directors' discretion to make further rules

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

APPOINTMENT OF DIRECTORS

18 Methods of appointing and removing directors

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

18.1.1 by ordinary resolution, or

18.1.2 by a decision of the directors.

18.2 If the company has no directors and, by virtue of death or bankruptcy, no member is capable of acting, the transmittee of the last member to have died or to have had a bankruptcy order made against him has the right, by notice in writing, to appoint a person to be a director.

18.3 For the purposes of article 18.2, where two or more members die in circumstances rendering it uncertain who was the last to die, a younger member is deemed to have survived an older member.

18.4 Any member or members holding a majority in nominal amount of the issued ordinary share capital that confers the right to attend and vote at general meetings may at any time appoint any person to be a director, whether as an additional director or to fill a vacancy, and may remove from office any director howsoever appointed and any alternate director. Any such appointment or removal shall be effected by notice in writing to the company by the relevant member or members. Any such appointment or removal shall take effect when it is delivered to the registered office of the company or, if it is produced at a meeting of the directors, when it is so produced or, if sent by electronic means to an address generally used by the company, when it is sent (and article 75.2 shall not apply to it). Any such removal shall be without prejudice to any claim that a director may have under any contract between him and the company.

19 Termination of director's appointment

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

19.1.1 that person ceases to be a director by virtue of any provision of the Companies Act 2006 or is prohibited from being a director by law;

19.1.2 a bankruptcy order is made against that person;

19.1.3 a composition is made with that person's creditors generally in satisfaction of that person's debts;

19.1.4 he becomes, in the opinion of all his co-directors, physically or mentally incapable of discharging his duties as a director;

19.1.5 notification is received by the company from the director that the director is resigning from office, and such resignation has taken effect in accordance with its terms; or

19.1.6 he is otherwise duly removed from office.

20 Directors' remuneration

20.1 Directors may undertake any services for the company that the directors decide.

20.2 Directors are entitled to such remuneration as the directors determine:

20.2.1 for their services to the company as directors; and

20.2.2 for any other service which they undertake for the company.

20.3 Subject to the articles, a director's remuneration may:

20.3.1 take any form; and

20.3.2 include any arrangements in connection with the payment of a pension, allowance or gratuity, or any death, sickness or disability benefits, to or in respect of that director.

20.4 Unless the directors decide otherwise, directors' remuneration accrues from day to day.

21 Directors' expenses

The company may pay any reasonable expenses which the directors (and any alternate directors or company secretary) properly incur in connection with their attendance at:

21.1 meetings of directors or committees of directors;

21.2 general meetings; or

21.3 separate meetings of the holders of any class of shares or of debentures of the company,

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

ALTERNATE DIRECTORS

22 Appointment and removal of alternate directors

22.1 Any director (other than an alternate director) may appoint as an alternate any other director, or any other person approved by resolution of the directors and willing to act, to:

22.1.1 exercise that director's powers; and

22.1.2 carry out that director's responsibilities,

in relation to the taking of decisions by the directors, in the absence of the alternate's appointor.

22.2 Any appointment or removal of an alternate must identify the proposed alternate and be effected by notice in writing to the company signed by his appointor, or in any other manner approved by the directors.

23 Rights and responsibilities of alternate directors

23.1 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.

23.2 Except as the articles specify otherwise, alternate directors:

23.2.1 are deemed for all purposes to be directors;

23.2.2 are liable for their own acts and omissions;

- 23.2.3 are subject to the same restrictions as their appointors; and
 - 23.2.4 are not deemed to be agents of or for their appointors
- and, in particular (without limitation), each alternate director shall be entitled to receive notice of all meetings of directors and of all meetings of committees of directors of which his appointor is a member.
- 23.3 A person who is an alternate director but not a director:
- 23.3.1 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);
 - 23.3.2 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); and
 - 23.3.3 shall not be counted as more than one director for the purposes of articles 23.3.1 and 23.3.2.
- 23.4 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), but shall not count as more than one director for the purposes of determining whether a quorum is present.
- 23.5 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.

24 Termination of alternate directorship

An alternate director's appointment as an alternate terminates:

- 24.1 when the alternate's appointor revokes the appointment by notice to the company in writing specifying when it is to terminate;
- 24.2 on the occurrence, in relation to the alternate, of any event which, if it occurred in relation to the alternate's appointor, would result in the termination of the appointor's appointment as a director;
- 24.3 on the death of the alternate's appointor;
- 24.4 when the alternate's appointor's appointment as a director terminates; or
- 24.5 when the alternate is removed in accordance with the articles.

PART 3, SHARES AND DISTRIBUTIONS

SHARES

25 Further issues of shares – authority

- 25.1 Subject to the provisions of article 26, the directors are generally and unconditionally authorised, for the purposes of section 551 of the Companies Act 2006 to exercise any power of the Company to:
 - 25.1.1 offer or allot;
 - 25.1.2 grant rights to subscribe for or to convert any security into;
 - 25.1.3 otherwise create, deal in, or dispose of

any shares in the company to any person, at any time and subject to any terms and conditions as the directors think proper.
- 25.2 The authority referred to in Article 25.1:

- 25.2.1 shall be limited to a maximum of £38,160 nominal amount of Ordinary 'B' shares of £0.01 each;
- 25.2.2 shall only apply insofar as the company has not renewed, waived or revoked it by ordinary resolution; and
- 25.3 may only be exercised for a period of five years commencing on the date on which these articles are adopted, save that the directors may make an offer or agreement which would, or might, require shares to be allotted after the expiry of such authority (and the directors may allot shares in pursuance of an offer or agreement as if such authority had not expired).
- 26 Further issue of shares – pre-emption rights**
 - 26.1 In accordance with Section 567(1) of the Companies Act 2006, Sections 561 and 562 of the Companies Act 2006 shall not apply to an allotment of equity securities (as defined in section 560(1) of the Companies Act 2006) made by the company.
 - 26.2 Unless otherwise agreed by special resolution, if the company proposes to allot any equity securities, those equity securities shall not be allotted to any person unless the company has first offered them to all members on the date of the offer of the same class on the same terms, and at the same price, as those equity securities are being offered to such person on a pari passu basis and pro tanto to the nominal value of shares held by those members (as nearly as possible without involving fractions).
 - 26.3 The offer:
 - 26.3.1 shall be in writing, shall be open for acceptance for a period of fifteen working days from the date of the offer and shall give details of the number and subscription price of the relevant equity securities; and
 - 26.3.2 may stipulate that any member who wishes to subscribe for a number of equity securities in excess of the proportion to which he is entitled shall, in his acceptance, state the number of excess equity securities (Excess Securities) for which he wishes to subscribe.
 - 26.4 Any equity securities not accepted by members pursuant to the offer made to them in accordance with Articles 28.2 and 28.3 shall be used for satisfying any requests for Excess Securities made pursuant to Article 28.3.2. If there are insufficient Excess Securities to satisfy such requests, the Excess Securities shall be allotted to the applicants as nearly as practicable in the proportion that the number of Excess Securities each member indicated he would accept bears to the total number of Excess Securities applied for (as nearly as possible without involving fractions or increasing the number of Excess Securities allotted to any member beyond that applied for by him). After that allotment, any Excess Securities remaining shall be offered to any person as the directors may determine, at the same price and on the same terms as the offer to the members.
- 27 Powers to issue different classes of share**
 - 27.1 Subject to the articles, but without prejudice to the rights attached to any existing share, the company may issue shares with such rights or restrictions as may be determined by ordinary resolution.
 - 27.2 The company may issue shares which are to be redeemed, or are liable to be redeemed at the option of the company or the holder, and the directors may determine the terms, conditions and manner of redemption of any such shares.
- 28 Class rights and variation**
 - 28.1 The shares in the Capital of the company shall be divided into 38,160 Ordinary 'A' shares of £1.00 each, 38,160 Ordinary 'B' shares of £0.01 each and 273,750 Preference shares of £1.00 each.

