

**THE COMPANIES ACT 2006**

---

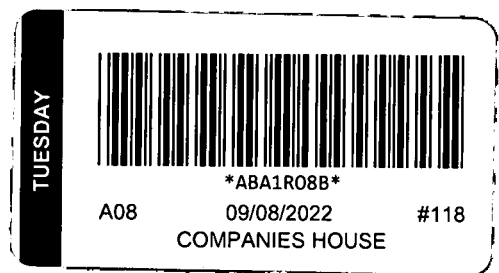
**PRIVATE COMPANY LIMITED BY SHARES**

---

**ARTICLES OF ASSOCIATION**

**- OF -**

**SPORTS INFORMATION SERVICES (HOLDINGS) LIMITED**



**MACFARLANES**

Macfarlanes LLP  
20 Cursitor Street  
London EC4A 1LT

**CONTENTS**

<b>Article</b>		<b>Page</b>
1	Application of Model Articles and disapplication of Table A	1
2	Definitions and interpretation	1
3	Liability of members	7
4	Company name	7
5	Reserved Matters	7
6	Directors' general authority	8
7	Members' reserve power	8
8	Directors may delegate	8
9	Committees	8
10	Directors to take decisions collectively	9
11	Unanimous decisions	9
12	Calling a directors' meeting	9
13	Participation in directors' meetings	10
14	Quorum for directors' meetings	10
15	Chairing of directors' meetings	10
16	Casting vote	11
17	Authorisation of directors' conflicts of interest	11
18	Voting at directors' meetings	12
19	Directors voting and counting in the quorum	13
20	Records of decisions to be kept	13
21	Directors' discretion to make further rules	13
22	Appointment and Termination of directors	13
23	Appointment and removal of alternates	15
24	Rights and responsibilities of alternate directors	15
25	Termination of alternate directorship	15
26	Directors' remuneration and other benefits	16
27	Directors' expenses	16
28	Share capital	16
29	All shares to be fully paid up	16
30	Powers to issue different classes of share	16
31	Company not bound by less than absolute interests	17
32	Issue of new shares	17
33	Purchase of own shares	18
34	Share transfers	18
35	Permitted transfers	20
36	Right of first offer	20
37	Compulsory Transfers	23
38	Advance Valuation	26
39	Drag Along Rights	28
40	Tag Along Rights	31
41	Restriction on issue and transfer of shares	34
42	Cooperation on a sale process	34
43	Transmission of shares	34
44	Procedure for declaring dividends	35
45	Payment of dividends and other distributions	35
46	Return of capital	36
47	No interest on distributions	36
48	Unclaimed distributions	36
49	Non-cash distributions	36
50	Waiver of distributions	37
51	Authority to capitalise and appropriation of capitalised sums	37
52	Attendance and speaking at general meetings	38
53	Quorum for general meetings	38
54	Chairing general meetings	38
55	Attendance and speaking by directors and non-members	38
56	Adjournment	39
57	Voting at general meetings	39

58	Errors and disputes	39
59	Poll votes	40
60	Content of proxy notices	40
61	Delivery of proxy notices	40
62	Amendments to resolutions	41
63	Written Resolutions	41
64	Communications	42
65	Company seals	43
66	Share certificates	43
67	Replacement share certificates	43
68	No right to inspect accounts and other records	44
69	Provision for employees on cessation of business	44
70	Indemnities, insurance and funding of defence proceedings	44
 <b>Schedule</b>		
1		45
2		46

# THE COMPANIES ACT 2006

---

## PRIVATE COMPANY LIMITED BY SHARES

---

### ARTICLES OF ASSOCIATION

- OF -

### SPORTS INFORMATION SERVICES (HOLDINGS) LIMITED

(the "Company")

(Adopted by special resolution passed on 3<sup>rd</sup> August 2022)

#### 1 Application of Model Articles and disapplication of Table A

1.1 The model articles of association for private companies contained in Schedule 1 to the Companies (Model Articles) Regulations 2008 as in force at the date of adoption of these Articles shall not apply to the Company.

1.2 The regulations contained in Table A in the Schedule to The Companies (Tables A to F) Regulations 1985 shall not apply to the Company.

#### 2 Definitions and interpretation

2.1 In these Articles the following words and expressions have the following meanings:

**Acceptance Notice:** as defined in Article 36.3;

**Acceptance Period:** as defined in Article 36.3;

**Accountants:** as defined in Article 38.2, 39.3 or 40.6 (as applicable);

**Act:** the Companies Act 2006;

**Advance Valuation Consideration:** as defined in Article 38.1;

**Advance Valuation Costs:** as defined in Article 38.4;

**Advance Valuation Determination:** as defined in Article 38.3.4;

**Advance Valuation Notice:** as defined in Article 38.1;

**alternate:** as defined in Article 23 and **alternate director** has a corresponding meaning;

**Articles:** the articles of association of the Company;

**Bankrupt:** a person who (i) petitions for his own bankruptcy or is declared bankrupt, or (ii) applies for an interim order under the Insolvency Act 1986, or (iii) makes a proposal for the adoption of a voluntary arrangement under the Insolvency Act 1986, or (iv) seeks a compromise of his debts with his creditors or any substantial part of his creditors, or (v) takes any action or proceeding in any jurisdiction that has an effect equivalent or similar to any of the actions mentioned in (i) to (iv) (inclusive);

**Betfred:** Betfred Group Limited (company number 07717019);

**Board:** the board of directors of the Company from time to time;

**Business Day:** any day other than a Saturday, Sunday or any other day which is a public holiday in England;

**capitalised sum:** as defined in Article 51.1.2;

**chairperson:** as defined in Articles 15 and 54 (as applicable);

**chairperson of the meeting:** as defined in Article 54;

**clear days:** in relation to a period of a notice means that period excluding the day when the notice is deemed to be received (or, if earlier, received) and the day of the meeting;

**Company Group:** the Company and its subsidiary undertakings and "member of the Company Group" shall be construed accordingly;

**Company Offer Period:** as defined in Article 37.8;

**Company Notification:** as defined in Article 40.5;

**Company Transfer Shares:** as defined in Article 37.8;

**Compulsory Offer Period:** as defined in Article 37.4;

**Compulsory Periods:** the Compulsory Offer Period and the Company Offer Period;

**Compulsory Transfer Acceptor:** as defined in Article 37.5.3;

**Compulsory Transfer Offerees:** as defined in Article 37.4;

**Compulsory Transfer Price:** as defined in Article 37.2;

**Compulsory Transfer Shares:** as defined in Article 37.2;

**Compulsory Transferor:** as defined in Article 37.2;

**Conflict Situation:** a situation in which a director has, or can have, a direct or indirect interest that conflicts, or may possibly conflict, with the interests of the Company, including in relation to the exploitation of any property, information or opportunity and regardless of whether the Company could take advantage of the property, information or opportunity itself, but excluding a situation which could not reasonably be regarded as likely to give rise to a conflict of interest (and any reference in this definition to a conflict of interest includes a conflict of interest and duty and a conflict of duties);

**Connected Persons:** 'connected persons' as defined in ss 1122-1123 Corporation Tax Act 2010;

**Control:** in respect of a person, having:

- (a) the right to exercise directly or indirectly a majority of the voting rights over the other person;
- (b) the right to appoint or remove a majority of the board of directors of the other person;  
or

- (c) exercising or having the right to exercise a dominant influence or control over the other person;

**Controlling Interest:** a holding of shares having the right to exercise more than 50% of the votes which may be cast on a poll at a general meeting of the Company on all, or substantially all, matters;

**Deemed Transfer Notice:** as defined in Article 37.1;

**Determination Notice:** as defined in Article 40.7.4;

**director:** a director of the Company, and includes any person occupying the position of director, by whatever name called;

**distribution recipient:** in respect of a share in respect of which a dividend or other sum is payable:

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

**document:** includes, unless otherwise specified, any document sent or supplied in electronic form;

**Drag Notice:** as defined in Article 39.1;

**Drag Seller(s):** as defined in Article 39.1;

**Dragged Seller(s):** as defined in Article 39.2;

**Dragged Shares:** as defined in Article 39.2;

**Election Notice:** as defined in Article 39.7 or 40.11 (as applicable);

**Excess Issue Shares:** as defined in Article 32.5;

**Excluded Member:** any member, who at the time in question, may not be issued shares as a result of the application in respect of his shares of a restriction set out in s 454 Companies Act 1985 pursuant to Article 34.9;

**Excluded Transfer:** a transfer of shares in accordance with Articles 35.2 to 35.4 and 43;

**Family Members:** the spouse or civil partner, parents and every child and remote descendant of Fred Done (including stepchildren and adopted children);

**Family Trust:** a trust established by Fred Done in relation to which only Fred Done and/or Family Members of Fred Done are capable of being beneficiaries;

**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;

**Further Acceptor:** as defined in Article 37.6;

**Further Transfer Shares:** as defined in Article 37.5.3;

**group:** a company which is for the time being a parent undertaking of which the member is a wholly owned subsidiary undertaking or any company which is a wholly owned subsidiary of

it or any such parent undertaking, and "**member of the same group**" shall be construed accordingly;

**holder:** in relation to shares means the person whose name is entered in the register of members as the holder of the shares;

**instrument:** a document in hard copy form;

**Interested Member:** a member that carries on, engages, operates or is interested in, or any of whose Permitted Transferees or Connected Persons carries on, engages, operates or is interested in, through any member of its group, the business of bookmaker operating licensed betting offices or the owner, operator or manager of licensed racetracks and racecourses at which greyhound racing or horseracing events take place in both cases in either or both of the United Kingdom and Ireland;

**Issue Acceptor:** as defined in Article 32.5;

**Issue Closing Date:** the date specified as such in the Issue Offer Notice or where the shares are issued pursuant to Article 32.9;

**Issue Excess Acceptors:** as defined in Article 32.6;

**IPO:** the effective admission of ordinary shares of the Company (or any holding company of the Company):

- (a) to listing on the Official List of the Financial Conduct Authority and to trading on the Main Market of the London Stock Exchange plc; or
- (b) to trading on AIM, a market operated by the London Stock Exchange plc; or
- (c) to trading on any other investment exchange in respect of which a recognition order has been made under s 290 Financial Services and Markets Act 2000;

**Issue Offer:** as defined in Article 32.3;

**Issue Offeree:** as defined in Article 32.3;

**Issue Offer Notice:** as defined in Article 32.3;

**Issue Offer Price:** as defined in Article 32.3;

**Majority Members:** as defined in Article 38.1;

**Majority Shares:** as defined in Article 38.1;

**member:** a person who is the holder of a share;

**Member Proportion:** in respect of an Issue Offeree, the proportion  $A/B$ , where:

A = the number of shares held by such Issue Offeree at the time the relevant Issue Offer Notice is sent by the Company; and

B = the total number of shares held by all Issue Offerees at the time the relevant Issue Offer Notice is sent by the Company;

**Minority Member(s):** as defined in Article 39.1 or 40.3 (as applicable);

**Offer Notice:** as defined in Article 36.2;

**Offer Period:** as defined in Article 36.2;

**ordinary resolution:** as defined in s 282 of the Act;

**Ordinary Shares:** ordinary shares of £0.10 each in the capital of the Company;

**Original Member:** as defined in Article 35.2;

**New Holdco:** as defined in Article 39.1.2;

**New Issue Shares:** as defined in Article 32.3;

**paid:** paid or credited as paid;

**participate:** in relation to a directors' meeting, has the meaning given in Article 13;

**Patient:** a person who lacks capacity as defined in Mental Capacity Act 2005 section 2;

**Permitted Issue:** an issue of shares approved by the members holding 95% or more of the issued share capital of the Company;

**Permitted Transfer:** as defined in Article 35;

**Permitted Transferee:** as defined in Article 35;

**Persons entitled:** as defined in Article 51.1.2;

**Prescribed Consideration:** a consideration (whether in cash, securities or otherwise, or in any combination) per share the same as that offered by, or otherwise agreed with, the proposed transferee or transferees for each Specified Share (taking account of both the purchase price for the Specified Shares and any other consideration (in cash, securities or otherwise, or in any combination) received or receivable, whether directly or indirectly, and whether conditionally or unconditionally, by the holders of any of the Specified Shares and/or any of their Connected Persons which having regard to the substance of the transaction as a whole can reasonably be regarded as an addition to the purchase price paid or payable for the Specified Shares);

**Proposing Transferor:** a member proposing to transfer or dispose of shares or any interest in shares;

**proxy notice:** as defined in Article 60.1;

**ROFO Offer:** as defined in Article 36.2;

**ROFO Offer Price:** as defined in Article 36.2.1;

**Selling Member(s):** as defined in Article 40.1;

**Shareholder Director:** a director appointed or removed pursuant to Article 22.3;

**shares:** shares in the Company;

**special resolution:** as defined in s 283 of the Act;

**Specified Shares:** as defined in Article 39.1 or 40.1 (as applicable);

**Surplus New Issue Shares:** as defined in Article 32.9;

**Tag Acceptance Period:** as defined in Article 38.7.2, 40.9, 40.10 or 40.11.2 (as applicable);

**Tag Offer:** as defined in Article 40.3;



**Tagging Seller(s):** as defined in Article 40.5;

**Third Party Offer Period:** as defined in Article 36.5;

**Transfer Notice:** as defined in Article 36.1;

**Transfer Offeree Proportion:** in respect of a Compulsory Transfer Offeree, the proportion A/B, where:

A = the number of shares held by such Transfer Offeree at the time the relevant Deemed Transfer Notice is received by the Company; and

B = the total number of shares held by all Transfer Offerees at the time the relevant Deemed Transfer Notice is received by the Company;

**Transfer Offerees:** as defined in Article 36.1;

**Transfer Offeror:** as defined in Article 36.1.2;

**Transfer Offeror Price:** as defined in Article 36.1.2.2;

**Transferor Price:** as defined in Article 36.1.3;

**Transfer Shares:** as defined in Article 36.1;

**transmittee:** a person entitled to a share by reason of the death or bankruptcy of a shareholder or otherwise by operation of law;

**Valuation Consideration:** as defined in Article 39.2 or 40.5 (as applicable);

**Valuation Notice:** as defined in Article 39.2 or 40.5 (as applicable);

**Valuation Notice Period:** as defined in Article 39.2 or 40.5 (as applicable); 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.

