

Registered Number: 03173737

**THE COMPANIES ACT 2006**

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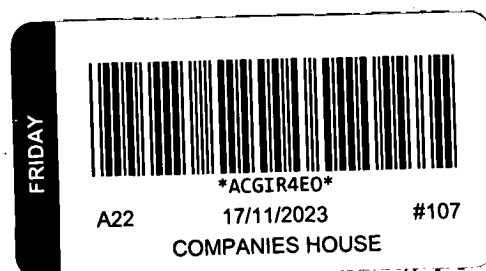
**COMPANY HAVING A SHARE CAPITAL**

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**ARTICLES OF ASSOCIATION**  
**OF**  
**FORTECHO SOLUTIONS LIMITED**  
(the "Company")

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Adopted by special resolution on 6 November 2023



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## Part 1: INTERPRETATION

### 6 INTERPRETATION

#### 6.1 Definitions

In the Articles, the following words and expressions shall have the following meanings unless the context requires otherwise:

<b>Act</b>	the Companies Act 2006;
<b>Acting in Concert</b>	has the meaning given to it in The City Code on Takeovers and Mergers published by the Panel on Takeovers and Mergers (as amended from time to time);
<b>Adoption Date</b>	the date of adoption of these Articles;
<b>Allocation Notice</b>	has the meaning given to that term in Article 58.7;
<b>Applicant</b>	has the meaning given to that term in Article 58.7;
<b>Articles</b>	the Company's articles of association for the time being in force;
<b>Associate</b>	in relation to any person, means: <ul style="list-style-type: none"> <li>(a) any person who is an associate of that person and the question of whether a person is an associate of another is to be determined in accordance with section 435 of the Insolvency Act 1986 and (whether or not an associate as so determined); or</li> <li>(b) any Member of the same Group;</li> </ul>
<b>Bad Leaver</b>	an Employee who becomes a Departing Employee in circumstances where he is not a Good Leaver;
<b>Business Day</b>	any day other than a Saturday, Sunday or public holiday in England when banks in London are generally open for business;
<b>Called Shareholder or Called Shareholders</b>	has the meaning given to that term in Article 60.1;
<b>Called Shares</b>	has the meaning given to that term in Article 60.2.1;
<b>capitalised sum</b>	has the meaning given to that term in Article 72.1.2;

<b>chairperson</b>	has the meaning given to that term in Article 18.2;
<b>chairperson of the meeting</b>	has the meaning given to that term in Article 37.3;
<b>clear days</b>	had the meaning given to that term in section 360(2) of the Act;
<b>company secretary</b>	the company secretary (if any) and includes any joint, assistant or deputy secretary;
<b>Conflict</b>	has the meaning given to that term in Article 19.1;
<b>Controlling Interest</b>	means an interest in shares giving to the holder or holders control of the Company within the meaning of section 1124 of the Corporation Tax Act 2010;
<b>Deed of Covenant</b>	any deed of covenant entered into between the Company and one or more of the shareholders from time to time for the purpose of making certain commitments in relation to the Company;
<b>Departing Employee</b>	an Employee who ceases to be a director and/or employee of the Company (other than by reason of death);
<b>director</b>	a director of the Company;
<b>distribution recipient</b>	<p>in relation to a share in respect of which a dividend or other sum is payable:</p> <ul style="list-style-type: none"><li>(a) the holder of the share; or</li><li>(b) if the share has two or more joint holders, the senior holder; or</li><li>(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;</li></ul>
<b>Drag Along Notice</b>	has the meaning given to that term in Article 60.2;
<b>Drag Along Option</b>	has the meaning given to that term in Article 60.1;
<b>Drag Completion Date</b>	has the meaning given to that term in Article 60.6;
<b>Drag Consideration</b>	has the meaning given to that term in Article 60.5;
<b>Drag Documents</b>	has the meaning given to that term in Article 60.6;