- 28.2 The Ordinary 'A' shares of £1.00 each (formerly known as Ordinary shares) and the Ordinary 'B' shares of £0.01 each shall rank pari passu in all respects save that for the avoidance of doubt the directors may declare different dividends on each class of share.
- 28.3 The Preference shares issued at the date of adoption of these articles have the following rights attaching to them:
- 28.3.1 with regard to income the Preference shares shall entitle the holders thereof in priority to any dividend or return of capital on any other class of shares to a variable cumulative preferential dividend on the capital for the time being paid up thereon at an annual rate (inclusive of any associated tax credit) in respect of each accounting reference period of the company equal to 2% above the base rate published on 31st December in the preceding accounting reference period by National Westminster Bank plc or the bank which is successor to the business of that bank or, if any such bank ceases to trade in circumstances that no one bank succeeds to that business, such member of the Committee of London and Scottish Bankers as the auditor for the time being of the company may nominate, such dividend to be payable by equal half-yearly instalments on the 30th June and 31st December in each year in respect of the half-yearly periods ending on those dates;
- 28.3.2 with regard to capital, the Preference shares shall entitle the holders thereof on a winding up or on a reduction of capital involving a return of capital in priority to any return of capital on any other class of shares to repayment of the capital paid up or credited as paid up thereon, together with a sum equal to any arrears or accruals of the cumulative preferential dividend thereon calculated down to the date of repayment, whether or not such dividend shall have been declared or earned;
- 28.3.3 with regard to voting, the Preference shares shall not entitle the holders to receive notice of or to attend or vote at any general meeting of the company unless either (a) the dividend on the Preference shares is 6 months or more in arrear and for this purpose such dividend shall be deemed to be payable on the 30th June and the 31st December in each year or (b) the business of the meeting includes the consideration of a resolution for winding up the company, or a reduction of capital, or any resolution directly or adversely modifying or abrogating any of the special rights or privileges attaching to the Preference shares, in which case the holders thereof shall only be entitled to vote at the relevant meeting in respect of such resolution or resolutions;
- 28.3.4 the Preference shares shall not confer on the holders thereof any further rights to participate in the profits or assets of the company or to vote.
- 28.4 No further shares ranking as to dividend or repayment of capital in priority to or pari passu with the Preference shares shall be created or issued except with the consent or sanction of the Preference Shareholders given in accordance with this article and in this paragraph the expression 'the Preference Shareholders' means the holders of the Preference shares and any further preferences shares ranking pari passu and identically in all respects and so as to form one class therewith.
- 28.5 In the winding up of the company the surplus assets shall be applied to the following purposes and in the following order of priority:
- 28.5.1 to the repayment of capital paid up or credited as paid up and the payment of the premium (if any) on the Preference shares and on any further preference shares ranking pari passu therewith as regards priority in respect of capital, together also with any arrears or accruals of dividend in accordance with the rights of all such shares;
- 28.5.2 to the payment of the capital paid up or credited as paid up on the Ordinary 'A' shares;
- 28.5.3 to the payment of the capital paid up or credited as paid up on the Ordinary 'B' shares; and

28.5.4 any surplus assets shall be divided amongst the holders of Ordinary 'A' shares and Ordinary 'B' shares in proportion to the number of such shares held by them respectively.

28.6 Whenever the capital of the company is divided into different classes of shares, the special rights attached to any class may only be varied or abrogated, either whilst the company is a going concern or during or in contemplation of a winding up, with the consent of the holders of the issued shares of that class given in accordance with article 28.7.

28.7 The consent of the holders of a class of shares may be given by:

28.7.1 a special resolution passed at a separate general meeting of the holders of the issued shares of that class; or

28.7.2 a written resolution in any form signed by or on behalf of the holders of three-quarters in nominal value of the issued shares of that class.

but not otherwise. To every such meeting, all the provisions of these articles and the Companies Act 2006 relating to general meetings of the company shall apply (with such amendments as may be necessary to give such provisions efficacy) but so that the necessary quorum shall be two holders of shares of the relevant class present in person or by proxy and holding or representing not less than one third in nominal value of the issued shares of the relevant class; that every holder of shares of the class shall be entitled on a poll to one vote for every such share held by him; and that any holder of shares of the class, present in person or by proxy or (being a corporation) by a duly authorised representative, may demand a poll. If at any adjourned meeting of such holders such a quorum as aforesaid is not present, not less than one person holding shares of the class who is present in person or by proxy shall be a quorum.

29 Payment of commissions on subscription for shares

29.1 The company may pay any person a commission in consideration for that person:

29.1.1 subscribing, or agreeing to subscribe, for shares; or

29.1.2 procuring, or agreeing to procure, subscription for shares.

29.2 Any such commission may be paid:

29.2.1 in cash, or in fully paid or partly paid shares or other securities, or partly in one way and partly in the other; and

29.2.2 in respect of a conditional or an absolute subscription.

30 Company not bound by less than absolute interests

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

31 Fractional entitlements

31.1 Where there has been a consolidation or division of shares and, as a result, members are entitled to fractions of shares, the directors may:

31.1.1 sell the shares representing the fractions to any person including the company for the best price reasonably obtainable;

31.1.2 authorise any person to execute an instrument of transfer of the shares to the purchaser or a person nominated by the purchaser; and

- 31.1.3 distribute the net proceeds of sale in due proportion among the holders of the shares.
- 31.2 Where any holder's entitlement to a portion of the proceeds of sale under article 31.1 amounts to less than a minimum figure determined by the directors, that member's portion may be retained for the benefit of the company.
- 31.3 The person to whom the shares are transferred pursuant to article 31.1 is not obliged to ensure that any purchase money is received by the person entitled to the relevant fractions. The transferee's title to the shares is not affected by any irregularity in or invalidity of the process leading to their sale.

LIEN AND FORFEITURE

32 Company's lien over shares

- 32.1 The company has a lien (the **company's lien**) over every share, whether or not fully paid, which is registered in the name of any person indebted or under any liability to the company, whether he is the sole registered holder of the share or one of several joint holders, for all monies payable by him (either alone or jointly with any other person) to the company, whether payable immediately or at some time in the future.
- 32.2 The company's lien over a share:
 - 32.2.1 takes priority over any third party's interest in that share; and
 - 32.2.2 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.
- 32.3 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.

33 Enforcement of the company's lien

- 33.1 Subject to the provisions of this article, if:
 - 33.1.1 a lien enforcement notice has been given in respect of a share; and
 - 33.1.2 the person to whom the notice was given has failed to comply with it,
the company may sell that share in such manner as the directors decide.
- 33.2 A lien enforcement notice:
 - 33.2.1 may only be given in respect of a share which is subject to the company's lien, in respect of which a sum is payable and the due date for payment of that sum has passed;
 - 33.2.2 must specify the share concerned;
 - 33.2.3 must require payment of the sum within 14 clear days of the notice;
 - 33.2.4 must be addressed either to the holder of the share or to a transferee of that holder; and
 - 33.2.5 must state the company's intention to sell the share if the notice is not complied with.
- 33.3 Where shares are sold under this article:
 - 33.3.1 the directors may authorise any person to execute an instrument of transfer of the shares to the purchaser or to a person nominated by the purchaser; and
 - 33.3.2 the transferee is not bound to see to the application of the consideration, and the transferee's title is not affected by any irregularity in or invalidity of the process leading to the sale.

- 33.4 The net proceeds of any such sale (after payment of the costs of sale and any other costs of enforcing the lien) must be applied:
- 33.4.1 first, in payment of so much of the sum for which the lien exists as was payable at the date of the lien enforcement notice; and
- 33.4.2 second, to the person entitled to the shares at the date of the sale, but only after the certificate for the shares sold has been surrendered to the company for cancellation, or an indemnity in a form reasonably satisfactory to the directors has been given for any lost certificates, and subject to a lien equivalent to the company's lien over the shares before the sale for any money payable (whether immediately or at some time in the future) after the date of the lien enforcement notice.
- 33.5 A statutory declaration by a director or the company secretary (if any) that the declarant is a director or the company secretary and that a share has been sold to satisfy the company's lien on a specified date:
- 33.5.1 is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share; and
- 33.5.2 subject to compliance with any other formalities of transfer required by the articles or by law, constitutes a good title to the share.