## 2.2 In these Articles:

2.2.1 the term “**transfer**” shall include:

2.2.1.1 a sale or disposal of any legal, equitable or other interest in a security and the creation of any charge, mortgage or other encumbrance over any interest in a security, whether or not by the member registered as the holder of that security; and

2.2.1.2 any renunciation or other direction by a person entitled to an allotment, issue or transfer of a security that such security be allotted, issued or transferred to another person,

2.2.2 any reference to an “**interest**” in the context of any transfer of a security shall include any interest in a security as defined by s 820 of the Act (as if any references in that section to a “share” were references to a “security”) and shall also include any interest, economic participation or right derived from or relating to a security (including through any derivative, participation or swap arrangement);

2.2.3 any notice, consent, approval or other document or information, including the appointment of a proxy, required to be given in writing may be given in writing in

hard copy form or electronic form, save where expressly provided otherwise in these Articles;

- 2.2.4 except to the extent expressly provided otherwise in these Articles, any consent or approval required from a person is at the absolute discretion of that person;
  - 2.2.5 any reference to a “**person**” includes a natural person, partnership, body corporate, foundation and trust;
  - 2.2.6 in relation to the exercise of any voting rights by a corporate member under these Articles, such rights shall be exercised by an authorised representative of the relevant corporate member;
  - 2.2.7 use of the singular includes the plural and vice versa (unless the context requires otherwise); and
  - 2.2.8 any phrase introduced by the terms “**including**”, “**include**”, “**in particular**” or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.
- 2.3 Save as expressly provided otherwise in these Articles, words or expressions contained in these Articles bear the same meaning as in the Act as in force from time to time.
- 2.4 In these Articles, save in Article 1.1 or as expressly provided otherwise in these Articles:
- 2.4.1 any reference to any statute or statutory provision includes any subordinate legislation made under that statute or statutory provision, whether before, on, or after the date of adoption of these Articles;
  - 2.4.2 any reference to any legislation including to any statute, statutory provision or subordinate legislation (“**Legislation**”) includes a reference to that Legislation as from time to time amended or re-enacted, whether before, on, or after the date of adoption of these Articles;
  - 2.4.3 any reference to re-enactment includes consolidation and rewriting, in each case whether with or without modification.

### **3 Liability of members**

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

### **4 Company name**

The name of the Company may be changed by:

- 4.1 special resolution of the members; or
  - 4.2 a decision of the directors; or
- otherwise in accordance with the Act.

### **5 Reserved Matters**

Except to the extent that:

- 5.1 it would be prohibited by law; or
- 5.2 it would constitute an unlawful fetter on its statutory powers, for which purposes each paragraph of schedule 1 and schedule 2 is separate and severable,

no resolution, decision or action shall be passed, made or taken by the Company, and the Company shall procure that no member of the Company Group shall pass, make or take any resolution, decision or action, in relation to any of the matters referred to in:

5.3 schedule 1 without the prior written consent of (i) the holders of at least 75% of the shares by number from time to time; or (ii) Shareholder Directors nominated by the holders of at least 75% of the shares by number from time to time; and

5.4 schedule 2 without the prior written consent of (i) the holders of at least 80% of the shares by number from time to time; or (ii) Shareholder Directors nominated by the holders of at least 80% of the shares by number from time to time.

## **6 Directors' general authority**

Subject to the Articles (including Article 5), the directors are responsible for the management of the Company's business, for which purpose they may exercise all the powers of the Company.

## **7 Members' reserve power**

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

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

## **8 Directors may delegate**

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

8.1.1 to such person or committee;

8.1.2 by such means (including by power of attorney);

8.1.3 to such an extent;

8.1.4 in relation to such matters or territories; and

8.1.5 on such terms and conditions,

as they think fit.

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

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

## **9 Committees**

9.1 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.

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

## **10 Directors to take decisions collectively**

10.1 Subject to Article 5, 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 11.

10.2 If:

10.2.1 the Company only has one director, and

10.2.2 no provision of the Articles requires it to have more than one director,

the general rule in Article 10.1 does not apply, and the director may (for so long as he remains the sole director) take decisions without regard to any of the provisions of the Articles relating to directors' decision-making including, for the avoidance of doubt, Article 12.

## **11 Unanimous decisions**

11.1 Subject to Article 5, 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.

11.2 Such a decision may take the form of a resolution in writing, of which each eligible director has signed one or more copies or to which each eligible director has otherwise indicated agreement in writing.

11.3 References in this Article 11 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 exclude in respect of the authorisation of a Conflict Situation, the director subject to that Conflict Situation).

11.4 Notwithstanding the requirements of Articles 11.1 to 11.3 (inclusive):

11.4.1 if a person who is an alternate director indicates on behalf of his appointor whether or not he shares the common view his appointor is not also required to do so in order to satisfy those requirements;

11.4.2 if a director who has appointed an alternate indicates pursuant to Article 11.1 whether or not he shares the common view his alternate is not also required to do so in order to satisfy those requirements.

11.5 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.

## **12 Calling a directors' meeting**

12.1 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.

12.2 Notice of any directors' meeting must indicate:

12.2.1 its proposed date and time;

12.2.2 where it is to take place; and

12.2.3 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.

12.3 Notice of a directors' meeting must be given to each director, but need not be in writing.

- 12.4 Notice of a directors' meeting need not be given to directors who waive their entitlement to notice of that meeting, by giving notice to that effect to the Company not more than 7 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.

### **13 Participation in directors' meetings**

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

13.1.1 the meeting has been called and takes place in accordance with the Articles, and

13.1.2 they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.

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

- 13.3 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.

### **14 Quorum for directors' meetings**

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

- 14.2 The quorum for directors' meetings may be fixed from time to time by a decision of the directors, but, save as set out in Articles 10.2 and 14.3, it must never be less than two, and unless otherwise fixed it is two.

- 14.3 For the purposes of any directors' meeting (or part of a meeting) at which it is proposed to authorise a Conflict Situation in respect of one or more directors, if there is only one director in office other than the director or directors subject to the Conflict Situation, the quorum for such meeting (or part of a meeting) shall be one director.

- 14.4 At a directors' meeting:

14.4.1 a director who is also an alternate director may be counted more than once for the purposes of determining whether a quorum is participating;

14.4.2 a person who is an alternate director, but is not otherwise a director, shall be counted as participating for the purposes of determining whether a quorum is participating,

but only, in each case, if that director's or other person's appointor is not participating. If on that basis there is a quorum the meeting may be held notwithstanding the fact (if it is the case) that only one director is participating.

### **15 Chairing of directors' meetings**

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

- 15.2 The person so appointed for the time being is known as the chairperson.

- 15.3 The directors may terminate the chairperson's appointment at any time.

- 15.4 If the chairperson 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.

**16 Casting vote**

16.1 Subject to Article 5, in the case of an equality of votes, the chairperson or other director chairing the meeting has a casting vote.

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

**17 Authorisation of directors' conflicts of interest**

17.1 If a Conflict Situation arises, the directors may authorise it for the purposes of s 175(4)(b) of the Act by a decision of the directors made in accordance with that section and these Articles.

17.2 A Shareholder Director or any alternate for a Shareholder Director may:

17.2.1 be appointed as a Shareholder Director by their appointing member and may continue to be an employee, consultant, director, member or other officer of their appointing member and/or its group companies;

17.2.2 have, through previous or existing dealings, a commercial relationship with, or an economic interest in, their appointing member or with, or in, a member of such member's group;

17.2.3 otherwise be involved, or have an economic interest, in the business of other entities in which their appointing member and/or its group companies has or may have a direct or indirect interest from time to time (it being recognised that such member and/or its group companies may have an interest in, or be involved in, the business of other entities which conflicts, or may possibly conflict, with the business and interests of the Company from time to time);

and such Shareholder Director or any alternate for a Shareholder Director:

17.2.4 shall not be required to disclose to the Board or to any officer or employee of the Company, or use in performing their duties as a director of the Company, any information relating to such office or employment or other interest if such a disclosure or use would result in a breach of a duty of confidentiality owed by them to a third party (including for the avoidance of doubt their appointor or any of its group companies);

17.2.5 shall not by reason of their office or employment or other interest, be accountable to the Company for any benefit which they derive from such office or employment or other interest;

17.2.6 shall not infringe their duty to avoid a situation in which they have, or may have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company as a result of such office or employment or other interest;

17.2.7 shall not infringe any of the other duties he owes to the Company, including his duties to exercise independent judgement, as a result of matters arising from such office or employment or other interests or the relationships mentioned in Articles 17.2.1 to 17.2.3, including in relation to proposals for financing or otherwise promoting the business of (whether in competition with the Company or not) any such other entity;

17.2.8 may absent themselves from the discussion at any Board meeting and may decline to receive or review papers prepared by, or for, the Board to the extent they relate to such office or employment or other interest;

and no authorisation under Article 17.1, 17.3 or 17.4 shall be necessary in respect of any such office or employment or other interest.

17.3 Any authorisation made for the purposes of Article 17.1 shall be effective only if:

17.3.1 any requirement as to the quorum at a meeting at which the Conflict Situation is authorised is met without counting the director or any other director to whom the Conflict Situation relates; and

17.3.2 the Conflict Situation was authorised without any such director voting or would have been authorised if their votes had not been counted.

17.4 At the time of any authorisation made for the purposes of Article 17.1, or at any time afterwards, the directors may impose any limitations or conditions or grant the authority subject to such terms which (in each case) they consider appropriate and reasonable in all the circumstances, including that:

17.4.1 any information obtained by a director concerned, other than in their capacity as a director or employee of the Company, which is confidential in relation to a third party, need not be disclosed or used for the benefit of the Company where such disclosure or use would constitute a breach of confidence;

17.4.2 no director concerned shall, by reason of their being a director or their doing anything as a director, be accountable to the Company for any remuneration or other benefit received from a third party as a result of the Conflict Situation;

17.4.3 no director concerned shall be required or entitled to attend those parts of meetings of the directors or meetings of a committee of the directors at which matters to which the Conflict Situation relates are discussed; and

17.4.4 no director concerned shall be entitled to receive any papers or other documents in relation to, or concerning, matters to which the Conflict Situation relates.

Subject to any such limitations, conditions or terms, any authorisation given by the directors shall be deemed to be given to the fullest extent permitted by the Act.

17.5 Any authorisation made for the purposes of Article 17.1 may be revoked or varied at any time in the absolute discretion of the directors.

17.6 A director shall not be in breach of the duties they owe to the Company by virtue of ss 171-177 of the Act or otherwise because of anything done or omitted to be done in accordance with the provisions of this Article 17 or the terms of any authorisation given by the directors in accordance with Article 17.1.

## 18 **Voting at directors' meetings**

18.1 Subject to these Articles, each director participating in a directors' meeting has one vote.

18.2 A director who is also an alternate director has an additional vote on behalf of his appointor provided:

18.2.1 his appointor is not participating in the directors' meeting; and

18.2.2 in respect of a particular matter:

18.2.2.1 his appointor would have been entitled to vote if he were participating in it; and

18.2.2.2 that matter is not the authorisation of a Conflict Situation of his appointor.

- 18.3 A person who is an alternate director, but is not otherwise a director, only has a vote if:
- 18.3.1 his appointor is not participating in the directors' meeting; and
  - 18.3.2 in respect of a particular matter:
    - 18.3.2.1 his appointor would have been entitled to vote if he were participating in it; and
    - 18.3.2.2 that matter is not the authorisation of a Conflict Situation of his appointor.