<b>Drag Purchaser</b>	has the meaning given to that term in Article 60.1;
<b>electronic communication</b>	any document or information sent or supplied in electronic form within the meaning of section 1168 of the Act;
<b>Eligible Director</b>	a director who would be entitled to count in the quorum in respect of and vote on the matter at a meeting of directors in accordance with these Articles (but, for the avoidance of doubt, excluding any director whose vote is not to be counted in respect of a particular matter);
<b>Employee</b>	a Shareholder who is, or has been, a director and/or employee of the Company;
<b>Excess Securities</b>	has the meaning given to that term in Article 51.2.3;
<b>Fair Value</b>	in relation to a Sale Share, the price agreed between the directors and the Seller, or (in the absence of agreement between the parties) as determined by the Valuers in accordance with Article 59;
<b>Founder</b>	Robert James Sterland Green;
<b>Founder Consent</b>	the prior written consent of the Founder, which consent shall be deemed to be given if the Founder votes in favour of the matter at a meeting of the directors or in a written resolution of the directors;
<b>Founder Director</b>	has the meaning given to that term in Article 26.2;
<b>fully paid</b>	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;
<b>Good Leaver</b>	<p>an Employee who becomes a Departing Employee by reason of</p> <ul style="list-style-type: none"><li>(a) permanent disability or permanent incapacity through ill-health; or</li><li>(b) redundancy (as defined in the Employment Rights Act 1996); or</li><li>(c) dismissal by the Company which is determined, by an employment tribunal or at</li></ul>

	a court of competent jurisdiction from which there is no right to appeal, to be wrongful;
<b>group company</b>	any subsidiary or any holding company from time to time of the Company or any subsidiary from time to time of a holding company of the Company;
<b>holder</b>	in relation to a share, means the person whose name is entered in the register of members as the holder of that share;
<b>holding company</b>	has the meaning given to that term in Article 6.11;
<b>Interested Director</b>	has the meaning given to that term in Article 19.1;
<b>Member of the Same Group</b>	means as regards any company, a company which is from time to time a holding company or a subsidiary of that company or a subsidiary of any such holding company;
<b>New Shareholder</b>	has the meaning given to that term in Article 60.11;
<b>Offer Period</b>	has the meaning given to that term in Article 58.5;
<b>Offeree</b>	has the meaning given to that term in Article 51.1;
<b>ordinary resolution</b>	has the meaning given to that term in section 282 of the Act and includes such a resolution passed by written resolution;
<b>persons entitled</b>	has the meaning given to that term in Article 72.1.2;
<b>Proposed Purchaser</b>	a proposed purchaser who at the relevant time has made an offer on arm's length terms;
<b>proxy notice</b>	has the meaning given to that term in Article 46.1;
<b>qualifying persons</b>	has the meaning given to that term in section 318(3) of the Act;
<b>relevant loss</b>	has the meaning given to that term in Article 79.4.3;
<b>relevant officer</b>	has the meaning given to that term in Article 79.4.2;
<b>Relevant Securities</b>	any shares or other securities convertible into, or carrying the right to subscribe for shares, issued by the Company after the Adoption Date, other than:



- (a) the grant of any options under an employees' share scheme (and the issue of shares on the exercise of any such options); and
- (b) any Shares or other securities issued by the Company in order for the Company to comply with its obligations under these Articles;

<b>Sale Agreement</b>	has the meaning given to that term in Article 60.2;
<b>Sellers' Shares</b>	has the meaning given to that term in Article 60.1;
<b>Selling Shareholders</b>	has the meaning given to that term in Article 60.1;
<b>senior holder</b>	where a share has two or more joint holders, the holder named first in the register of members;
<b>shareholder</b>	a person who is the holder of any share or shares;
<b>Shareholders' Agreement</b>	any shareholders' agreement entered into between the Company and some or all of the shareholders from time to time;
<b>shares</b>	shares (of any class) in the capital of the Company and "share" shall be construed accordingly;
<b>special resolution</b>	has the meaning given to that term in section 283 of the Act and includes such a resolution passed by written resolution;
<b>Transfer Notice</b>	has the meaning given to that term in Article 58.1;
<b>Transfer Offeree</b>	has the meaning given to that term in Article 58.5;
<b>Transfer Price</b>	has the meaning given to that term in Article 58.4;
<b>transmittee</b>	a person entitled to a share by reason of the death or bankruptcy of a shareholder or otherwise by operation of law;
<b>writing</b>	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; and
<b>Valuers</b>	the accountants for the time being of the Company or, if they decline the instruction, an independent firm of accountants jointly appointed by the Seller and the directors or, in the absence of agreement between the Seller and the directors on the identity of the