34 Call notices

- 34.1 Subject to the articles and the terms on which shares are allotted, the directors may send a notice (a **call notice**) to a member requiring the member to pay the company a specified sum of money (a **call**) which is payable in respect of his shares at the date when the directors decide to send the call notice.
- 34.2 A call notice:
- 34.2.1 may not require a member to pay a call which exceeds the total sum unpaid on the shares (whether as to nominal value or any amount payable to the company by way of premium);
- 34.2.2 must state when and how any call to which it relates is to be paid; and
- 34.2.3 may permit or require the call to be made in instalments.
- 34.3 A member must comply with the requirements of a call notice, but no member is obliged to pay any call before 14 clear days have passed since the notice was sent.
- 34.4 Before the company has received any call due under a call notice the directors may:
- 34.4.1 revoke it wholly or in part; or
- 34.4.2 specify a later time for payment than is specified in the notice,
by a further notice in writing to the member in respect of whose shares the call is made.

35 Liability to pay calls

- 35.1 Liability to pay a call is not extinguished or transferred by transferring the shares in respect of which it is required to be paid.
- 35.2 Joint holders of a share are jointly and severally liable to pay all calls in respect of that share.
- 35.3 Subject to the terms on which shares are allotted, the directors may, when issuing shares, provide that call notices sent to the holders of those shares may require them:
- 35.3.1 to pay calls which are not the same; or

35.3.2 to pay calls at different times.

36 When call notice need not be issued

36.1 A call notice need not be issued in respect of sums which are specified, in the terms on which a share is issued, as being payable to the company in respect of that share:

36.1.1 on allotment;

36.1.2 on the occurrence of a particular event; or

36.1.3 on a date fixed by or in accordance with the terms of issue.

36.2 But if the due date for payment of such a sum has passed and it has not been paid, the holder of the share concerned is treated in all respects as having failed to comply with a call notice in respect of that sum, and is liable to the same consequences as regards the payment of interest and forfeiture.

37 Failure to comply with call notice: automatic consequences

37.1 If a person is liable to pay a call and fails to do so by the call payment date:

37.1.1 the directors may issue a notice of intended forfeiture to that person; and

37.1.2 until the call is paid, that person must pay the company interest on the call from the call payment date at the relevant rate.

37.2 For the purposes of this article:

37.2.1 the **call payment date** is the time when the call notice states that a call is payable, unless the directors give a notice specifying a later date, in which case it is that later date; and

37.2.2 the **relevant rate** is

(a) the rate fixed by the terms on which the share in respect of which the call is due was allotted;

(b) such other rate as was fixed in the call notice which required payment of the call, or has otherwise been determined by the directors; or

(c) if no rate is fixed in either of these ways, 5 per cent per annum.

37.3 The relevant rate must not exceed by more than 5 percentage points the base lending rate most recently set by the Monetary Policy Committee of the Bank of England in connection with its responsibilities under Part 2 of the Bank of England Act 1998.

37.4 The directors may waive any obligation to pay interest on a call wholly or in part.

38 Notice of intended forfeiture

38.1 A notice of intended forfeiture:

38.1.1 may be sent in respect of any share in respect of which a call has not been paid as required by a call notice;

38.1.2 must be sent to the holder of that share (or all the joint holders of that share) or to a transmittee of that holder;

38.1.3 must require payment of the call and any accrued interest and all expenses that may have been incurred by the company by reason of such non-payment by a date which is not less than 14 clear days after the date of the notice;

38.1.4 must state how the payment is to be made; and

38.1.5 must state that, if the notice is not complied with, the shares in respect of which the call is payable will be liable to be forfeited.

39 Directors' power to forfeit shares

If a notice of intended forfeiture is not complied with before the date by which payment of the call is required in the notice of intended forfeiture, the directors may decide that any share in respect of which it was given is forfeited, and the forfeiture is to include all dividends or other moneys payable in respect of the forfeited shares and not paid before the forfeiture.

40 Effect of forfeiture

40.1 Subject to the articles, the forfeiture of a share extinguishes:

40.1.1 all interests in that share, and all claims and demands against the company in respect of it; and

40.1.2 all other rights and liabilities incidental to the share as between the person whose share it was prior to the forfeiture and the company.

40.2 Any share which is forfeited in accordance with the articles:

40.2.1 is deemed to have been forfeited when the directors decide that it is forfeited;

40.2.2 is deemed to be the property of the company; and

40.2.3 may be sold, re-allotted or otherwise disposed of as the directors think fit.

40.3 If a person's shares have been forfeited:

40.3.1 the company must send that person notice that forfeiture has occurred and record it in the register of members;

40.3.2 that person ceases to be a member in respect of those shares;

40.3.3 that person must surrender the certificate for the shares forfeited to the company for cancellation;

40.3.4 that person remains liable to the company for all sums payable by that person under the articles at the date of forfeiture in respect of those shares, including any interest (whether accrued before or after the date of forfeiture); and

40.3.5 the directors may waive payment of such sums wholly or in part or enforce payment without any allowance for the value of the shares at the time of forfeiture or for any consideration received on their disposal.

40.4 At any time before the company disposes of a forfeited share, the directors may decide to cancel the forfeiture on payment of all calls, interest and expenses due in respect of it and on such other terms as they think fit.

41 Procedure following forfeiture

41.1 If a forfeited share is to be disposed of by being transferred, the company may receive the consideration for the transfer and the directors may authorise any person to execute the instrument of transfer.

41.2 A statutory declaration by a director or the company secretary that the declarant is a director or the company secretary and that a share has been forfeited on a specified date:

41.2.1 is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share; and

- 41.2.2 subject to compliance with any other formalities of transfer required by the articles or by law, constitutes a good title to the share.
- 41.3 A person to whom a forfeited share is transferred is not bound to see to the application of the consideration (if any) nor is that person's title to the share affected by any irregularity in or invalidity of the process leading to the forfeiture or transfer of the share.
- 41.4 If the company sells a forfeited share, the person who held it prior to its forfeiture is entitled to receive from the company the proceeds of such sale, net of any commission, and excluding any amount which:
 - 41.4.1 was, or would have become, payable; and
 - 41.4.2 had not, when that share was forfeited, been paid by that person in respect of that share, but no interest is payable to such a person in respect of such proceeds and the company is not required to account for any money earned on them.

42 Surrender of shares

- 42.1 A member may surrender any share:
 - 42.1.1 in respect of which the directors may issue a notice of intended forfeiture;
 - 42.1.2 which the directors may forfeit; or
 - 42.1.3 which has been forfeited.
- 42.2 The directors may accept the surrender of any such share.
- 42.3 The effect of surrender on a share is the same as the effect of forfeiture on that share.
- 42.4 A share which has been surrendered may be dealt with in the same way as a share which has been forfeited.

43 Share certificates

- 43.1 The company must issue each member, free of charge, with one or more certificates in respect of the shares which that member holds.
- 43.2 Every certificate must specify:
 - 43.2.1 in respect of how many shares, of what class, it is issued;
 - 43.2.2 the nominal value of those shares;
 - 43.2.3 the amount paid up on them; and
 - 43.2.4 any distinguishing numbers assigned to them.
- 43.3 No certificate may be issued in respect of shares of more than one class.
- 43.4 If more than one person holds a share, only one certificate may be issued in respect of it.
- 43.5 Certificates must:
 - 43.5.1 have affixed to them the company's common seal; or
 - 43.5.2 be otherwise executed in accordance with the Companies Acts.
- 43.6 The directors may determine, either generally or in relation to any particular case, that any signature on any certificate need not be autographic but may be applied by some mechanical or other means, or printed on the certificate, or that certificates need not be signed.