## 19 **Directors voting and counting in the quorum**

Save as otherwise specified in these Articles or the Act and subject to any limitations, conditions or terms attaching to any authorisation given by the directors for the purposes of s 175(4)(b) of the Act, a director (or his alternate) may vote on, and be counted in the quorum in relation to any decision of the directors relating to a matter in which he (or, in the case of an alternate, his appointor) has, or can have:

- 19.1 a direct or indirect interest or duty which conflicts, or possibly may conflict, with the interests of the Company; and
- 19.2 a conflict of interest arising in relation to an existing or a proposed transaction or arrangement with the Company.

## 20 **Records of decisions to be kept**

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

## 21 **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.

## 22 **Appointment and Termination of directors**

- 22.1 The number of directors shall be determined by ordinary resolution, but unless and until so fixed, there shall be no maximum number of directors and the minimum number of directors shall be one.
- 22.2 Subject to Article 5, 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:
  - 22.2.1 by ordinary resolution, or
  - 22.2.2 by a decision of the directors,

provided that any appointment under this Article 22.2 would not result in the number of directors to exceed any number fixed in accordance with Article 22.1.

### 22.3 Each of:

- 22.3.1 Tote (Successor Company) Limited (the "**Tote**") for so long as it is a member of the Company or any member of Tote's group to whom its shares are transferred in accordance with these Articles (acting together);
- 22.3.2 Fred Done and any person(s) to whom his shares are transferred in accordance with Article 35.3 (acting together); and



22.3.3 any member (and any Permitted Transferee(s) of such member) who holds shares representing 10% or more in nominal value of the issued shares in the Company from time to time (provided that (i) neither the Tote (nor any member of its group) nor Fred Done (nor any person(s) to whom his shares are transferred in accordance with Article 35.3) shall be entitled to appoint a director under this Article 22.3.3, and (ii) a member and its Connected Persons shall only be entitled to appoint one person to be a director of the Company pursuant to this Article 22.3.3),

shall, subject to Articles 22.5 and 22.7, be entitled to appoint one person to be a director of the Company and to remove any such person from office and to appoint another person in his place, provided that no member shall be entitled to appoint more than one person to be a director of the Company pursuant to this Article 22.3. If any member transfers their shares as specified in this Article 22.3, the transferee shall be deemed to have appointed the relevant director for the purposes of Article 22.8.8.

22.4 If any member who appointed a director pursuant to Article 22.3.3 shall cease to hold shares representing 10% or more in nominal value of the issued shares in the Company from time to time, such member shall procure that the Shareholder Director appointed by it pursuant to Article 22.3.3 shall resign from his office as a director.

22.5 If Fred Done transfers his shares to any person(s) other than a person to whom his shares are transferred in accordance with Article 35.3, the right in Article 22.3.2 shall no longer apply.

22.6 All appointments and removals of Shareholder Directors under Articles 22.3 and 22.4 shall be in writing signed by or on behalf of the member making the same and shall take effect when delivered to the registered office of the Company, provided that, any appointment of a Shareholder Director must have been approved for that purpose by a resolution of the directors (such approval not to be unreasonably withheld) prior to such Shareholder Director's appointment taking effect.

22.7 In relation to an appointment of a Shareholder Director under Article 22.3.2 such person must, in the reasonable opinion of the Board, have sufficient knowledge of the betting industry (and the Board shall take this into account for the purposes of its approval under Article 22.5).

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

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

22.8.2 the person is declared a Bankrupt;

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

22.8.4 the person is declared a Patient;

22.8.5 he becomes prohibited by law from being a director;

22.8.6 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;

22.8.7 save in respect of a Shareholder Director and subject to Article 5, the other directors unanimously decide that his office be vacated, such decision being taken either at a meeting of such directors or in accordance with Article 11; or

22.8.8 the member(s) by whom the Shareholder Director was so appointed or deemed appointed pursuant to Article 22.3 cease to be entitled to appoint a director thereunder.

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

22.10 For the purposes of Article 22.9, where two or more shareholders die in circumstances rendering it uncertain who was the last to die, a younger shareholder is deemed to have survived an older shareholder.

## **23 Appointment and removal of alternates**

23.1 Any director (the "**appointor**") may appoint as an alternate any other director, or any other person approved by a decision of the directors:

23.1.1 to exercise that director's powers and carry out that director's responsibilities in relation to the taking of decisions by the directors; and

23.1.2 generally to perform all the functions of that director's appointor as a director, in each case in the absence of the alternate's appointor.

23.2 Any appointment or removal of an alternate must be effected by notice in writing to the Company signed by the appointor, or in any other manner approved by the directors.

23.3 The notice must:

23.3.1 identify the proposed alternate; and

23.3.2 confirm that the proposed alternate is willing to act as the alternate of the director giving the notice.

23.4 No person may be appointed as alternate to more than one director of the Company.

## **24 Rights and responsibilities of alternate directors**

24.1 An alternate director has the same rights, in relation to any directors' meeting or a decision taken in accordance with Article 11, as the alternate's appointor.

24.2 Except as these Articles specify otherwise, alternate directors:

24.2.1 are deemed for all purposes to be directors;

24.2.2 are liable for their own acts and omissions;

24.2.3 are subject to the same restrictions as their appointors; and

24.2.4 are not deemed to be agents of or for their appointors.

24.3 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.

## **25 Termination of alternate directorship**

An alternate director's appointment as an alternate terminates:

25.1 when the alternate's appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate;

25.2 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;

25.3 on the death of the alternate's appointor; or

25.4 when the alternate's appointor's appointment as a director terminates.

## **26 Directors' remuneration and other benefits**

26.1 A director may undertake any services for the Company that the directors decide.

26.2 A director is entitled to such remuneration as the directors decide (i) for his services to the Company as director, and (ii) for any other service which he undertakes for the Company.

26.3 Subject to the Articles, a director's remuneration may (i) take any form, and (ii) 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.

26.4 Unless the directors decide otherwise, a director's remuneration accrues from day to day.

26.5 Unless the directors decide otherwise, no director is accountable to the Company for any remuneration or other benefit which he receives as a director or other officer or employee of any of the Company's subsidiary undertakings or of any parent undertaking of the Company from time to time or of any other body corporate in which the Company or any such parent undertaking is interested.

## **27 Directors' expenses**

The Company may pay any reasonable expenses which the directors properly incur in connection with their attendance at:

27.1 meetings of directors or committees of directors,

27.2 general meetings, or

27.3 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.

## **28 Share capital**

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

## **29 All shares to be fully paid up**

29.1 No share is to be issued other than fully paid.

29.2 Article 29.1 does not apply to shares taken on the formation of the Company by the subscribers to the Company's memorandum.

## **30 Powers to issue different classes of share**

30.1 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.

30.2 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.

31 **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.

32 **Issue of new shares**

32.1 Subject to the provisions of these Articles (including Article 5), the Company has the power to allot and issue shares and to grant rights to subscribe for, or to convert any security into, shares pursuant to those rights.

32.2 The directors may only exercise the power of the Company to allot and issue shares or to grant rights to subscribe for, or to convert any security into, shares in accordance with s 551 of the Act. The powers of the directors pursuant to s 550 of the Act shall be limited accordingly.

32.3 If the Company proposes to offer shares for subscription in cash or to grant rights to subscribe for or to convert into such shares (including any new class of shares not previously issued) ("**New Issue Shares**"), no such New Issue Shares shall be issued other than pursuant to a Permitted Issue unless each member, who is not an Excluded Member (each such person an "**Issue Offeree**") has first been given not fewer than 10 Business Days' Notice (being the "**Issue Offer Notice**") to subscribe for his Member Proportion of such New Issue Shares (the "**Issue Offer**"), subject to Article 32.7. The Issue Offer Notice shall specify the price per New Issue Share (the "**Issue Offer Price**").

32.4 Any acceptance by an Issue Offeree of an offer of New Issue Shares pursuant to the Issue Offer must be made in writing and received by the Company on or prior to the Issue Closing Date, failing which an Issue Offeree shall be deemed to have declined the Issue Offer. On the Issue Closing Date, each acceptance by an Issue Offeree to acquire New Issue Shares shall become irrevocable.

32.5 Any Issue Offeree who accepts all the New Issue Shares offered to him (an "**Issue Acceptor**") shall be entitled to indicate in his acceptance of the Issue Offer whether he would accept New Issue Shares not accepted by other Issue Offerees ("**Excess Issue Shares**") and if so the maximum number he would accept.

32.6 If there are any Excess Issue Shares, the Company shall, subject to Article 32.7, allocate to each Issue Acceptor who indicated that he wishes to subscribe for Excess Issue Shares (an "**Issue Excess Acceptor**") a number of Excess Issue Shares equal to the lesser of:

32.6.1 the maximum number of Excess Issue Shares for which that Issue Excess Acceptor indicated he wished to subscribe; and

32.6.2 the number calculated by the formula  $\frac{x}{y} \times z$ , where:

32.6.2.1  $x$  is the number of shares held by that Issue Excess Acceptor at the time the Company sent the relevant Issue Offer Notice;

32.6.2.2  $y$  is the total number shares held by all Issue Excess Acceptors at the time the Company sent the relevant Issue Offer Notice; and

32.6.2.3  $z$  is the total number of Excess Issue Shares.

32.7 In the event that any allocation of New Issue Shares (or Excess Issue Shares, as applicable) to an Issue Offeree pursuant to Articles 32.3 to 32.6 (inclusive), would result in an Interested Member holding 25% or more of the issued share capital of the Company (in contravention of the restriction set out at Article 41), unless otherwise approved by the members by a special resolution, such Issue Offeree shall be offered the maximum number of New Issue Shares

that would result in it holding less than 25% of the issued share capital of the Company. Any New Issue Shares that the Company is unable to allocate under Articles 32.3 to 32.6 (inclusive) as a result of the restriction set out at Article 41 shall be offered in accordance with the provisions of Article 32.9 below.

32.8 Within five Business Days of the Issue Closing Date, the Company shall notify the result of the Issue Offer to each Issue Offeree who has accepted the Issue Offer, specifying:

32.8.1 the number of the New Issue Shares (and Excess Issue Shares, as applicable) which such Issue Offeree has successfully subscribed for at the Issue Offer Price; and

32.8.2 the place and time, being between two and 10 Business Days after the date of such Notice, on which the subscription is to be completed (subject to the relevant subscription monies being received by the Company) and the account details for the transfer of the required subscription monies.

32.9 If any Further Excess Issue Shares remain, or any New Issue Shares are not subscribed for by Issue Offerees (the "**Surplus New Issue Shares**"), the Surplus New Issue Shares may be issued by the Company to any person, provided that:

32.9.1 no such Surplus New Issue Share may be so issued after the expiry of six months from the Issue Closing Date; and

32.9.2 a Surplus New Issue Share may only be so issued:

32.9.2.1 in a bona fide issue;

32.9.2.2 at a price not being less than its Issue Offer Price and without any deduction, rebate or allowance whatsoever; and

32.9.2.3 on terms no more favourable than those offered to the Issue Offerees; and

32.9.3 any such issue is subject to the restriction set out at Article 41, unless otherwise approved by the members by special resolution.

32.10 If any difficulties (such as fractional entitlements) shall arise in the allocation or apportionment of any shares pursuant to this Article 32 such difficulties shall be determined by the Board.

32.11 The provisions of ss.561 and 562 of the Act shall not apply to the Company.

### 33 **Purchase of own shares**

33.1 The Company may purchase its own shares in accordance with the provisions of the Act.

33.2 The Company may finance the purchase of its own shares in any way permitted by the Act including by way of cash reserves up to the limits provided by the Act.

### 34 **Share transfers**

34.1 Shares may only be transferred pursuant to the provisions of Articles 35 to 43, and any transfer made otherwise than pursuant to Articles 35 to 43 shall be void.