expert within 5 Business Days of either party nominating their proposed Valuers, an independent firm of accountants appointed by the President, for the time being, of the Institute of Chartered Accountants in England and Wales (in each case acting as an expert and not as an arbitrator).

- 6.2 Unless the context otherwise requires, other words or expressions contained in these Articles bear the same meaning as in the Act.
- 6.3 The Model articles in Schedule One to The Companies (Model Articles) Regulations 2008 and any Table A to the Companies Act 1985 or any former enactment do not apply to the Company.
- 6.4 Headings in these Articles are used for convenience only and shall not affect the construction or interpretation of these Articles.
- 6.5 A reference in these Articles to an **Article** is a reference to the relevant numbered article of these Articles unless expressly provided otherwise.
- 6.6 Unless the context otherwise requires, words in the singular shall include the plural and the plural shall include the singular.
- 6.7 Unless expressly provided otherwise, a reference to a statute or statutory provision is a reference to it as amended, extended or re-enacted from time to time.
- 6.8 A reference to a statute or statutory provision shall include all subordinate legislation made from time to time under that statute or statutory provision.
- 6.9 Any words following the terms **including, include, in particular, for example** or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms.
- 6.10 Where the context permits, **other** and **otherwise** are illustrative and shall not limit the sense of the words preceding them.
- 6.11 A reference to a **holding company** or a **subsidiary** means a holding company or a subsidiary (as the case may be) as defined in section 1159 of the Act and for the purposes only of the membership requirement contained in sections 1159(1)(b) and 1159(1)(c), a company shall be treated as a member of another company even if its shares in that other company are registered in the name of:
- 6.11.1 another person (or its nominee), by way of security or in connection with the taking of security; or
- 6.11.2 its nominee.
- 6.12 A reference to a **document** or **notice** includes any document or notice sent or supplied by electronic communication, unless otherwise specified.

- 6.13 Upon the death of the Founder, the transmittes of his shares in the Company (the **Transmitted Shares**) shall assume all of the rights of the Founder under these Articles and any reference to Founder in these Articles shall be deemed to be a reference to all such transmittes collectively, until such time as the transmittes transfer all the Transmitted Shares to another person or persons in accordance with Articles 61 and 62 (upon which, unless otherwise specified by the transmittes, such persons shall assume all of the rights of the Founder under these Articles and any reference to Founder in these Articles shall be deemed to be a reference to all such persons collectively, for so long as they continue to be the holders of the Transmitted Shares).

## 7 **LIABILITY OF SHAREHOLDERS**

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

## **PART 2: DIRECTORS**

### **DIRECTORS' POWERS AND RESPONSIBILITIES**

#### 8 **DIRECTORS' GENERAL AUTHORITY**

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

#### 9 **SHAREHOLDERS' RESERVE POWER**

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

#### 10 **DIRECTORS MAY DELEGATE**

- 10.1 Subject to the Articles, the directors may delegate any of the powers which are conferred on them under the Articles:
- 10.1.1 to such person or committee;
  - 10.1.2 by such means (including by power of attorney);
  - 10.1.3 to such an extent;
  - 10.1.4 in relation to such matters or territories; and
  - 10.1.5 on such terms and conditions,
- as they think fit.

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

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

## **11 COMMITTEES**

11.1 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.

11.2 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.