44 Replacement share certificates

44.1 If a certificate issued in respect of a member's shares is:

44.1.1 damaged or defaced; or

44.1.2 said to be lost, stolen or destroyed,

that member is entitled to be issued with a replacement certificate in respect of the same shares.

44.2 A member exercising the right to be issued with such a replacement certificate:

44.2.1 may at the same time exercise the right to be issued with a single certificate or separate certificates;

44.2.2 must return the certificate which is to be replaced to the company if it is damaged or defaced; and

44.2.3 must comply with such conditions as to evidence, indemnity and the payment of a reasonable fee as the directors decide.

45 Share transfers

45.1 Shares may be transferred by means of an instrument of transfer in any usual form or any other form approved by the directors, which is executed by or on behalf of the transferor and, if the shares are not fully paid, the transferee.

45.2 No fee may be charged for registering any instrument of transfer or other document relating to or affecting the title to any share.

45.3 The company may retain any instrument of transfer which is registered.

45.4 The transferor remains the holder of a share until the transferee's name is entered in the register of members as holder of it.

45.5 The directors, in their absolute discretion, may refuse to register the transfer of a share, whether or not it is fully paid, and if they do so, they shall within two months after the date on which the transfer was lodged send the transferee the notice of refusal together with their reasons for refusal and, unless they suspect that the proposed transfer may be fraudulent, the instrument of transfer.

45.6 The directors may only register a transfer of shares to:

45.6.1 an existing member of the company; or

45.6.2 to a family member of a member of the company where the family member is also an employee of the Company at the date of the transfer; or

45.6.3 to a person who is the Partner of a member of the Company at the date of the transfer.

46 Pre-emption rights on transfer of shares

46.1 Transfer notice

46.1.1 This article applies to any proposed transfer.

46.1.2 Any person wishing to transfer any shares in the company ('the transferor') must first give to the company notice in writing ('the transfer notice') stating that he wishes to sell those shares ('the relevant shares').

- 46.1.3 The transfer notice must specify the price at which he is prepared to sell the relevant shares and constitute the company as his agent for the sale of all (but not a part only) of those shares to any of the other members at the specified price.
- 46.1.4 Once the company has received the transfer notice, the transferor may not revoke it without the directors' prior consent.

46.2 The offer notice

- 46.2.1 On receipt of the transfer notice, the company must send a written notice ('the offer notice') to all the members of the company holding shares of the same class as the relevant shares (other than the transferor) ('the relevant members').
- 46.2.2 The offer notice must be sent by pre-paid post to the relevant members at their respective registered addresses.
- 46.2.3 The offer notice must offer the relevant shares to the relevant members:
- (a) at the price specified in the transfer notice or, if none was specified, at a price to be fixed in accordance with article 46.4.1 (c) ('the prescribed price');
 - (b) on the terms that if more than one member desires to purchase the relevant shares then the shares will be sold to members accepting the offer in proportion (as nearly as may be) to their existing holdings of that class of shares.
- 46.2.4 The offer notice must set a deadline (not being less than 21 days) by which the offer must be accepted or be treated as declined.

46.3 The sale notice

- 46.3.1 This article applies where the transferor has specified a price for the relevant shares in the transfer notice.
- (a) In this article, 'purchaser' means any member willing to purchase the relevant shares at the specified price, and 'purchasers' is to be construed accordingly.
 - (b) Where the company finds a purchaser or purchasers for all of the relevant shares specified in the transfer notice within the period of 2 months of receiving that notice, it must give notice ('the sale notice') to the transferor, stating this fact together with the name and address of each purchaser and the number of shares that each purchaser is willing to purchase.
 - (c) The sale notice:
 - (i) must be accompanied by appropriate instruments of transfer for the transferor to execute;
 - (ii) must specify a time and a place for the transferor to complete the purchase (not being more than 28 days after the date on which the sale notice is given).
 - (d) Upon payment of the specified price, the transferor shall be bound to transfer the appropriate number of shares to the relevant purchaser.
 - (e) For the purpose of determining the right of any purchaser to any distribution by the company, the transferor shall be deemed to have sold the relevant shares at the date of the completion of the purchase.

46.4 The interim sale notice

- 46.4.1 This article applies where the transferor has not specified a price for the relevant shares in the transfer notice.

- (a) In this article, 'prospective purchaser' means any member willing to purchase subject to the prescribed price proving to be acceptable, and 'prospective purchasers' is to be construed accordingly.
- (b) Where the company finds a prospective purchaser or purchasers for all of the relevant shares specified in the transfer notice within the period of 2 months of receiving that notice, it must give written notice ('the interim sale notice') to the transferor, stating this fact together with the name and address of each prospective purchaser and the number of shares which each prospective purchaser is willing to purchase.
- (c) The interim sale notice must state that:
 - (i) the transferor has one month from the receipt of the notice ('the negotiation period') to use his best endeavours to agree the price for each share with each prospective purchaser;
 - (ii) if the transferor succeeds in agreeing the price with each prospective purchaser in accordance with article 46.4.1 (c) (i) during the negotiation period, he must immediately give written notice of the fact to the company, which must then proceed to issue a final sale notice under article 46.6;
 - (iii) if the transferor fails to agree the price in accordance with article 46.4.1 (c)(i) by the end of the negotiation period, the fair value for the shares ('the prescribed price') shall be determined by the accountants for the time being of the company whose decision in either case shall be final.
 - (iv) the accountants for the time being of the company must determine the prescribed price by the end of the period of one month beginning immediately after the last day of the negotiation period ('the valuation period').

46.5 **The prescribed price**

- 46.5.1 In determining the prescribed price under article 46.4.1 (c)(iii), the accountants for the time being of the company:
 - (a) shall act as an expert and not as an arbitrator, and
 - (b) shall have power to determine how the costs of fixing the fair value of the shares shall be borne.
- 46.5.2 Where the prescribed price has been determined, the company must give written notice of the fact to each prospective purchaser and inform him that he has a period of one month from the receipt of the notice ('the acceptance period') to:
 - (a) withdraw his application to purchase the shares, or
 - (b) signify his consent to proceed with the purchase.
- 46.5.3 A prospective purchaser shall be deemed to have signified his consent under article 46.5.2 (b) unless he informs the company in writing within the acceptance period that he no longer desires to purchase the shares.
- 46.5.4 If all of the prospective purchasers signify or are deemed to signify their consent to proceed with the purchase, the company must give the transferor notice of the fact by issuing a final sale notice under article 46.6.

- 46.5.5 If some but not all of the prospective purchasers signify or are deemed to signify their consent to proceed with the purchase:
- (a) the company must offer the shares which have been rejected to those prospective purchasers which have signified or are deemed to have signified their consent, and
 - (b) if by doing so buyers can be found for all of the shares specified in the transfer notice, the company must give the transferor notice of the fact by issuing a final sale notice under article 46.6.
- 46.5.6 For the avoidance of doubt, if some but not all of the prospective purchasers signify or are deemed to signify their consent to the purchase of the shares at the prescribed price, the transferor shall be under no obligation to sell the relevant shares specified in the transfer notice unless those prospective purchasers who are prepared to purchase shares agree to purchase all of the shares specified in the transfer notice.

46.6 The final sale notice

- 46.6.1 The final sale notice must:
- (a) give the name and address of each prospective purchaser and the number of shares which each is willing to purchase;
 - (b) state the price which each prospective purchaser has agreed with the transferor or the prescribed price to which each has signified his consent (as the case may be);
 - (c) be accompanied by appropriate instruments of transfer for the transferor to execute;
 - (d) specify a time and a place for the transferor to complete the purchase (not being more than 28 days after the date on which the final sale notice is given).
- 46.6.2 Upon payment of the agreed or prescribed price, the transferor shall be bound to transfer the appropriate number of shares to the relevant prospective purchaser.
- 46.6.3 For the purpose of determining the right of any prospective purchaser to any distribution by the company, the transferor shall be deemed to have sold the relevant shares at the date of the completion of the purchase.