34.2 Subject to the provisions of Articles 35 to 43, 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.

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

- 34.4 The Company may retain any instrument of transfer which is registered.
- 34.5 The transferor remains the holder of a share until the transferee's name is entered in the register of members as holder of it.
- 34.6 Subject only to Article 34.7, the directors shall register promptly any transfer of shares made in accordance with Articles 35 to 43 (to the extent applicable), but shall refuse to register any transfer of shares not so made.
- 34.7 The directors may refuse to register the transfer of a share if:
- 34.7.1 the transfer is not lodged at the Company's registered office or such other place as the directors have appointed;
  - 34.7.2 the transfer is not accompanied by the certificate(s) for the shares to which it relates (or an indemnity in lieu of such certificate(s) in a form reasonably satisfactory to the directors), or such other evidence as the directors may reasonably require to show the transferor's right to make the transfer, or evidence of the right of someone other than the transferor to make the transfer on the transferor's behalf;
  - 34.7.3 the transfer is in respect of more than one class of share;
  - 34.7.4 the transfer is in favour of more than four transferees; or
  - 34.7.5 the transfer is in favour of a person under the age of 18, a Bankrupt or a Patient.
- 34.8 If the directors refuse to register the transfer of a share, they shall:
- 34.8.1 send to the transferee notice of refusal, together with the reasons for the refusal, as soon as reasonably practicable and in any event within two months of the date on which the instrument of transfer was lodged with the Company; and
  - 34.8.2 return the instrument of transfer to the transferee with the notice of refusal unless they suspect that the proposed transfer may be fraudulent.
- 34.9 For the purpose of ensuring that a transfer of shares is authorised under these Articles or that no circumstances have arisen by reason of which shares should have been offered under Article 36, the directors may from time to time require any member or past member or any person named as transferee in any instrument of transfer lodged for registration to provide to the Company such information as the directors reasonably think fit regarding any matter which they consider relevant. Unless that information is supplied within 30 days of the date of the request, the directors may declare the shares in question to be subject to all or any of the restrictions set out in s.454 Companies Act 1985 until such time as that information is supplied or, if relevant, may refuse to register the relevant transfer.
- 34.10 Reference in Article 34.9 to a member or past member includes the personal representatives, trustee in bankruptcy, receiver or liquidator of that member or past member and any deputy or other person authorised by the Court of Protection to act on behalf of a Patient.
- 34.11 The powers of attorney and agency given in these Articles:
- 34.11.1 are made by way of security for the grantors' obligations in these Articles and are irrevocable and unconditional and bind the successors and assignees of the grantors; and
  - 34.11.2 may only be used in respect of a person, if he shall fail to comply with a relevant request of the directors within the timescale set by the directors acting reasonably.

## 35 Permitted transfers

Subject to the provisions of Article 34, any shares, other than those which in accordance with these Articles are declared to be subject to the restrictions set out in s.454 Companies Act 1985, may at any time be transferred by:

- 35.1 any member, following approval of the members by a special resolution;
- 35.2 a member (the "**Original Member**") to a member of the same group;
- 35.3 Fred Done (either personally or under Article 43) to any one or more of his Family Members or the trustee(s) of a Family Trust, provided that on any change of trustees, the relevant shares may be transferred to the trustees from time to time of the Family Trust concerned; or
- 35.4 for so long as Fred Done and/or his Permitted Transferees together Control Betfred:
  - 35.4.1 Fred Done or his Permitted Transferees, to Betfred or a member of the same group as Betfred; or
  - 35.4.2 Betfred or a member of the same group as Betfred, to Fred Done or one of Fred Done's Permitted Transferees,

(each a "**Permitted Transfer**" and each person to whom shares are transferred under this Article 35, a "**Permitted Transferee**" of the relevant transferor).

## 36 Right of first offer

- 36.1 If, at any time, a member (the "**Proposing Transferor**") proposes to transfer all or any of its shares ("**Transfer Shares**"), other than pursuant to a Permitted Transfer or under Article 43, the Proposing Transferor shall first serve a written notice (the "**Transfer Notice**") on each other member (the "**Transfer Offerees**"), copied to the Company:
  - 36.1.1 specifying the number and class of the Transfer Shares;
  - 36.1.2 if the Proposing Transferor has received a bona fide offer for the Transfer Shares from a third party independent of the Proposing Transferor (the "**Transfer Offeror**"), specifying:
    - 36.1.2.1 the identity of the Transfer Offeror; and
    - 36.1.2.2 the price per share offered by the Transfer Offeror (taking account of both the purchase price per share and any other consideration (in cash, securities or otherwise, or in any combination) received or receivable, whether directly or indirectly, and whether conditionally or unconditionally, by the Proposing Transferor and/or any of its Connected Persons which having regard to the substance of the transaction as a whole can reasonably be regarded as an addition to the purchase price paid or payable for the Transfer Shares) ("**Transfer Offeror Price**");
  - 36.1.3 if the Proposing Transferor wishes to specify a price for the Transfer Shares, specifying a price per share upon which the Proposing Transferor is willing to transfer all (but not some only) of the Transfer Shares (which may be greater than or equal to the Transfer Offeror Price (if any)) ("**Transferor Price**");
  - 36.1.4 inviting the Transfer Offerees to offer to buy all (but not some only) of the Transfer Shares; and
  - 36.1.5 confirming that neither the Proposing Transferor nor any of its Connected Persons has:

- 36.1.5.1 any agreement, understanding or arrangement with any person pursuant to which the Proposing Transferor (and/or any of its Connected Persons) is or may become obliged to transfer any interest in any of the Transfer Shares otherwise than by way of bargain on arm's length terms; or
  - 36.1.5.2 any entitlement to receive, or expectation of receiving, whether directly or indirectly, and whether conditionally or unconditionally, any form of consideration in relation to the Transfer Shares arising out of, or in connection with, the Transfer Shares (other than as disclosed pursuant to Article 36.1.2.2).
- 36.2 On receipt of the Transfer Notice, each Transfer Offeree shall have the right to offer to buy all (but not some only) of the Transfer Shares (all such offers together, the "**ROFO Offer**") by giving written notice to the Proposing Transferor ("**Offer Notice**"), copied to the Company, within 20 Business Days of receiving the Transfer Notice (the "**Offer Period**") on the terms set out below:
  - 36.2.1 the price per share at which the Transfer Offeree is willing to acquire all (but not some only) of the Transfer Shares ("**ROFO Offer Price**"), which must be greater than or equal to the higher of (i) the Transfer Offeror Price (if any), and (ii) the Transferor Price (if any) (and, for the avoidance of doubt, if there is no Transfer Offeror Price or Transferor Price, there shall be no floor on the ROFO Offer Price offered by the Transfer Offeree);
  - 36.2.2 the ROFO Offer shall be unconditional (save only for the consents of governmental or regulatory authorities required by law), binding, irrevocable and valid until the expiry of the Acceptance Period; and
  - 36.2.3 the ROFO Offer shall provide for payment of the ROFO Offer Price in cash in immediately available funds on completion of the transfer of the Transfer Shares.
- 36.3 If a Transfer Offeree delivers an Offer Notice to the Proposing Transferor in accordance with Article 36.2 within the Offer Period, the Proposing Transferor shall have the right (but save as provided in Article 36.3.3, not the obligation), exercisable upon written notice to the Transfer Offeree ("**Acceptance Notice**"), copied to the Company, within 10 Business Days of receiving the Offer Notice ("**Acceptance Period**"), to accept the offer set out in the Offer Notice, provided that if:
  - 36.3.1 more than one Offer Notice is received, only that Offer Notice which offers the highest ROFO Offer Price shall be capable of being accepted and all other ROFO Offers shall be deemed to have been declined;
  - 36.3.2 more than one Offer Notice is received which offers the highest ROFO Offer Price and the Proposing Transferor exercises its right to accept a ROFO Offer, the Proposing Transferor shall be deemed to have accepted all such ROFO Offers that offer the highest ROFO Offer Price on a pro rata basis in proportion to the percentage of shares held by each Transfer Offeree that offered the highest ROFO Offer Price bears to the percentage of shares held by all such Transfer Offerees that offered the highest ROFO Offer Price;
  - 36.3.3 if the highest ROFO Offer Price under Article 36.3.1 or 36.3.2 is equal to the higher of (i) the Transfer Offeror Price (if any), and (ii) the Transferor Price (if any), the Proposing Transferor must accept the ROFO Offer(s) under which such ROFO Offer Price has been offered; and
  - 36.3.4 accepting a ROFO Offer (including under Articles 36.3.1 to 36.3.3) would result in an Interested Member holding 25% or more of the issued share capital of the Company (in contravention of the restriction set out at Article 41), unless otherwise approved by the members by a special resolution, the Proposing



Transferor shall accept such a ROFO Offer on the basis that the ROFO Offer is in respect of the maximum number of Transfer Shares that would result in the relevant Transfer Offeree holding less than 25% of the issued share capital of the Company.

36.4 Subject to Article 36.6.2, if the Proposing Transferor delivers an Acceptance Notice within the Acceptance Period in accordance with Article 36.3, the Proposing Transferor shall be bound, on payment of the relevant ROFO Offer Price by the Transfer Offeree(s) to transfer the relevant Transfer Shares to the Transfer Offeree(s). The Transfer Offeree(s) shall be bound to purchase the Transfer Shares allocated to it under the provisions of Article 36.3 at the relevant ROFO Offer Price. The relevant sale and purchase shall be completed at the registered office of the Company during normal business hours on the first Business Day after the expiry of 20 Business Days from the date of the Acceptance Notice.

36.5 If either:

36.5.1 each Transfer Offeree notifies the Proposing Transferor in writing that it will not make a ROFO Offer to acquire the Transfer Shares; or

36.5.2 no Transfer Offeree delivers a valid Offer Notice within the Offer Period,

each Transfer Offeree shall be deemed to have declined to make a ROFO Offer to acquire the Transfer Shares and the Proposing Transferor shall be entitled at any time on or before the date that is three months from the last day of the Offer Period ("**Third Party Offer Period**") to transfer all (and not only some) of the Transfer Shares to a bona fide third party independent of the Proposing Transferor (including the Transfer Offeror (if any)) at a price which is greater than or equal to the higher of (i) the Transfer Offeror Price (if any), and (ii) the Transferor Price (if any) and otherwise on such terms as it may determine.

36.6 In relation to a ROFO Offer under an Offer Notice that complies with Article 36.2, if:

36.6.1 the Proposing Transferor does not serve an Acceptance Notice within the Acceptance Period in accordance with Article 36.3 (and was not required to serve an Acceptance Notice in accordance with Article 36.3.3), the Proposing Transferor may, within the Third Party Offer Period transfer all (and not only some) of the Transfer Shares to a bona fide third party independent of the Proposing Transferor (including the Transfer Offeror (if any)), at a price at least equal to and on terms that are no more favourable to such third party than those offered by the Transfer Offeree in the Offer Notice; or

36.6.2 the Proposing Transferor delivers an Acceptance Notice within the Acceptance Period, but:

36.6.2.1 any Transfer Offeree whose ROFO Offer has been accepted has failed to complete the transfer of the relevant Transfer Shares within the period specified in Article 36.4 (other than as a result of a default by the Proposing Transferor); or

36.6.2.2 the ROFO Offer is not in respect of all of the Transfer Shares as a result of Article 36.3.4,

in respect of all or any of the Transfer Shares then (at the Proposing Transferor's election), that Acceptance Notice shall be deemed withdrawn and the corresponding ROFO Offer shall lapse, and without prejudice to any claim it may have against any Transfer Offeree in relation to their failure to complete the transfer, the Proposing Transferor may, if a Transfer Offeror Price or Transferor Price was specified in the Transfer Notice served under Article 36.1, transfer such Transfer Shares to a Transfer Offeree who delivered a valid Offer Notice that complies with Article 36.2 and is delivered in accordance with Article 36.3 which offered the second highest Offer Price provided that if more than one Offer Notice was received under Article 36.3 which offered the second highest ROFO

Offer Price, such Transfer Shares shall be transferred on a pro rata basis in proportion to the percentage of shares held by each Transfer Offeree that offered the second highest ROFO Offer Price bears to the percentage of shares held by all such Transfer Offerees that offered the second highest ROFO Offer Price and provided that if, after following this process:

36.6.2.3 the Transfer Offeree is unable to complete the transfer of the relevant Transfer Shares (other than as a result of a default by the Proposing Transferor); or

36.6.2.4 the Proposing Transferor is unable to transfer all of the relevant Transfer Shares,

the Proposing Transferor may, within the Third Party Offer Period transfer all such Transfer Shares to a bona fide third party independent of the Proposing Transferor (including the Transfer Offeror (if any)).