11.3 Where a provision of the Articles refers to the exercise of a power, authority or discretion by the directors and that power, authority or discretion has been delegated by the directors to a committee, the provisions shall be construed as permitting the exercise of the power, authority or discretion by the committee.

## **DECISION-MAKING BY DIRECTORS**

### **12 DIRECTORS TO TAKE DECISIONS COLLECTIVELY**

12.1 Subject to Article 12.2, decisions of the directors must be taken:

12.1.1 at a directors' meeting; or

12.1.2 in the form of a directors' written resolution in accordance with Article 15.

12.2 If the Company only has one director for the time being, the director may (for so long as that person remains the sole director) exercise all of the powers conferred on the directors by the Articles by any means permitted under the Act.

### **13 CALLING MEETINGS OF DIRECTORS**

13.1 Subject to the provisions of these Articles, the directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit.

13.2 At any time any director may, and the company secretary (if any) on the requisition of a director shall, summon a meeting of the directors by giving notice of the meeting to the directors.

13.3 Notice of any directors' meeting must indicate:

13.3.1 its proposed date and time;

13.3.2 where it is to take place; and

13.3.3 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.

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

13.5 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 at any time prior to or 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.

## 14 VOTING

Subject to the Articles:

14.1 a decision is taken at a directors' meeting by a majority of votes of the Eligible Directors participating in the meeting; and

14.2 each Eligible Director participating at a directors meeting has one vote.

## 15 DIRECTORS' WRITTEN RESOLUTIONS

15.1 A resolution executed by the Eligible Directors, or by the members of a committee constituted under these Articles, shall be as valid and effectual as if it had been passed at a meeting of the directors, or (as the case may be) at a meeting of that committee, which in every case was duly convened and held.

15.2 For the purposes of this Article 15:

15.2.1 a resolution shall consist of one or more written instruments or one or more electronic communications sent to an address specified for the purpose by the company secretary (if any), or a combination of them, provided that each such written instrument and electronic communication (if more than one) is to the same effect;

15.2.2 a director indicates their agreement in writing to a proposed resolution when the Company receives from that person an authenticated document identifying the resolution to which it relates and indicating the director's agreement to the resolution in accordance with section 1146 of the Act;

15.2.3 once a director has indicated their agreement in accordance with Article 15.2.2, it may not be revoked;

15.2.4 the directors, or (as the case may be) members of a committee constituted under these Articles, need not execute the same written instrument or electronic communication;

15.2.5 a resolution to which an alternate director has indicated their agreement in writing need not be signed or agreed to by that person's appointor;

15.2.6 unless otherwise resolved by the directors or by ordinary resolution prior to adoption of a resolution, a resolution shall be adopted when a majority of the Eligible Directors have signed one or more copies of it or have otherwise indicated their agreement in writing to it.

## **16 QUORUM FOR MEETINGS**

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

16.2 The quorum for directors' meetings may be fixed from time to time by a decision of the directors and, unless otherwise fixed, it is the Founder Director, provided that:

16.2.1 if no Founder Director has been appointed, the quorum shall be any one Eligible Director; and

16.2.2 for the purposes of any meeting (or part of a meeting) held pursuant to Article 19 to authorise a Conflict, if the Founder Director is the Interested Director, the quorum for such meeting (or part of a meeting) shall be any one Eligible Director.

16.3 A meeting of the directors at which a quorum is present shall be competent to exercise all powers and discretions for the time being exercisable by the directors.

## **17 PARTICIPATION IN DIRECTORS' MEETINGS**

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

17.1.1 the meeting has been called and takes place in accordance with the Articles; and

17.1.2 each director can hear the others and can communicate to the others any information or opinions they have on any particular item of the business of the meeting.

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

17.3 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.