46.7 Transferor's failure to transfer shares

- 46.7.1 If the transferor fails to transfer any shares in accordance with the sale notice or the final sale notice (as the case may be):
- (a) the directors may authorise some person to sign an instrument of transfer on behalf of the transferor in favour of the purchaser or prospective purchaser;
 - (b) the company may receive the purchase money to be held in trust for the transferor and cause the name of the purchaser or prospective purchaser (as applicable) to be entered in the register as the holder of the shares.
- 46.7.2 The company's receipt for the purchase money shall be a good discharge to the purchaser or prospective purchaser, who shall not be bound to see to its application.
- 46.7.3 After a purchaser's or prospective purchaser's name has been entered into the register, the validity of the proceedings shall not be questioned by any person.
- 46.7.4 For the purpose of determining the right of any purchaser or prospective purchaser to any distribution by the company, the transferor shall be deemed to have sold the relevant shares at the date of the completion of the purchase.

46.8 Transferor's right to transfer shares where pre-emption procedure fails

46.8.1 This article applies on the occurrence of any of the following events:

- (a) the expiry of the period of 2 months beginning with the company's receipt of the transfer notice without the company having found purchasers or prospective purchasers for all of the relevant shares specified in the transfer notice;
- (b) the company giving notice before the end of the period referred to in article 46.8.1(a) that it has not found purchasers or prospective purchasers for all of the relevant shares specified in the transfer notice and has no prospects of doing so;
- (c) the expiry of the valuation period referred to in article 46.4.1(c)(iv) without the company auditor or other nominated chartered accountant having determined the prescribed price;
- (d) the expiry of the acceptance period referred to in article 46.5.2 without buyers having been found for all of the shares specified in the transfer notice in accordance with either article 46.5.4 or article 46.5.5.

46.8.2 For a period of 4 months beginning with the relevant event as described in article 46.8.1, the transferor shall be at liberty to transfer all or any of the shares specified in the transfer notice to any person, provided that

- (a) he does so at a price no lower than the price specified in the transfer notice or agreed under article 46.4.1(c)(i) or prescribed under article 46.4.1(c)(iii) (as the case may be); and
- (b) the directors approve of the transferee pursuant to article 45.5 and article 45.6.

46.8.3 If the transferor wishes to transfer all or any of the shares specified in the transfer notice after the expiry of the period of 4 months referred to in article 46.8.2 then he must give a new transfer notice to the company in accordance with article 46.1.

46.9 Bankruptcy of a member

46.9.1 If a bankruptcy order is made against any member, his trustee in bankruptcy must immediately give to the company a transfer notice in accordance with article 46.1 in respect of all the shares registered in the name of the bankrupt member as sole holder or as sole surviving joint holder at the date of his bankruptcy.

46.9.2 If the trustee in bankruptcy fails to give a transfer notice within one month of the bankruptcy, he shall be deemed to have given it at the end of that period.

46.9.3 The provisions of articles 46.1 to 46.8 (inclusive) will apply to any transfer notice given or deemed to be given under this article except that the transfer notice shall be deemed not to contain a specified price for the shares and the price shall be the fair value for the shares determined in accordance with article 46.4.1(c)(iii).

47 Deemed and mandatory transfers

47.1 The provisions of this Article shall apply to

- 47.1.1 any Leaver and to any Leaver's shares; and
- 47.1.2 any Separated Partner and Separated Partner's shares.

47.2 In these Articles:

- 47.2.1 a **"Relevant Employee"** shall mean an employee or director of the Company;

- 47.2.2 a **“Leaver”** shall mean:
- (a) any member holding ordinary shares who ceases, or has ceased, to be a Relevant Employee; or
 - (b) any holder of ordinary shares holding ordinary shares as a nominee for any person who ceases, or who has ceased, to be a Relevant Employee.
- 47.3 Within the period commencing on the relevant leaving date and expiring at midnight on the 30th day after such date, the directors may serve a notice on a Leaver notifying him that he is, with immediate effect, deemed to have served one or more transfer notices in respect of such number and class of his Leaver's shares as is specified in the notice.
- 47.4 The provisions of Article 46 shall apply to any such transfer notice, provided that for these purposes:
- 47.4.1 the prescribed price shall be determined by article 47.8; and
 - 47.4.2 the payment of the price for the shares shall be in accordance with article 47.9.
- 47.5 In these Articles a **“Separated Partner”** means a member who:
- 47.5.1 at the time of becoming a member, was a Partner of an existing member (the **“Original Member”**), who transferred shares to that Partner; or
 - 47.5.2 any holder of ordinary shares holding ordinary shares as a nominee for any person who becomes a Separated Partner; and
 - 47.5.3 the Original Member has notified the Company in writing that the Original Member is no longer in a relationship with their Partner.
- 47.6 Within the period commencing on the date the Company receives the Original Member's notice pursuant to article 47.5.3 and expiring at midnight on the 30th day after such date,
- 47.6.1 the Original Member may serve a notice on the Separated Partner notifying the Separated Partner that the Separated Partner is required to transfer the ordinary shares transferred to that Separated Partner by the Original Member back to the Original Member at the prescribed price determined by article 47.8 with a payment schedule as provided in article 47.9; or
 - 47.6.2 if the Original Member notifies the Company in writing beforehand that the Original Member does not wish to acquire such shares, the directors may serve a notice on the Separated Partner notifying them that the Separated Partner is, with immediate effect, deemed to have served one or more transfer notices in respect of such number and class of the Separated Partner's shares as is specified in the notice. The provisions of Article 46 shall apply to any such transfer notice, provided that for these purposes:
 - (a) the prescribed price shall be determined by article 47.8; and
 - (b) the payment of the price for the shares shall be in accordance with article 47.9.
- 47.7 If the Separated Partner fails to transfer any shares in accordance with the notice under article 47.6.1:
- 47.7.1 the directors may authorise some person to sign an instrument of transfer on behalf of the Separated Partner in favour of the Original Member;

- 47.7.2 the company may receive the purchase money to be held in trust for the Separated Partner and cause the name of the Original Member to be entered in the register as the holder of the shares.
- 47.7.3 The company's receipt for the purchase money shall be a good discharge to the Original Member, who shall not be bound to see to its application.
- 47.7.4 After an Original Member's name has been entered into the register, the validity of the proceedings shall not be questioned by any person.
- 47.7.5 For the purpose of determining the right of the Original Member to any distribution by the company, the Separated Partner shall be deemed to have sold the relevant shares at the date of the completion of the purchase.
- 47.8 The prescribed price for the purposes of article 47.6 and article 47.8 shall be 50% of the market value of the relevant shares, without a discount or premium having been applied to the calculation of market value to reflect whether the shares represent a minority or majority interest. The prescribed price will be determined by the accountants for the time being of the company whose decision shall be final.
- 47.9 The purchase price for a transfer of shares pursuant to the provisions of this article 47 shall only be payable as follows:
 - 47.9.1 In the case of a Leaver at least 25% of the purchase price of the shares will be payable in the first year after the completion of the purchase and the balance will be payable when cashflow allows over a period of up to 5 years from the date of the completion of the purchase;
 - 47.9.2 In the case of a Separated Partner the purchase price will be payable when cashflow allows over a period of up to 5 years from the date of the completion of the purchase.
- 48 Drag along**
 - 48.1 In these articles a **"Qualifying Offer"** shall mean an offer in writing by or on behalf of any bona fide third-party person (**"Offeror"**) to the holders of the entire equity share capital in the Company to acquire all their equity share capital.
 - 48.2 If the holders of not less than 75% in number of the equity share capital then in issue (**"Accepting Shareholders"**) wish to accept the Qualifying Offer, then the provisions of this article shall apply.
 - 48.3 The Accepting Shareholders shall give written notice to the remaining holders of the equity share capital (**"Other Shareholders"**) of their wish to accept the Qualifying Offer and the Other Shareholders shall thereupon become bound to accept the Qualifying Offer and to transfer their Shares to the Offeror (or his nominee) with full title guarantee on the date specified by the Accepting Shareholders.
 - 48.4 If any Other Shareholder shall not, within five Business Days of being required to do so, execute and deliver transfers in respect of the equity shares held by him and deliver the certificate(s) in respect of the same (or a suitable indemnity in lieu thereof), then any Accepting Shareholder shall be entitled to execute, and shall be entitled to authorise and instruct such person as he thinks fit to execute, the necessary transfer(s) and indemnities on the Other Shareholder's behalf and, against receipt by the Company (on trust for such Shareholder) of the consideration payable for the relevant Shares, deliver such transfer(s) and certificate(s) or indemnities to the Offeror (or his nominee) and register such Offeror (or his nominee) as the holder thereof and, after such registration, the validity of such proceedings shall not be questioned by any person.