### 37 **Compulsory Transfers**

37.1 If:

37.1.1 a member to whom shares have been transferred pursuant to Article 35.2 (or any equivalent provision in any previous Articles) ceases to be a member of the same group as the Original Member (or if the shares concerned shall have been transferred more than once from one member of the same group to another pursuant to Article 35.2 (or any equivalent provision in any previous Articles) it shall have ceased to be a member of the same group as the first Original Member to have held the shares concerned) without the member first having transferred the shares held by it to a member of the same group as such Original Member;

37.1.2 Fred Done has transferred shares under Article 35.3, and the transferee ceases to be a Family Member or the trustee of a Family Trust, whether directly or indirectly through a series of two or more transfers;

37.1.3 Fred Done or his Permitted Transferees have transferred shares under Article 35.4, and Betfred ceases to be Controlled by Fred Done or his Permitted Transferees;

37.1.4 a member undergoes a change of control (within the meaning of s 1124 of the Corporation Tax Act 2010), or a company which is a holding company, of which the member is a subsidiary or any company which is a holding company of such holding company (except where the securities of such holding company are listed on a securities exchange) undergoes a change of control,

37.1.5 a member holds (together with any of its Permitted Transferees and Connected Persons), 25% or more of the issued share capital of the Company and is or becomes an Interested Member at any time, without the prior consent of the members by a special resolution; or

37.1.6 a member otherwise attempts to transfer any shares other than in accordance with these Articles,

then such member shall be deemed to have served a notice on the Company (a "**Deemed Transfer Notice**"), in respect of:

37.1.7 an event under Article 37.1.5, such number of shares held by such Interested Member (and its Permitted Transferees and Connected Persons) that result in the Interested Member together with any of its Permitted Transferees and Connected Persons holding 25% or more of the issued share capital of the Company; and

- 37.1.8 any event under Articles 37.1.1 to 37.1.4 and 37.1.6, all shares held by such member, or by any nominee for him, immediately prior to the occurrence of such event.
- 37.2 The Deemed Transfer Notice shall constitute the Company as the agent of the relevant member (the "**Compulsory Transferor**") for the sale of the relevant shares held by the Compulsory Transferor (the "**Compulsory Transfer Shares**") at the market value of the Compulsory Transfer Shares on the basis of a sale between a willing seller and a willing purchaser (as at the date of service of the Deemed Transfer Notice) disregarding the fact that the Compulsory Transfer Shares may be a minority or (as the case may be) a majority interest, as determined by the Board acting reasonably (the "**Compulsory Transfer Price**").
- 37.3 A Deemed Transfer Notice, once given, may not be withdrawn.
- 37.4 Within 10 Business Days following the Board's determination of the Compulsory Transfer Price, the Compulsory Transfer Shares shall be offered by the Company to the other members (the "**Compulsory Transfer Offerees**") for purchase at the Compulsory Transfer Price. All offers shall be made by notice in writing and shall limit a time (being between 20 and 30 Business Days inclusive (the "**Compulsory Offer Period**")) within which the offer must be accepted or, in default, will be deemed to have been declined. A copy of such offers shall at the same time be sent by the Company to the Compulsory Transferor.
- 37.5 Subject to Article 37.7, the Company shall offer the Compulsory Transfer Shares, on the following basis:
- 37.5.1 if there is more than one Compulsory Transfer Offeree to whom an offer is to be made, the Compulsory Transfer Shares shall be offered to such Compulsory Transfer Offerees in the Transfer Offeree Proportions;
- 37.5.2 any Transfer Offeree to whom Compulsory Transfer Shares are offered may accept all or some only of the Compulsory Transfer Shares offered to him; and
- 37.5.3 each Transfer Offeree who accepts all the Compulsory Transfer Shares offered to him pursuant to Article 37.5.1 (a "**Compulsory Transfer Acceptor**") shall be entitled to indicate in his acceptance of such Compulsory Transfer Shares whether he wishes to purchase any Compulsory Transfer Shares offered to other Compulsory Transfer Offerees in the same offer which they decline to purchase ("**Further Transfer Shares**") and, if so, the maximum number which he wishes to purchase.
- 37.6 Subject to Article 37.7, if there are any Further Transfer Shares, they shall be allocated to each Compulsory Transfer Acceptor who indicated that he wished to purchase Further Transfer Shares (a "**Further Acceptor**") a number of Further Transfer Shares equal to the lower of:
- 37.6.1 the maximum number of Further Transfer Shares which that Further Acceptor indicated he wished to purchase;
- 37.6.2 the number calculated by the formula  $(X/Y) \times Z$ , where:
- 37.6.2.1 x is the number of shares held by that Further Acceptor at the time the Company received the relevant Deemed Transfer Notice;
- 37.6.2.2 y is the total number of shares held by all Further Acceptors at the time the Company received the relevant Deemed Transfer Notice; and
- 37.6.2.3 z is the total number of Further Transfer Shares.

- 37.7 In the event that any offer of Compulsory Transfer Shares or Further Transfer Shares (as applicable) to a Compulsory Transfer Offeree or Further Acceptor (as applicable) pursuant to Articles 37.5 and 37.6, would result in an Interested Member holding 25% or more of the issued share capital of the Company (in contravention of the restriction set out at Article 41), unless otherwise approved by the members by a special resolution, such Compulsory Transfer Offeree or Further Acceptor (as applicable) shall be offered the maximum number of Compulsory Transfer Shares or Further Transfer Shares (as applicable) that would result in it holding less than 25% of the issued share capital of the Company. Any remaining Compulsory Transfer Shares or Further Transfer Shares (as applicable) shall be offered in accordance with Article 37.8 below.
- 37.8 If any Compulsory Transfer Shares remain unallocated following completion of the procedure set out in Articles 37.2 to 37.7 ("**Company Transfer Shares**"), the Company (as agent for the Compulsory Transferor), shall, within 10 Business Days of the expiry of the Compulsory Offer Period, offer the Company Transfer Shares at the Compulsory Transfer Price to the Company as principal. Such offer shall limit a time of 10 Business Days (the "**Company Offer Period**") within which the offer must be accepted or, in default, will be deemed to have been declined. A copy of such offer shall at the same time be sent by the Company to the Compulsory Transferor.
- 37.9 Not later than five Business Days following the expiry of the final Compulsory Period (as applicable), the Company shall give written notice to the Compulsory Transferor and the Compulsory Transfer Offerees stating either:
- 37.9.1 if it is the case, that none of the Compulsory Transfer Offerees or the Company have sought to purchase any of the Compulsory Transfer Shares; or, otherwise
- 37.9.2 the number and class of Compulsory Transfer Shares which Compulsory Transfer Offerees or the Company have sought to purchase, giving the name and address of each Compulsory Transfer Offeree and the number and class of Compulsory Transfer Shares to be purchased by it or the Company.
- 37.10 If the Compulsory Transferor is given notice under Article 37.9.2, the Proposing Transferor shall be bound, on payment of the relevant Compulsory Transfer Price by the relevant Compulsory Transfer Offeree or the Company (as applicable), to transfer the Compulsory Transfer Shares in question to that Compulsory Transfer Offeree or the Company. The Compulsory Transfer Offeree or the Company (as applicable) shall be bound to purchase the Compulsory Transfer Shares allocated to it under the provisions of Articles 37.2 to 37.9 (inclusive) at the Compulsory Transfer Price. The relevant sale and purchase shall be completed at the registered office of the Company during normal business hours on the first Business Day after the expiry of 10 Business Days from the date of service of notice under Article 37.9.
- 37.11 Subject to the provisions of Article 37.12, if the Company shall fail within the Compulsory Periods to find a purchaser or purchasers for all of the Compulsory Transfer Shares, and the Company does not accept the Company Transfer Shares offered to it under Article 37.8, the Compulsory Transferor may transfer all or any of the Compulsory Transfer Shares for which no purchaser has been found or which the Company does not wish to acquire to any person or persons acceptable to a majority of the directors (in their sole discretion), provided that such transfer shall not result in an Interested Member holding 25% or more of the issued share capital of the Company (in contravention of the restriction set out at Article 41).
- 37.12 A transfer by the Compulsory Transferor pursuant to Article 37.11 is subject to the following restrictions:
- 37.12.1 no Compulsory Transfer Share may be so transferred after the expiry of three months from the date on which notice is given by the Company under Article 37.9;
- 37.12.2 a Compulsory Transfer Share must be so transferred:

- 37.12.2.1 in a bona fide transfer;
  - 37.12.2.2 at a price not being less than its Compulsory Transfer Price and without any deduction, rebate or allowance whatsoever; and
  - 37.12.2.3 on terms no more favourable than those offered to the Compulsory Transfer Offerees.
- 37.13 Where a Compulsory Transferor is required to transfer any Compulsory Transfer Shares to a Compulsory Transfer Offeree and/or the Company under this Article 37 but fails to do so in accordance with this Article 37, that Compulsory Transferor appoints each of the directors and each person nominated by the directors to act severally as its agent and attorney to do anything that may be reasonably required to effect that transfer (including to execute any necessary instruments of transfer, proxy notices or written board or shareholder resolutions) and to register the relevant Compulsory Transfer Offeror and/or the Company as the holder of the relevant Compulsory Transfer Shares. The Company's receipt of the purchase money (or the receipt by any person nominated by the directors) shall be a good discharge to the relevant Compulsory Transfer Offeror, and the Company (or the nominated person) shall thereafter hold the same on trust for the Compulsory Transferor, but shall not be bound to earn, pay or account for interest on it. After the name of the relevant Compulsory Transfer Offeror and/or the Company has been entered in the register of members in purported exercise of these powers, the validity of the proceedings shall not be questioned by any person.
- 37.14 Without prejudice to the applicability of any other provision of this Article 37, no Transfer Share may be so transferred unless it is in accordance with the restriction set out at Article 41.
- 37.15 The restrictions imposed by this Article 37 may be waived in relation to any proposed transfer of Compulsory Transfer Shares with the consent of 95% of Compulsory Transfer Offerees who would otherwise have been entitled to have such Compulsory Transfer Shares offered to them in accordance with this Article 37.
- 37.16 The Compulsory Transferor shall transfer, or procure the transfer of, the full legal and beneficial interest in any Compulsory Transfer Shares required to be transferred by him pursuant to this Article 37 free from all liens, charges and encumbrances together with all rights attaching to them.
- 37.17 If any difficulties (such as fractional entitlements) shall arise in the allocation or apportionment of any shares pursuant to this Article 37, such difficulties shall be determined by the directors.

## 38 **Advance Valuation**

- 38.1 If the members who together hold a Controlling Interest in the Company ("**Majority Members**") determine that they wish to initiate a sale process in respect of all (but not some only) of their shares ("**Majority Shares**"), such Majority Members may request by written notice to the Company ("**Advance Valuation Notice**") that the market value per share (being the market value of the Company as a whole divided by the number of shares in issue) ("**Advance Valuation Consideration**") be determined in accordance with Articles 38.2 and 38.3.
- 38.2 For the purposes of Article 38.1, the Advance Valuation Consideration shall be determined by a firm of independent accountants (the "**Accountants**"), the identity of whom is:
  - 38.2.1 agreed between the Majority Members and the Company (acting jointly); or
  - 38.2.2 in the event the Majority Members and the Company (acting jointly) are unable to agree on the identity of the accountants within five Business Days of the service of the Advance Valuation Notice under Article 38.1, determined and appointed, on the joint application by the Majority Members and the Company (acting jointly), by the President for the time being of the Institute of Chartered Accountants in England and Wales.

- 38.3 The Accountants shall determine the market value on the basis of a sale between a willing seller and a willing purchaser (as at the date of service of the Advance Valuation Notice) disregarding the fact that each share is a minority interest in the Company. For the purposes of making such determination:
- 38.3.1 the Accountants shall act as expert and not as arbitrator and their determination shall be final and binding;
  - 38.3.2 all members shall have the right to make written representations to the Accountants (provided that the relevant member sends a copy of such representations to the Company, which the Company shall send to the members promptly);
  - 38.3.3 the Accountants shall have regard to any valuation undertaken for the Company (together with the accompanying papers), which was tabled at a Board meeting held within the two years prior to the date of such determination; and
  - 38.3.4 the Accountants shall notify the Company of their determination forthwith upon making the same and the Company shall, within three Business Days of receipt of such determination, send a copy thereof to all members ("**Advance Valuation Determination**").
- 38.4 The cost and expense of the Accountants for determining the Advance Valuation Consideration under Articles 38.2 and 38.3 shall be borne by the Majority Members ("**Advance Valuation Costs**"), provided that if, within six months of the date of an Advance Valuation Determination there is a transfer by the member(s) of a Controlling Interest in the Company to a bona fide third party on arm's length terms, the Company shall, within five Business Days of the date of completion of such transfer, reimburse the Majority Members for the Advance Valuation Costs incurred in connection with such Advance Valuation Determination.
- 38.5 Where (i) a Drag Notice under Article 39.1 is served by the Majority Members within six months of the date of an Advance Valuation Determination, (ii) since the date of the Advance Valuation Determination, there have been no subsequent events which, in the opinion of the independent directors on the Board (acting reasonably and in good faith), would result in an increase of 5% or more to the valuation contained in the Advance Valuation Determination and (iii) the Prescribed Consideration per share as set out in such Drag Notice is equal to or higher than the Advance Valuation Consideration per share as set out in the relevant Advance Valuation Determination, for the purposes of Article 39:
- 38.5.1 the right for the Dragged Sellers to determine the Valuation Consideration under Articles 39.2 to 39.7 shall not apply; and
  - 38.5.2 for the purposes of Article 39, the Specified Shares shall be transferred to the proposed transferee for a price per share equal to the Prescribed Consideration and the Minority Members shall be required to transfer all (but not only some) of their shares (to the extent they will not be redeemed on completion of the transfer of the Specified Shares) to the proposed transferee for a price per share equal to the Prescribed Consideration, on the later of:
    - 38.5.2.1 the date of completion of the transfer of the Specified Shares to the proposed transferee; and
    - 38.5.2.2 the fifth Business Day after the Drag Notice is served on the Minority Members.
- 38.6 Where (i) a Drag Notice under Article 39.1 is served by the Majority Members within six months of the date of an Advance Valuation Determination (ii) since the date of the Advance Valuation Determination, there have been no subsequent events which, in the opinion of the independent directors on the Board (acting reasonably and in good faith), would result in an increase of 5% or more to the valuation contained in the Advance Valuation Determination

and (iii) the Prescribed Consideration per share as set out in such Drag Notice is lower than the Advance Valuation Consideration per share as set out in the relevant Advance Valuation Determination, for the purposes of Article 39:

- 38.6.1 the right for the Dragged Sellers to determine the Valuation Consideration under Articles 39.2 to 39.7 shall not apply;
- 38.6.2 the Specified Shares shall be transferred to the proposed transferee for a price per share equal to the Prescribed Consideration; and
- 38.6.3 the Minority Members shall be required to transfer all (but not only some) of their shares (to the extent they will not be redeemed on completion of the transfer of the Specified Shares) to the proposed transferee for a price per share equal to the Advance Valuation Consideration, on the later of:
  - 38.6.3.1 the date of completion of the transfer of the Specified Shares to the proposed transferee; and
  - 38.6.3.2 the fifth Business Day after the Drag Notice is served on the Minority Members.
- 38.7 Where (i) a Tag Offer under Article 40.3 is made in connection with the proposed transfer of the Majority Shares within six months of the date of an Advance Valuation Determination and (ii) since the date of the Advance Valuation Determination, there have been no subsequent events which, in the opinion of the independent directors on the Board (acting reasonably and in good faith), would result in an increase of 5% or more to the valuation contained in the Advance Valuation Determination;
  - 38.7.1 the right for the Tagging Seller(s) to determine the Valuation Consideration under Articles 40.5 to 40.11 shall not apply; and
  - 38.7.2 for the purposes of Article 40, the Minority Members shall have the right, exercisable by written notice to the Company (which the Company shall send to the Selling Member(s) and the proposed transferee) within 10 Business Days of the Tag Offer, to accept the Tag Offer ("**Tag Acceptance Period**"). The shares held by a Minority Member who accepts the Tag Offer in accordance with this Article 38.7, shall be transferred to the proposed transferee for a price per share equal to the Prescribed Consideration as set out in the Tag Offer or if higher, a price per share equal to the Advance Valuation Consideration, on the later of:
    - 38.7.2.1 the date of completion of the transfer of the Specified Shares to the proposed transferee; and
    - 38.7.2.2 the fifth Business Day after the expiry of the Tag Acceptance Period under this Article 38.7.

## 39 Drag Along Rights

- 39.1 If a proposed transfer (other than an Excluded Transfer) of shares (the "**Specified Shares**") by one or more members (the "**Drag Seller(s)**") to:
  - 39.1.1 a bona fide third party (who in relation to the Drag Seller(s) is not a Connected Person) following a bona fide offer to purchase shares on arm's length terms would, if registered, result in such third party and any other person(s) who in relation to him is a Connected Person holding a Controlling Interest in the Company; or
  - 39.1.2 a newly incorporated company, which is to be the new holding company for the Company ("**New Holdco**") would, if registered, result in New Holdco holding the entire issued share capital of the Company, provided that such transfer is being entered into for the purposes of a bona fide reorganisation of the Company

Group (including, for the avoidance of doubt, in connection with an IPO or a financing of the Company Group) and:

- 39.1.2.1 the number and class of shares comprised in the issued share capital of the New Holdco, the identity of the shareholders of the New Holdco, and the number and class of shares held by each such person is the same (save for the fact that such shares are issued by a different Company) as the issued share capital of the Company and the identity of the members of the Company and the number and class of shares held by each such person immediately prior to such transaction;
- 39.1.2.2 the rights attaching to each class of share comprised in the New Holdco are the same (save for the fact that such shares are issued by a different company and/or in a different jurisdiction with attendant differences in company law) as those rights attaching to the like class of share comprised in the share capital of the Company immediately prior to such transaction; and
- 39.1.2.3 the constitutional documents of the New Holdco are the same in substantive effect (save for the fact that they apply in respect of a different company, and as to matters and modifications to reflect that the New Holdco may be incorporated in a jurisdiction other than England and Wales) as the Articles immediately prior to such acquisition,

the Drag Seller(s) may serve a written notice (accompanied by a stock transfer form to be entered into to effect the transfer of the Specified Shares) (the "**Drag Notice**") on each member (other than the holders of the Specified Shares) (the "**Minority Members**"), copied to the Company:

- 39.1.3 requiring the Minority Members to transfer all of (but not some of) their shares (to the extent they will not be redeemed on completion of the transfer of the Specified Shares) to the proposed transferee;
  - 39.1.4 specifying the Prescribed Consideration per share for such transfer; and
  - 39.1.5 attaching a copy of any Advance Valuation Determination obtained within the six-month period prior to the date of the Drag Notice.
- 39.2 Subject to Article 38, on receipt of the Drag Notice, the Minority Member(s) who in aggregate hold 13.5% or more of the issued share capital of the Company ("**Dragged Sellers**") may, within five Business Days of receiving the Drag Notice ("**Valuation Notice Period**"), request by written notice to the Company ("**Valuation Notice**") that in respect of their shares ("**Dragged Shares**"), the market value per Dragged Share ("**Valuation Consideration**") be determined in accordance with Articles 39.3 and 39.4. At the expiry of the Valuation Notice Period, the Company shall notify the Drag Seller(s) as to whether any Valuation Notices were served on the Company by the Dragged Sellers under this Article 39.2.
- 39.3 For the purposes of Article 39.2, the Valuation Consideration shall be determined by a firm of independent chartered accountants (also the "**Accountants**"), the identity of whom is:
- 39.3.1 agreed between the Drag Sellers and the Dragged Sellers (acting jointly); or
  - 39.3.2 in the event the Drag Sellers and the Dragged Sellers (acting jointly) are unable to agree on the identity of the accountants within five Business Days of the service of the last Valuation Notice under Article 39.2, determined and appointed, on the joint application by the Drag Sellers and Dragged Sellers (acting jointly), by the President for the time being of the Institute of Chartered Accountants in England and Wales.



- 39.4 The Accountants shall determine the market value on the basis of a sale between a willing seller and a willing purchaser (as at the date of service of the Valuation Notice) disregarding the fact that each Dragged Share is a minority interest in the Company. For the purposes of making such determination:
- 39.4.1 the Accountants shall act as expert and not as arbitrator and their determination shall be final and binding;
  - 39.4.2 the Drag Seller(s) and the Dragged Sellers shall have the right to make written representations to the Accountants (provided that the Drag Seller(s) and the Dragged Sellers (as applicable) send a copy of such representations to the Company, which the Company shall send to the Drag Seller(s) and Dragged Sellers promptly);
  - 39.4.3 the Accountants shall have regard to any valuation undertaken for the Company (together with the accompanying papers), which was tabled at a Board meeting held within the two years prior to the date of such determination; and
  - 39.4.4 the Accountants shall notify the Company of their determination forthwith upon making the same and the Company shall, within three Business Days of receipt of such determination, send a copy thereof to the Drag Sellers and Dragged Sellers.
- 39.5 If the Valuation Consideration per share is more than 5% greater than the Prescribed Consideration per share as set out in the Drag Notice, the cost and expense of the Accountants shall be borne by the Company and, in all other circumstances the cost and expense of the Accountants shall be borne by the Dragged Sellers.
- 39.6 Subject to Article 39.8, if:
- 39.6.1 no valid Valuation Notice is served under Article 39.2; or
  - 39.6.2 the Valuation Consideration per share is no more than 5% greater than the Prescribed Consideration per share as set out in the Drag Notice,
- the Specified Shares shall be transferred to the proposed transferee for a price per share equal to the Prescribed Consideration and the Minority Members shall be required to transfer all (but not only some) of their shares (to the extent they will not be redeemed on completion of the transfer of the Specified Shares) to the proposed transferee for a price per share equal to the Prescribed Consideration, on the later of:
- 39.6.3 the date of completion of the transfer of the Specified Shares to the proposed transferee; and
  - 39.6.4 the fifth Business Day after (i) the Company notifies the Drag Seller(s) under Article 39.2 that no Valuation Notices were served; or (ii) the Company notifies the Drag Seller(s) and Dragged Sellers of the Accountants' determination of the Valuation Consideration under Article 39.4.
- 39.7 Subject to Article 39.8, if the Valuation Consideration per share is more than 5% greater than the Prescribed Consideration per share as set out in the Drag Notice, the Drag Seller(s) shall have the right (exercisable by serving written notice on the Minority Members, copied to the Company ("**Election Notice**")) to either:
- 39.7.1 reject the Valuation Consideration, in which case the Specified Shares and shares held by the Minority Members shall not be transferred to the proposed transferee and the Drag Notice shall be deemed withdrawn; or
  - 39.7.2 accept the Valuation Consideration, in which case the Specified Shares shall be transferred by the Drag Seller(s) to the proposed transferee for a price per share equal to the Prescribed Consideration (or such other price as agreed between

the Drag Seller(s) and the proposed transferee, provided that such price shall not exceed the Valuation Consideration per share), and the Minority Members shall be required to transfer all (but not only some) of their shares (to the extent they will not be redeemed on completion of the transfer of the Specified Shares) to the proposed transferee for a price per share equal to the Valuation Consideration, on the later of:

39.7.2.1 the date of completion of the transfer of the Specified Shares to the proposed transferee; and

39.7.2.2 the fifth Business Day after the Election Notice is served on the Minority Members.

39.8 The transfer of shares under this Article 39 shall be for a price per share equal to the Prescribed Consideration, Advance Valuation Consideration or Valuation Consideration (as applicable) and otherwise on no less favourable terms as those agreed between the Drag Seller(s) and the proposed transferee provided that:

39.8.1 where the Prescribed Consideration would otherwise be payable to a Minority Member other than in cash, the Minority Member shall be entitled (if it so elects in writing to the Drag Seller(s) within five Business Days of receiving the Drag Notice) to receive all of the Prescribed Consideration in cash; and

39.8.2 a Minority Member shall not be required to transfer its holding of shares prior to the date on which the Specified Shares are transferred to the proposed transferee.

39.9 A Minority Member shall transfer, or procure the transfer of, the full legal and beneficial interest in any shares required to be transferred by him pursuant to this Article 39 free from all liens, charges and encumbrances together with all rights attaching to them.

39.10 If within a period of six months following the date of a Drag Notice shares are issued to any person (whether on exercise of any subscription or conversion rights or otherwise) the transferee of the Specified Shares may serve a further notice on each holder of such shares (also a "**Minority Member**"), copied to the Company, requiring them to transfer all such shares to a person specified in the notice on the same terms as are provided for in this Article 39 for Minority Members.

39.11 If a Minority Member shall fail at any time to do anything required to transfer their shares (for the purposes of this Article 39.11, "**Minority Shares**") as required by this Article 39, the Board may authorise any person to do anything reasonably required in respect of such transfer on behalf of, and as agent or attorney for, that Minority Member (including executing any necessary instruments of transfer) and shall (subject to the payment of any required transfer taxes) register the proposed transferee as the holder of the Minority Shares. The receipt of the Prescribed Consideration, Valuation Consideration or Advance Valuation Consideration per share (as applicable) for the Minority Shares by any person nominated by the Board shall be a good discharge to the proposed transferee and that nominated person shall after that time hold such Prescribed Consideration, Valuation Consideration or Advance Valuation Consideration per share (as applicable) on trust for the relevant Minority Member, but shall not be bound to earn, pay or account for interest on it. After the name of the proposed transferee has been entered in the register of members in purported exercise of these powers, the validity of the proceedings shall not be questioned by any person.

#### 40 **Tag Along Rights**

40.1 This Article 40 applies when a transfer, including one or more transfers in a series of related transfers but excluding an Excluded Transfer, of Shares (also the "**Specified Shares**") by one or more members ("**Selling Member(s)**") would, if registered, result in a person, or such person and any other person(s) who in relation to him is a Connected Person, holding a Controlling Interest in the Company.