48.5 Upon any person, following the issue of a notice pursuant to article 48.3, becoming a member of the Company pursuant to the exercise of a pre-existing option to acquire shares in the company ("**New Member**"), a notice shall be deemed to have been served upon the New Member on the same terms as the previous notice who shall thereupon be bound to sell and transfer all such shares acquired by him to the Offeror or as the Offeror may direct and the provisions of this article shall apply mutatis mutandis to the New Member save that completion of the sale of such shares shall take place forthwith upon the notice being deemed served on the New Member.

48.6 Article 46 will not apply to this article 48.

49 Tag along

49.1 If at any time one or more shareholders ("**Proposed Sellers**") propose to sell, in one or a series of related transactions, not less than 75% in nominal value of the equity share capital then in issue ("**Majority Holding**") to any bona fide third party (not being an Offeror for the purposes of article 49.1), the Proposed Sellers may only sell the Majority Holding if they comply with the provisions of this Article.

49.2 The Proposed Sellers shall give written notice ("**Proposed Sale Notice**") to the other holders of the equity share capital in the Company of such intended sale at least ten working days prior to the date thereof. The Proposed Sale Notice shall set out, to the extent not described in any accompanying documents, the identity of the proposed buyer ("**Proposed Buyer**"), the purchase price and other terms and conditions of payment, the proposed date of sale ("**Proposed Sale Date**") and the number of shares proposed to be purchased by the Proposed Buyer.

49.3 Any other holder of equity share capital in the Company shall be entitled, by written notice given to the Proposed Sellers within five Business Days of receipt of the Proposed Sale Notice, to be permitted to sell all of his shares to the Proposed Buyer on the same terms and conditions as those set out in the Proposed Sale Notice.

49.4 If any other holder of equity share capital in the Company is not given the rights accorded him by the provisions of this article, the Proposed Sellers shall be required not to complete their sale and the Company shall be bound to refuse to register any transfer intended to carry such a sale into effect.

49.5 Article 46 will not apply to this article 49.

50 Transmission of shares

50.1 If title to a share passes to a transmittee, the company may only recognise the transmittee as having any title to that share.

50.2 A transmittee who produces such evidence of entitlement to shares as the directors may properly require:

50.2.1 may, subject to the articles, choose either to become the holder of those shares or to have them transferred to another person; and

50.2.2 subject to the articles, and pending any transfer of the shares to another person, has the same rights as the holder had.

50.3 But transmittees do not have the right to attend or vote at a general meeting, or agree to a proposed written resolution, in respect of shares to which they are entitled, by reason of the holder's death or bankruptcy or otherwise, unless they become the holders of those shares.

51 Exercise of transmittees' rights

51.1 Transmittees who wish to become the holders of shares to which they have become entitled must notify the company in writing of that wish.

51.2 If the transmittee wishes to have a share transferred to another person, the transmittee must execute an instrument of transfer in respect of it.

51.3 Any transfer made or executed under this article is to be treated as if it were made or executed by the person from whom the transmittee has derived rights in respect of the share, and as if the event which gave rise to the transmission had not occurred.

52 Transmittees bound by prior notices

If a notice is given to a member in respect of shares and a transmittee is entitled to those shares, the transmittee is bound by the notice if it was given to the member before the transmittee's name has been entered in the register of members.

DIVIDENDS AND OTHER DISTRIBUTIONS

53 Procedure for declaring dividends

53.1 The company may by ordinary resolution declare dividends, and the directors may decide to pay interim dividends.

53.2 A dividend must not be declared unless the directors have made a recommendation as to its amount. Such a dividend must not exceed the amount recommended by the directors.

53.3 No dividend may be declared or paid unless it is in accordance with members' respective rights.

53.4 Unless the members' resolution to declare or directors' decision to pay a dividend, or the terms on which shares are issued, specify otherwise, it must be paid by reference to each member's holding of shares on the date of the resolution or decision to declare or pay it.

53.5 If the company's share capital is divided into different classes, no interim dividend may be paid on shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrear.

53.6 The directors may pay at intervals any dividend payable at a fixed rate if it appears to them that the profits available for distribution justify the payment.

53.7 If the directors act in good faith, they do not incur any liability to the holders of shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on shares with deferred or non-preferred rights.

54 Calculation of dividends

54.1 Except as otherwise provided by the articles or the rights attached to shares, all dividends must be:

54.1.1 declared and paid according to the amounts paid up on the shares on which the dividend is paid; and

54.1.2 apportioned and paid proportionately to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid.

54.2 If any share is issued on terms providing that it ranks for dividend as from a particular date, that share ranks for dividend accordingly.

54.3 For the purposes of calculating dividends, no account is to be taken of any amount which has been paid up on a share in advance of the due date for payment of that amount.

55 Payment of dividends and other distributions

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

- 55.1.1 transfer to a bank or building society account specified by the distribution recipient either in writing or as the directors may otherwise decide;
 - 55.1.2 sending a cheque made payable to the distribution recipient by post to the distribution recipient at the distribution recipient's registered address (if the distribution recipient is a holder of the share), or (in any other case) to an address specified by the distribution recipient either in writing or as the directors may otherwise decide;
 - 55.1.3 sending a cheque made payable to such person by post to such person at such address as the distribution recipient has specified either in writing or as the directors may otherwise decide; or
 - 55.1.4 any other means of payment as the directors agree with the distribution recipient either in writing or by such other means as the directors decide.
- 55.2 Dividends may be declared or paid in any currency and the directors may agree with any distribution recipient that dividends which may at any time or from time to time be declared or become due on his shares in one currency shall be paid or satisfied in another, and may agree the basis of conversion to be applied and how and when the amount to be paid in the other currency shall be calculated and paid and for the company or any other person to bear the costs involved.
- 55.3 In the articles, **the distribution recipient** means, in respect of a share in respect of which a dividend or other sum is payable:
- 55.3.1 the holder of the share; or
 - 55.3.2 if the share has two or more joint holders, whichever of them is named first in the register of members; or
 - 55.3.3 if the holder is no longer entitled to the share by reason of death or bankruptcy, or otherwise by operation of law, the transmittee.

56 Deductions from distributions in respect of sums owed to the company

- 56.1 If:
- 56.1.1 a share is subject to the company's lien; and
 - 56.1.2 the directors are entitled to issue a lien enforcement notice in respect of it,
- they may, instead of issuing a lien enforcement notice, deduct from any dividend or other sum payable in respect of the share any sum of money which is payable to the company in respect of that share to the extent that they are entitled to require payment under a lien enforcement notice.
- 56.2 Money so deducted must be used to pay any of the sums payable in respect of that share.
- 56.3 The company must notify the distribution recipient in writing of:
- 56.3.1 the fact and amount of any such deduction;
 - 56.3.2 any non-payment of a dividend or other sum payable in respect of a share resulting from any such deduction; and
 - 56.3.3 how the money deducted has been applied.

57 No interest on distributions

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

- 57.1 the terms on which the share was issued, or
- 57.2 the provisions of another agreement between the holder of that share and the company.

58 Unclaimed distributions

- 58.1 All dividends or other sums which are:
 - 58.1.1 payable in respect of shares, and
 - 58.1.2 unclaimed after having been declared or become payable,
 - may be invested or otherwise made use of by the directors for the benefit of the company until claimed.
- 58.2 The payment of any such dividend or other sum into a separate account does not make the company a trustee in respect of it.
- 58.3 If:
 - 58.3.1 12 years have passed from the date on which a dividend or other sum became due for payment, and
 - 58.3.2 the distribution recipient has not claimed it,
 - the distribution recipient is no longer entitled to that dividend or other sum and it ceases to remain owing by the company.

59 Non-cash distributions

- 59.1 Subject to the terms of issue of the share in question, the company may, by ordinary resolution on the recommendation of the directors, decide to pay all or part of a dividend or other distribution payable in respect of a share by transferring non-cash assets of equivalent value (including, without limitation, shares or other securities in any company).
- 59.2 For the purposes of paying a non-cash distribution, the directors may make whatever arrangements they think fit, including, where any difficulty arises regarding the distribution:
 - 59.2.1 fixing the value of any assets;
 - 59.2.2 paying cash to any distribution recipient on the basis of that value in order to adjust the rights of recipients; and
 - 59.2.3 vesting any assets in trustees.

60 Waiver of distributions

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

- 60.1 the share has more than one holder; or
- 60.2 more than one person is entitled to the share, whether by reason of the death or bankruptcy of one or more joint holders, or otherwise,
 - the notice is not effective unless it is expressed to be given, and signed, by all the holders or persons otherwise entitled to the share.

CAPITALISATION OF PROFITS

61 Authority to capitalise and appropriation of capitalised sums

61.1 Subject to the articles, the directors may, if they are so authorised by an ordinary resolution:

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

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

61.2 Capitalised sums must be applied:

61.2.1 on behalf of the persons entitled, and

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

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

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

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

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

61.5 Subject to the articles the directors may:

61.5.1 apply capitalised sums in accordance with articles 61.3 and 61.4 partly in one way and partly in another:

61.5.2 make such arrangements as they think fit to deal with shares or debentures becoming distributable in fractions under this article (including the issuing of fractional certificates or the making of cash payments); and

61.5.3 authorise any person to enter into an agreement with the company on behalf of all the persons entitled which is binding on them in respect of the allotment of shares and debentures to them under this article.

PART 4, DECISION-MAKING BY MEMBERS

ORGANISATION OF GENERAL MEETINGS

62 Attendance and speaking at general meetings

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

62.2 A person is able to exercise the right to vote at a general meeting when:

62.2.1 that person is able to vote, during the meeting, on resolutions put to the vote at the meeting, and

62.2.2 that person's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting.

62.3 The directors may make whatever arrangements they consider appropriate to enable those attending a general meeting to exercise their rights to speak or vote at it.

62.4 In determining attendance at a general meeting, it is immaterial whether any two or more members attending it are in the same place as each other.

62.5 Two or more persons who are not in the same place as each other attend a general meeting if their circumstances are such that if they have (or were to have) rights to speak and vote at that meeting, they are (or would be) able to exercise them.

63 Quorum for general meetings

No business other than the appointment of the chairman of the meeting is to be transacted at a general meeting if the persons attending it do not constitute a quorum.

64 Chairing general meetings

64.1 If the directors have appointed a chairman, the chairman shall chair general meetings if present and willing to do so.

64.2 If the directors have not appointed a chairman, or if the chairman is unwilling to chair the meeting or is not present within ten minutes of the time at which a meeting was due to start:

64.2.1 the directors present, or

64.2.2 (if no directors are present), the meeting,

must appoint a director or member to chair the meeting, and the appointment of the chairman of the meeting must be the first business of the meeting.

64.3 The person chairing a meeting in accordance with this article is referred to as the chairman of the meeting.

65 Attendance and speaking by directors and non-members

65.1 Directors may attend and speak at general meetings, whether or not they are members.

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

65.2.1 members, or

65.2.2 otherwise entitled to exercise the rights of members in relation to general meetings,
to attend and speak at a general meeting.

66 Adjournment

66.1 If the persons attending a general meeting within half an hour of the time at which the meeting was due to start do not constitute a quorum, or if during a meeting a quorum ceases to be present, if the meeting was convened by the members, the meeting shall be dissolved and, in any other case, the chairman of the meeting must adjourn it.

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

66.2.1 the meeting consents to an adjournment; or

66.2.2 it appears to the chairman of the meeting that an adjournment is necessary to protect the safety of any person attending the meeting or ensure that the business of the meeting is conducted in an orderly manner.

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

- 66.4 When adjourning a general meeting, the chairman of the meeting must:
- 66.4.1 either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the directors, and
 - 66.4.2 have regard to any directions as to the time and place of any adjournment which have been given by the meeting.
- 66.5 If the continuation of an adjourned meeting is to take place more than 14 days after it was adjourned, the company must give at least seven clear days' notice of it:
- 66.5.1 to the same persons to whom notice of the company's general meetings is required to be given, and
 - 66.5.2 containing the same information which such notice is required to contain.
- 66.6 No business may be transacted at an adjourned general meeting which could not properly have been transacted at the meeting if the adjournment had not taken place.

VOTING AT GENERAL MEETINGS

67 Voting: general

A resolution put to the vote of a general meeting must be decided on a show of hands unless a poll is duly demanded in accordance with the articles.

68 Errors and disputes

- 68.1 No objection may be raised to the qualification of any person voting at a general meeting except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting is valid.
- 68.2 Any such objection must be referred to the chairman of the meeting, whose decision is final.

69 Poll votes

- 69.1 A poll on a resolution may be demanded:
- 69.1.1 in advance of the general meeting where it is to be put to the vote; or
 - 69.1.2 at a general meeting, either before a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared.
- 69.2 A poll on a resolution may be demanded by the chairman of the meeting, the directors or by any qualifying person (as defined in section 318 of the Companies Act 2006) present and entitled to vote on the resolution.
- 69.3 A demand for a poll may be withdrawn if:
- 69.3.1 the poll has not yet been taken; and
 - 69.3.2 the chairman of the meeting consents to the withdrawal.
- 69.4 A demand withdrawn in accordance with article 69.3 shall not be taken to have invalidated the result of a show of hands declared before the demand was made.
- 69.5 Polls must be taken immediately and in such manner as the chairman of the meeting directs.

70 Content of proxy notices

- 70.1 Proxies may only validly be appointed by a notice in writing (a **proxy notice**) which:

- 70.1.1 states the name and address of the member appointing the proxy;
 - 70.1.2 identifies the person appointed to be that member's proxy and the general meeting in relation to which that person is appointed;
 - 70.1.3 is signed by or on behalf of the member appointing the proxy, or is authenticated in such manner as the directors may determine; and
 - 70.1.4 is delivered to the company in accordance with the articles not less than 48 hours before the time appointed for holding the general meeting in relation to which the proxy is appointed and in accordance with any instructions contained in the notice of the general meeting to which they relate (but notwithstanding this an appointment of a proxy may be accepted by the directors at any time prior to the meeting at which the person named in the appointment proposes to vote (or, where a poll is demanded at the meeting, but not taken forthwith, at any time prior to the taking of the poll)).
- 70.2 The company may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes.
- 70.3 Proxy notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions, but the company shall not be obliged to ascertain that any proxy has complied with those or any other instructions given by the appointor and no decision on any resolution shall be vitiated by reason only that any proxy has not done so.
- 70.4 On a vote on a resolution on a show of hands at a meeting, every proxy present who has been duly appointed by one or more members entitled to vote on the resolution has one vote, except that if the proxy has been duly appointed by more than one member entitled to vote on the resolution and:
- 70.4.1 has been instructed by one or more of those members to vote for the resolution and by one or more other of those members to vote against it; or
 - 70.4.2 has been instructed to vote the same way (either for or against) on the resolution by all of those members except those who have given the proxy discretion as to how to vote on the resolution,
- the proxy is entitled to one vote for and one vote against the resolution.
- 70.5 Unless a proxy notice indicates otherwise, it must be treated as:
- 70.5.1 allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting, and
 - 70.5.2 appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself.