- 40.2 No transfer to which this Article 40 applies may be registered unless:
- 40.2.1 the proposed transferee has made an offer (a copy of which is delivered to the Company) to buy all of the issued shares (including or excluding the Specified Shares, and including any shares issuable on the exercise of any then outstanding subscription or conversion rights, but excluding any shares which will be redeemed on completion of the transfer of the Specified Shares) on the terms set out in Articles 40.3 and 40.4 (unless, in the case of a particular offeree's shares, less favourable terms are agreed to in writing by that offeree);
  - 40.2.2 the offer is or becomes wholly unconditional; and
  - 40.2.3 subject to Article 38, the terms set out in Articles 40.5 to 40.11 (as applicable) are complied with.
- 40.3 The terms of the proposed transferee's offer to each member that is not a Selling Member (also a "**Minority Member**") shall be as follows ("**Tag Offer**"):
- 40.3.1 the offer shall be open for acceptance for at least 10 Business Days and may be accepted in whole or in part;
  - 40.3.2 subject to Articles 38 and 40.11.2, the consideration for each share shall be the Prescribed Consideration (provided that where the Prescribed Consideration would otherwise be payable other than in cash, the holder of the relevant share(s) shall be entitled (if it so elects in writing to the proposed transferee when it accepts the Tag Offer) to receive all of the Prescribed Consideration in cash);
  - 40.3.3 the offer shall be on no less favourable terms as the terms applicable to the transfer of the Specified Shares; and
  - 40.3.4 the offer shall attach a copy of any Advance Valuation Determination obtained within the six-month period prior to the date of the Tag Offer.
- 40.4 The offer may be subject to one or more conditions, including a condition the satisfaction of which is dependent upon the number and/or percentage of shares in respect of which the offer is accepted.
- 40.5 Subject to Article 38, on receipt of a Tag Offer, any Minority Member(s) which in aggregate holds 13.5% or more of the issued share capital of the Company (a "**Tagging Seller**"), may, within five Business Days of receiving the Tag Offer (also the "**Valuation Notice Period**"), request by written notice to the Company (also the "**Valuation Notice**") that in respect of their shares ("**Tagged Shares**"), the market value per Tagged Share (also the "**Valuation Consideration**") be determined in accordance with Articles 40.6 and 40.7. At the expiry of the Valuation Notice Period, the Company shall notify the Selling Member(s) and the Minority Members (including the Tagging Sellers) as to whether any Valuation Notices were served on the Company by the Tagging Sellers under this Article 40.5 ("**Company Notification**").
- 40.6 For the purposes of Article 40.5, the Valuation Consideration shall be determined by a firm of independent chartered accountants (also the "**Accountants**"), the identity of whom is:
- 40.6.1 agreed between the Selling Members and the Tagging Sellers (acting jointly); or
  - 40.6.2 in the event the Selling Members and the Tagging Sellers (acting jointly) are unable to agree on the identity of the accountants within five Business Days of the service of the last Valuation Notice under Article 40.5, determined and appointed, on the joint application by the Selling Members and the Tagging Sellers (acting jointly), by the President for the time being of the Institute of Chartered Accountants in England and Wales.
- 40.7 The Accountants shall determine the market value on the basis of a sale between a willing seller and a willing purchaser (as at the date of the Tag Offer) disregarding the fact that each

Tagged Share is a minority interest in the Company. For the purposes of making such determination:

- 40.7.1 the Accountants shall act as expert and not as arbitrator and their determination shall be final and binding;
  - 40.7.2 the Selling Member(s) and the Tagging Sellers shall have the right to make written representations to the Accountants (provided that the Selling Member(s) and the Tagging Sellers (as applicable) send a copy of such representations to the Company, which the Company shall send to the Selling Member(s) and Tagging Sellers promptly);
  - 40.7.3 the Accountants shall have regard to any valuation undertaken for the Company (together with the accompanying papers), which was tabled at a Board meeting held within the two years prior to the date of such determination; and
  - 40.7.4 the Accountants shall notify the Company of their determination forthwith upon making the same and the Company shall, within three Business Days of receipt of such determination, send a copy thereof to the Selling Members and the Tagging Sellers ("**Determination Notice**").
- 40.8 If the Valuation Consideration per share is more than 5% greater than the Prescribed Consideration per share as set out in the Tag Offer, the cost and expense of the Accountants shall be borne by the Company and, in all other circumstances the cost and expense of the Accountants shall be borne by the Tagging Sellers.
- 40.9 If no valid Valuation Notice is served under Article 40.5, the Minority Members shall have the right, exercisable by written notice to the Company (which the Company shall send to the Selling Member(s) and proposed transferee) within five Business Days of the Company Notification, to accept the Tag Offer (also the "**Tag Acceptance Period**"). The shares held by a Minority Member who accepts the Tag Offer in accordance with this Article 40.9, shall be transferred to the proposed transferee for a price per share equal to the Prescribed Consideration as set out in the Tag Offer, on the later of:
- 40.9.1 the date of completion of the transfer of the Specified Shares to the proposed transferee; and
  - 40.9.2 the fifth Business Day after the expiry of the Tag Acceptance Period under this Article 40.9.
- 40.10 If the Valuation Consideration per share is no more than 5% greater than the Prescribed Consideration per share as set out in the Tag Offer, the Minority Members shall have the right, exercisable by written notice to the Company (which the Company shall send to the Selling Member(s) and the proposed transferee) within five Business Days of receipt of the Determination Notice (also the "**Tag Acceptance Period**"), to accept the Tag Offer. The shares held by a Minority Member who accepts the Tag Offer in accordance with this Article 40.10 shall be transferred to the proposed transferee for a price per share equal to the Prescribed Consideration as set out in the Tag Offer, on the later of:
- 40.10.1 the date of completion of the transfer of the Specified Shares to the proposed transferee; and
  - 40.10.2 the fifth Business Day after the expiry of the Tag Acceptance Period under this Article 40.10.
- 40.11 If the Valuation Consideration per share is more than 5% greater than the Prescribed Consideration per share as set out in the Tag Offer, the proposed transferee shall have the right (exercisable by serving written notice on the Selling Member(s) and the Minority Members, copied to the Company (also the "**Election Notice**")) to either reject or accept the Valuation Consideration. If the proposed transferee:

40.11.1 rejects the Valuation Consideration, the Specified Shares and shares held by the Minority Members shall not be transferred to the proposed transferee and the Tag Offer shall be deemed withdrawn; or

40.11.2 accepts the Valuation Consideration, in which case the consideration for the purposes of the Tag Offer shall be deemed to be the Valuation Consideration per share, and the Minority Members shall have the right, exercisable by written notice to the Company (which the Company shall send to the Selling Member(s) and the proposed transferee) within five Business Days of the Election Notice, to accept the Tag Offer (also the "**Tag Acceptance Period**"). The shares held by a Minority Member who accepts the Tag Offer in accordance with this Article 40.11.2, shall be transferred to the proposed transferee for a price per share equal to the Valuation Consideration, on the later of:

40.11.2.1 the date of completion of the transfer of the Specified Shares to the proposed transferee; and

40.11.2.2 the fifth Business Day after the expiry of the Tag Acceptance Period under this Article 40.11.2.

40.12 At the option of the holders of the Specified Shares, the provisions of this Article 40 shall not apply where the provision of Article 39 are proposed to be operated and are subsequently actually operated.

#### **41 Restriction on issue and transfer of shares**

41.1 Save in respect of a Permitted Issue, the directors shall not, without the prior consent of the members by a special resolution, register any transfer of shares to a person (other than the Company) or issue any shares to any person, if, following and as a result of such transfer or issue, the aggregate of all shares in the Company in which an Interested Member, together with any of its Permitted Transferees and Connected Persons, would be interested (construed in accordance with sections 820 to 826 of the Act) would equal 25% or more of the issued share capital of the Company.

41.2 Any resolution or determination of, or decision or exercise of any discretion or power by, the Board, or any director or by the chairperson of any meeting under or pursuant to this Article 41 shall be final and conclusive, and any disposal, transfer or issue made, or other things done, by or on behalf of, or on the authority of, the Board or any director pursuant to the foregoing provisions of this Article 41 shall be conclusive and binding on all persons concerned and shall not be open to challenge, whether as to its validity or otherwise on any ground whatsoever and no director shall be liable to the Company or any other person if, having acted reasonably and in good faith, they perform or exercise (or purport to perform or exercise) their duties, powers, rights or discretions under this Article 41 erroneously.

#### **42 Cooperation on a sale process**

If the members who together hold a Controlling Interest in the Company determine that they wish to initiate a sale process in respect of all (but not some only) of their shares, the Company shall at the cost of the relevant members, provide reasonable assistance and cooperation to the relevant members in relation to such sale process and provide such information in relation to the Company Group as may be reasonably requested by the relevant members in connection with such sale process subject to appropriate confidentiality arrangements being put in place to the satisfaction of the Company acting reasonably.

#### **43 Transmission of shares**

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

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

43.2.1 may, subject to the Articles, choose either to become the holder of those shares or to have them transferred to another person who is a Permitted Transferee (or who would have been a Permitted Transferee of the relevant person); and

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

43.3 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.

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

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

43.6 Any transfer made or executed under this Article 43 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.

43.7 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.

#### **44 Procedure for declaring dividends**

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

44.2 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.

44.3 Except as otherwise provided by the rights attached to any shares from time to time, all dividends shall be paid to the holders of shares in proportion to the numbers of shares on which the dividend is paid held by them respectively, but if any share is issued on terms that it shall rank for dividend as from a particular date, or *pari passu* as regards dividends with a share already issued, that share shall rank for dividend accordingly.

44.4 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.

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

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:

45.1.1 transfer to a bank or building society account specified by the distribution recipient either in writing or as the directors may otherwise decide;

45.1.2 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;

- 45.1.3 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
- 45.1.4 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.

#### 46 **Return of capital**

On any return of capital by the Company (in a liquidation or otherwise), the surplus assets of the Company remaining after payment of its liabilities shall be applied in paying the holders of shares in proportion to the numbers of shares held by them respectively.

#### 47 **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:

- 47.1.1 the rights attached to the share; or
- 47.1.2 the provisions of another agreement between the holder of that share and the Company.

#### 48 **Unclaimed distributions**

##### 48.1 All dividends or other sums which are:

- 48.1.1 payable in respect of shares; and
- 48.1.2 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.

##### 48.2 The payment of any such dividend or other sum into a separate account does not make the Company a trustee in respect of it.

##### 48.3 If:

- 48.3.1 twelve years have passed from the date on which a dividend or other sum became due for payment; and
- 48.3.2 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.

#### 49 **Non-cash distributions**

##### 49.1 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).

##### 49.2 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:

- 49.2.1 fixing the value of any assets;
- 49.2.2 paying cash to any distribution recipient on the basis of that value in order to adjust the rights of recipients; and

49.2.3 vesting any assets in trustees.

**50 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:

50.1 the share has more than one holder; or

50.2 more than one person is entitled to the share:

50.2.1 whether by reason of the death;

50.2.2 bankruptcy of one or more joint holders; or

50.2.3 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.

**51 Authority to capitalise and appropriation of capitalised sums**

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

51.1.1 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

51.1.2 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.

51.2 Capitalised sums must be applied:

51.2.1 on behalf of the persons entitled; and

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

51.3 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.

51.4 A capitalised sum which was appropriated from profits available for distribution may be applied 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.

51.5 Subject to the Articles, the directors may:

51.5.1 apply capitalised sums in accordance with Articles 51.3 and 51.4 partly in one way and partly in another;

51.5.2 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

51.5.3 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.



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

- 52.1 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.
- 52.2 A person is able to exercise the right to vote at a general meeting when:
- 52.2.1 that person is able to vote, during the meeting, on resolutions put to the vote at the meeting; and
  - 52.2.2 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.
- 52.3 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.
- 52.4 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.
- 52.5 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.

## **53 Quorum for general meetings**

- 53.1 If the Company has more than one member, the quorum for a general meeting shall be:
- 53.1.1 one member holding more than one half in nominal value of the issued ordinary share capital of the Company and present in person or by proxy or by representative (and the presence of such a member shall be deemed for this purpose to constitute a valid meeting); or
  - 53.1.2 if no such member is present, two members present in person or by proxy or representative.
- 53.2 If the Company has only one member, s 318 of the Act shall apply.

## **54 Chairing general meetings**

- 54.1 If the directors have appointed a chairperson, the chairperson shall chair general meetings if present and willing to do so.
- 54.2 If the directors have not appointed a chairperson, or if the chairperson is unwilling to chair the meeting or is not present within ten minutes of the time at which a meeting was due to start:
- 54.2.1 the directors present; or
  - 54.2.2 (if no directors are present), the meeting,
- must appoint a director or member to chair the meeting, and the appointment of the chairperson of the meeting must be the first business of the meeting.
- 54.3 The person chairing a meeting in accordance with this Article 54 is referred to as "**the chairperson of the meeting**".

## **55 Attendance and speaking by directors and non-members**

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

- 55.2 The chairperson of the meeting may permit other persons who are not:
- 55.2.1 members of the Company; or
  - 55.2.2 otherwise entitled to exercise the rights of members in relation to general meetings, to attend and speak at a general meeting.

## 56 **Adjournment**

- 56.1 If the persons attending a general meeting within half an hour of the time at which the meeting was due to start do not constitute a quorum, or if during a meeting a quorum ceases to be present, the chairperson of the meeting must adjourn it.
- 56.2 The chairperson of the meeting may adjourn a general meeting at which a quorum is present if:
- 56.2.1 the meeting consents to an adjournment; or
  - 56.2.2 it appears to the chairperson 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.
- 56.3 The chairperson of the meeting must adjourn a general meeting if directed to do so by the meeting.
- 56.4 When adjourning a general meeting, the chairperson of the meeting must:
- 56.4.1 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
  - 56.4.2 have regard to any directions as to the time and place of any adjournment which have been given by the meeting.
- 56.5 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 7 clear days' notice of it:
- 56.5.1 to the same persons to whom notice of the Company's general meetings is required to be given; and
  - 56.5.2 containing the same information which such notice is required to contain.
- 56.6 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.