71 Delivery of proxy notices

- 71.1 A person who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a general meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid proxy notice has been delivered to the company by or on behalf of that person.
- 71.2 An appointment under a proxy notice may be revoked by delivering to the company a notice in writing given by or on behalf of the person by whom or on whose behalf the proxy notice was given.
- 71.3 A notice revoking a proxy appointment only takes effect if it is delivered before the start of the meeting or adjourned meeting to which it relates.

- 71.4 If a proxy notice is not executed by the person appointing the proxy, it must be accompanied by written evidence of the authority of the person who executed it to execute it on the appointor's behalf.

72 Amendments to resolutions

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

73 No voting of shares on which money owed to company

No voting rights attached to a share may be exercised at any general meeting, at any adjournment of it, or on any poll called at or in relation to it, or in relation to any written resolution of the company unless all amounts payable to the company in respect of that share have been paid.

APPLICATION OF RULES TO CLASS MEETINGS

74 Class meetings

The provisions of the articles relating to general meetings apply, with any necessary modifications, to meetings of the holders of any class of shares.

PART 5, ADMINISTRATIVE ARRANGEMENTS

75 Means of communication to be used

- 75.1 Subject to the articles, anything sent or supplied by or to the company under the articles may be sent or supplied in any way in which the Companies Act 2006 provides for documents or information which are authorised or required by any provision of that Act to be sent or supplied by or to the company.
- 75.2 Except insofar as the Companies Acts require otherwise, the company shall not be obliged to accept any notice, document or other information sent or supplied to the company in electronic form unless it satisfies such stipulations, conditions or restrictions (including, without limitation, for the purpose of authentication) as the directors think fit, and the company shall be entitled to require any such notice, document or information to be sent or supplied in hard copy form instead.
- 75.3 In the case of joint holders of a share, except insofar as the articles otherwise provide, all notices, documents or other information shall be given to the joint holder whose name stands first in the register of members in respect of the joint holding and shall be deemed to have been given to all the joint holders. For all purposes, including the execution of any appointment of proxy, resolution in

writing, notice or other document (including anything sent or supplied in electronic form) executed or approved pursuant to any provision of the articles, execution by any one of such joint holders shall be deemed to be and shall be accepted as execution by all the joint holders.

- 75.4 In the case of a member that is a corporation, for all purposes, including the execution of any appointment of proxy, resolution in writing, notice or other document (including anything sent or supplied in electronic form) executed or approved pursuant to any provision of the articles, execution by any director or the secretary of that corporation or any other person who appears to any officer of the company (acting reasonably and in good faith) to have been duly authorised to execute shall be deemed to be and shall be accepted as execution by that corporation.
- 75.5 A member whose registered address is not within the United Kingdom and who notifies the company of an address within the United Kingdom at which notices, documents or other information may be served on or delivered to him shall be entitled to have such things served on or delivered to him at that address (in the manner referred to above), but otherwise no such member shall be entitled to receive any notice, document or other information from the company. If the address is that member's address for sending or receiving documents or information by electronic means the directors may at any time without prior notice (and whether or not the company has previously sent or supplied any documents or information in electronic form to that address) refuse to send or supply any documents or information to that address.
- 75.6 Subject to the articles, any notice or document to be sent or supplied to a director in connection with the taking of decisions by directors may also be sent or supplied by the means by which that director has asked to be sent or supplied with such notices or documents for the time being.
- 75.7 A director may agree with the company that notices or documents sent to that director in a particular way are to be deemed to have been received within a specified time of their being sent, and for the specified time to be less than 48 hours.

76 Deemed delivery of documents and information

Any document or information sent or supplied by the company shall be deemed to have been received by the intended recipient:

- 76.1 where the document or information is properly addressed and sent by first class post or other delivery service to an address in the United Kingdom, on the day (whether or not it is a working day) following the day (whether or not it is a working day) on which it was put in the post or given to the delivery agent and, in proving that it was duly sent, it shall be sufficient to prove that the document or information was properly addressed, prepaid and put in the post or duly given to the delivery agent;
- 76.2 where (without prejudice to article 76.4) the document or information is properly addressed and sent by post or other delivery service to an address outside the United Kingdom, five working days after it was put in the post or given to the delivery agent and, in proving that it was duly sent, it shall be sufficient to prove that the document or information was properly addressed, prepaid and put in the post or duly given to the delivery agent;
- 76.3 where the document or information is not sent by post or other delivery service but delivered personally or left at the intended recipient's address, on the day (whether or not a working day) and time that it was sent;
- 76.4 where the document or information is properly addressed and sent or supplied by electronic means, on the day (whether or not a working day) and time that it was sent and proof that it was sent in accordance with guidance issued by the Institute of Chartered Secretaries and Administrators shall be conclusive evidence that it was sent;

- 76.5 where the document or information is sent or supplied by means of a website, when the material was first made available on the website or (if later) when the intended recipient received (or is deemed to have received) notice of the fact that the material was available on the website.

77 Company seals

- 77.1 Any common seal may only be used by the authority of the directors.
- 77.2 The directors may decide by what means and in what form any common seal is to be used.
- 77.3 Unless otherwise decided by the directors, if the company has a common seal and it is affixed to a document, the document must also be signed by at least one authorised person in the presence of a witness who attests the signature.
- 77.4 For the purposes of this article, an authorised person is:
- 77.4.1 any director of the company;
 - 77.4.2 the company secretary (if any); or
 - 77.4.3 any person authorised by the directors for the purpose of signing documents to which the common seal is applied.

78 No right to inspect accounts and other records

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

79 Provision for employees on cessation of business

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

80 Secretary

Subject to the Companies Act 2006, the directors may appoint a company secretary (or two or more persons as joint secretary) for such term, at such remuneration and upon such conditions as the directors may think fit; and any company secretary (or joint secretary) so appointed may be removed by the directors. The directors may also from time to time appoint on such terms as they think fit, and remove, one or more assistant or deputy secretaries.

DIRECTORS; INDEMNITY AND INSURANCE

81 Indemnity

- 81.1 Subject to article 81.2 (but without prejudice to any indemnity to which a relevant officer is otherwise entitled):
- 81.1.1 a relevant officer may be indemnified out of the company's assets to whatever extent the directors may determine against:
 - (a) any liability incurred by that officer in connection with any negligence, default, breach of duty or breach of trust in relation to the company or any undertaking in the same group as the company;
 - (b) any liability incurred by that officer in connection with the activities of the company, or any undertaking in the same group as the company, in its capacity as a trustee of

an occupational pension scheme (as defined in section 235(6) of the Companies Act 2006);

- (c) any other liability incurred by that officer as an officer of the company or of any undertaking in the same group as the company; and

81.1.2 the company may, to whatever extent the directors may determine, provide funds to meet expenditure incurred or to be incurred by a relevant officer in defending any criminal or civil proceedings in connection with any alleged negligence, default, breach of duty or breach of trust by him in relation to the company or any undertaking in the same group as the company, or any investigation, or action proposed to be taken, by a regulatory authority in that connection, or for the purposes of an application for relief, or in order to enable the relevant officer to avoid incurring such expenditure.

81.2 This article does not authorise any indemnity that would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law.

82 Insurance

82.1 The directors may decide to purchase and maintain insurance, at the expense of the company, for the benefit of any relevant officer in respect of any relevant loss.

82.2 In this article, a **relevant loss** means any loss or liability which has been or may be incurred by a relevant officer in connection with that officer's duties or powers in relation to the company, any undertaking in the same group as the company or any pension fund or employees' share scheme of the company or of any undertaking in the same group as the company.