## 57 **Voting at general meetings**

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

## 58 **Errors and disputes**

- 58.1 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.
- 58.2 Any such objection must be referred to the chairperson of the meeting, whose decision is final.

59      **Poll votes**

Polls must be taken when, where and in such manner as the chairperson of the meeting directs.

60      **Content of proxy notices**

60.1      Proxies may only validly be appointed by a notice in writing (a “**proxy notice**”) which:

- 60.1.1      states the name and address of the member appointing the proxy;
- 60.1.2      identifies the person appointed to be that member’s proxy and the general meeting in relation to which that person is appointed;
- 60.1.3      is signed by or on behalf of the member appointing the proxy, or is authenticated in such manner as the directors may determine; and
- 60.1.4      is delivered to the Company in accordance with the Articles and any instructions contained in the notice of the general meeting to which they relate.

60.2      The Company may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes.

60.3      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.

60.4      Unless a proxy notice indicates otherwise, it must be treated as:

- 60.4.1      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
- 60.4.2      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.

61      **Delivery of proxy notices**

61.1      Any notice of a general meeting must specify the address or addresses (“**proxy notification address**”) at which the Company or its agents will receive proxy notices relating to that meeting, or any adjournment of it, delivered in hard copy or electronic form.

61.2      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.

61.3      Subject to Articles 61.4 and 61.5, a proxy notice must be delivered to a proxy notification address not less than 24 hours before the general meeting or adjourned meeting to which it relates.

61.4      In the case of a poll taken more than 48 hours after it is demanded, the notice must be delivered to a proxy notification address not less than 24 hours before the time appointed for the taking of the poll.

61.5      In the case of a poll not taken during the meeting but taken not more than 48 hours after it was demanded, the proxy notice must be delivered:

- 61.5.1      in accordance with Article 61.3; or
- 61.5.2      at the meeting at which the poll was demanded to the chairperson of the meeting, Company secretary (if any) or any director.

- 61.6 The directors may, in their sole discretion, determine from time to time that in calculating the periods referred to in Articles 61.3 and 61.4 no account shall be taken of any part of a day that is not a working day.
- 61.7 A proxy notice which is not delivered in accordance with the applicable provisions of Articles 61.3, 61.4 or 61.5 shall be invalid unless the directors, in their sole discretion, accept the proxy notice at any time before the relevant meeting or time appointed for the taking of the relevant poll.
- 61.8 An appointment under a proxy notice may be revoked by delivering to a proxy notification address a notice in writing given by or on behalf of the person by whom or on whose behalf the proxy notice was given.
- 61.9 A notice revoking a proxy appointment only takes effect if it is delivered before:
- 61.9.1 the start of the meeting or adjourned meeting to which it relates; or
  - 61.9.2 (in the case of a poll not taken on the same day as the meeting or adjourned meeting) the time appointed for taking the poll to which it relates.
- 61.10 If a proxy notice is not signed by the person appointing the proxy, it must be accompanied by written evidence, satisfactory to the directors, of the authority of the person who signed it to do so on the appointor's behalf.
- 61.11 If more than one proxy notice relating to the same share is delivered for the purposes of the same meeting, the proxy notice last delivered validly pursuant to these Articles shall prevail in conferring authority on the person named in the notice to attend the meeting and vote. A proxy notice in electronic form found by the Company to contain a computer virus shall not be accepted by the Company and shall be invalid.

## **62 Amendments to resolutions**

- 62.1 An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if:
- 62.1.1 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 chairperson of the meeting may determine); and
  - 62.1.2 the proposed amendment does not, in the reasonable opinion of the chairperson of the meeting, materially alter the scope of the resolution.
- 62.2 A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if:
- 62.2.1 the chairperson of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed; and
  - 62.2.2 the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.
- 62.3 If the chairperson of the meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the chairperson's error does not invalidate the vote on that resolution.

## **63 Written Resolutions**

- 63.1 Subject to the provisions of the Act, a resolution in writing prepared and circulated to all eligible members of the Company in accordance with s 288 to s 300 of the Act and which, in the case of a resolution described as:

63.1.1 an ordinary resolution, is agreed to by a simple majority of the members (or a class of members); and

63.1.2 a special resolution, is agreed to by a majority of not less than 75% of the members (or a class of members),

in each case, where such agreement is in compliance with s 296 of the Act, shall be valid and effectual as if it had been passed at a meeting of the Company or such class of members (as the case may be) duly called and constituted.

63.2 In the case of a corporation, any such signature or approval may be given or signified on its behalf by a director of the secretary thereof, or by its duly authorised representative.

## **64 Communications**

64.1 The Company communications provisions (as defined in the Act) shall also apply to any document or information to be sent or supplied by or to the Company pursuant to these Articles.

64.2 The provisions of s 1168 of the Act (hard copy and electronic form and related expressions) shall apply to the Company as if the words "and the Articles" were inserted after the words "the Companies Acts" in ss 1168(1) and 1168(7).

64.3 S 1147 of the Act shall apply to any document or information to be sent or supplied by the Company to its members under the Companies Acts (as defined in the Act) or pursuant to these Articles as if:

64.3.1 in s 1147(2) the words "or by airmail (whether in hard copy or electronic form) to an address outside the United Kingdom" were inserted after the words "in the United Kingdom";

64.3.2 in s 1147(3) the words "48 hours after it was sent" were deleted and replaced with the words "when sent, notwithstanding that the Company may be aware of the failure in delivery of such document or information.";

64.3.3 a new s 1147(4)(A) were inserted as follows:

"Where the document or information is sent or supplied by hand (whether in hard copy or electronic form) and the Company is able to show that it was properly addressed and sent at the cost of the Company, it is deemed to have been received by the intended recipient when delivered.";

64.3.4 a new s 1147(4)(B) were inserted as follows:

"Where the document or information is sent or supplied by any other means authorised in writing by the intended recipient, it is deemed to have been received by the intended recipient when the Company has carried out the action it has been authorised to take for that purpose"; and

64.3.5 s 1147(5) were deleted.

64.4 Proof that a document or information sent by electronic means was sent in accordance with guidance issued by the Chartered Governance Institute UK & Ireland shall be conclusive evidence that the document or information was properly addressed as required by s 1147(3) of the Act and that the document or information was sent or supplied.

64.5 In the case of members who are joint holders of shares, anything to be agreed or specified by the holder may be agreed or specified by the holder whose name appears first in the register of members. Sched 5, Part 6, para 16(2) of the Act shall apply accordingly.

64.6 A member may disclose on a confidential basis, any information received from the Company or their nominated Shareholder Director to a potential purchaser of such member's shares (subject to such person having first executed a confidentiality undertaking in favour of the Company in a form satisfactory to the Company acting reasonably).

## **65 Company seals**

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

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

65.3 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.

65.4 For the purposes of this Article 65, an authorised person is:

65.4.1 any director of the Company; or

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

## **66 Share certificates**

66.1 The Company must issue each member, free of charge, with one or more certificates in respect of the shares which that member holds.

66.2 Every certificate must specify:

66.2.1 in respect of how many shares, of what class, it is issued;

66.2.2 the nominal value of those shares;

66.2.3 that the shares are fully paid; and

66.2.4 any distinguishing numbers assigned to them.

66.3 No certificate may be issued in respect of shares of more than one class.

66.4 If more than one person holds a share, only one certificate may be issued in respect of it.

66.5 Certificates must:

66.5.1 have affixed to them the Company's common seal; or

66.5.2 be otherwise executed in accordance with the Act.

## **67 Replacement share certificates**

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

67.1.1 damaged or defaced; or

67.1.2 said to be lost, stolen or destroyed, that member is entitled to be issued with a replacement certificate in respect of the same shares.

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

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

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

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

## **68 No right to inspect accounts and other records**

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

## **69 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.

## **70 Indemnities, insurance and funding of defence proceedings**

70.1 This Article 70.1 shall have effect, and any indemnity provided by or pursuant to it shall apply, only to the extent permitted by, and subject to the restrictions of, the Act. It does not allow for or provide (to any extent) an indemnity which is more extensive than is permitted by the Act and any such indemnity is limited accordingly. This Article 70.1 is also without prejudice to any indemnity to which any person may otherwise be entitled.

70.2 The Company:

70.2.1 shall indemnify any person who is a director of the Company, and shall keep indemnified each such person after he ceases to hold office; and

70.2.2 shall indemnify any other person who is an officer (other than an auditor) of the Company;

in each case out of the assets of the Company from and against any loss, liability or expense suffered or incurred by him or them in relation to the Company by reason of his being or having been a director or other officer of the Company.

70.3 The Company shall indemnify any person who is a director of a Company that is a trustee of an occupational pension scheme (as defined in s 235(6) of the Act) out of the assets of the Company from and against any loss, liability or expense suffered or incurred by him or them in connection with such Company's activities as trustee of the scheme.

70.4 The directors may purchase and maintain insurance at the expense of the Company for the benefit of any person who is or was at any time a director or other officer (other than an auditor) of the Company or of any associated Company (as defined in s 256 of the Act) of the Company or a trustee of any pension fund or employee benefits trust for the benefit of any employee of the Company.

70.5 The directors may, subject to the provisions of the Act, exercise the powers conferred on them by ss 205 and 206 of the Act to:

70.5.1 provide funds to meet expenditure incurred or to be incurred in defending any proceedings, investigation or action referred to in those sections or in connection with an application for relief referred to in s 205 of the Act; or

70.5.2 take any action to enable such expenditure not to be incurred.

## **SCHEDULE 1**

- 1 Increase, reduce, consolidate, sub-divide or otherwise alter or vary the share capital or issued securities of a member of the Company Group or alter or vary any of the rights attached to any of the securities of a member of the Company Group.
- 2 Alter a member of the Company Group's articles of association.
- 3 Pass or approve any resolution for a member of the Company Group's winding up or to place a member of the Company Group in administration or seek any order from a competent court to place a member of the Company Group in administration.
- 4 Purchase or redeem any of the securities of a member of the Company Group.
- 5 Make any alteration to the branding or trading style of a member of the Company Group.
- 6 Create or cause or permit to be created or to exist any mortgage, charge, lien (other than a lien arising in the ordinary course of business) or other encumbrance over the whole or any part of a member of the Company Group's undertaking or assets.
- 7 Sell, transfer, lease, licence or in any way dispose of the whole or a substantial part of a member of the Company Group's business, undertaking or assets whether by a single transaction or a series of transactions.
- 8 Acquire the whole or any part of the assets, business or undertaking of any person other than in the ordinary course of business.
- 9 Acquire or dispose of any freehold property or leasehold property which is subject to a term of more than five years as at the date of acquisition.
- 10 Subscribe for or otherwise acquire or sell, transfer or otherwise dispose of any interest in any securities or indebtedness of any person.
- 11 Enter into any joint venture or partnership agreement or arrangement with any person.
- 12 Make any loan to, or enter into any guarantee or stand surety for the obligations of, any third party.
- 13 Initiate or settle any litigation or arbitration, in each case other than in the ordinary course of business (including the initiation or settlement of claims for the collection of trade debts and employment disputes that arise in the ordinary course of business).
- 14 Save as provided in Article 22.3, cause (i) to be appointed to a member of the Company Group's board of directors any person other than the members of the relevant board as at the date of adoption of these Articles; or (ii) any director to be removed from office as a director.
- 15 Incur any indebtedness other than trade credit in the ordinary course of business.
- 16 Undertake any reconstruction or amalgamation or enter into any scheme of arrangement.
- 17 Initiate or undertake an IPO.
- 18 Enter into any agreement or commitment to do anything referred to in the preceding paragraphs of this schedule 1.



## **SCHEDULE 2**

- 1 Alter a member of the Company Group's articles of association which has a disproportionate and adverse impact on any shareholder's rights when compared to the other shareholders.
- 2 Issue any securities in any member of the Company Group.
- 3 Grant any option to subscribe for or to acquire any securities in any member of the Company Group or establish any option scheme or employee security scheme.
- 4 Acquire the whole or any part of the assets, business or undertaking of any person (i) other than in the ordinary course of business and (ii) where the aggregate value of all such acquisition(s) exceeds 25% of the net asset value of the Company Group.
- 5 Make or permit any substantial alteration (including cessation) to the general nature of the business carried on or proposed to be carried on by a member of the Company Group at the date of adoption of these Articles.
- 6 Enter into any transaction of any nature whatsoever otherwise than by way of bargain at arm's length.
- 7 Enter into any form of financing arrangement with a shareholder or shareholder affiliate (other than where all other shareholders have been offered the same opportunity to provide such financing on a pro rata basis).
- 8 Enter into any agreement or commitment to do anything referred to in the preceding paragraphs of this schedule 2.