## **18 CHAIRING OF DIRECTORS' MEETINGS**

18.1 The directors may appoint a director to chair their meetings.

18.2 The person so appointed for the time being is known as the **chairperson**.

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

18.4 If no chairperson has been appointed or 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 the meeting.

## 19 **DIRECTORS' SITUATIONAL CONFLICTS OF INTEREST**

19.1 The directors may, subject to the quorum and voting requirements set out in this Article 19, authorise any matter which would, if not authorised, involve a director (an **Interested Director**) breaching their duty under section 175 of the Act to avoid a situation in which that person has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company (a **Conflict**).

19.2 An Interested Director seeking authorisation in respect of a Conflict must disclose to the other directors the nature and extent of the Interested Director's interest in the Conflict as soon as possible. The Interested Director must give the other directors sufficient details of the relevant matter to enable them to decide how to address the Conflict together with any additional information they may request.

19.3 Any authorisation under this Article 19 shall be considered in the same way that any other matter may be proposed to and resolved upon by the directors under the provisions of these Articles (or in such other manner as the directors may determine) except that:

19.3.1 the Interested Director and any other director with a similar interest shall not count in the quorum on any resolution to authorise the Conflict; and

19.3.2 the Conflict must be authorised by the directors without the Interested Director or any other director with a similar interest voting or, if the Interested Director or any other director with a similar interest did vote, the Conflict would have been authorised if such votes had not been counted.

19.4 Where the directors authorise a Conflict under this Article 19:

19.4.1 such authorisation may extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised;

19.4.2 the directors may impose terms (whether at the time of giving the authorisation or subsequently) upon the Interested Director which they think fit, including:

(a) exclusion of the Interested Director from the receipt of documents and information and the participation in discussions (whether at meetings of the directors or otherwise) related to the Conflict;

- (b) provision as to whether the Interested Director shall or shall not be an Eligible Director in respect of any future decision of the directors in relation to any resolution related to the Conflict;
- (c) imposition of a specific duty of confidentiality for any confidential information of the Company relating to the Conflict,

and may subsequently vary any such terms;

- 19.4.3 the directors may provide that, where the Interested Director obtains, or has obtained (through the Interested Director's involvement in the Conflict and otherwise than through their position as a director of the Company) information that is confidential to a third party, the Interested Director will not be obliged to disclose that information to the Company, or to use it in relation to the Company's affairs where to do so would amount to a breach of that confidence;
  - 19.4.4 the Interested Director may absent themselves from the discussion of matters relating to the Conflict at any meeting of the directors and be excused from reviewing papers prepared by, or for, the directors to the extent they relate to such matters;
  - 19.4.5 the Interested Director must conduct themselves in accordance with any terms and conditions imposed by the directors in relation to the Conflict;
  - 19.4.6 the terms of the authority shall be recorded in writing (but the authority shall be effective whether or not the terms are so recorded); and
  - 19.4.7 the directors may revoke or vary an authorisation given under this Article 18 at any time, but this will not affect anything done by the Interested Director, prior to such revocation or variation, in accordance with the terms of such authorisation.
- 19.5 Where the directors have considered a Conflict and have determined not to authorise it, or where there are no Eligible Directors in relation to a Conflict, the relevant Interested Director can seek authorisation from the shareholders, who can authorise the Conflict and may, pursuant to Article 9.1, require the directors to impose such conditions as they may direct in accordance with Article 19.4.
- 19.6 Where the Conflict arises because the Interested Director is also, or is about to become, a director, officer or employee of another group company, then that Conflict shall be deemed to have been authorised pursuant to section 175 of the Act and the provisions of Articles 19.4.3 to 19.4.7 (inclusive) apply to such Conflict.
- 19.7 A director is not required, by reason of being a director (or because of the fiduciary relationship established by reason of being a director), to account to the Company for any remuneration, profit or other benefit which such director derives from or in connection with a relationship involving a Conflict which has been authorised by the



directors in accordance with these Articles or by the Company in general meeting (subject in each case to any terms and conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds.

## **20 TRANSACTIONS OR OTHER ARRANGEMENTS WITH THE COMPANY**

20.1 Subject to sections 177(5) and 177(6) and sections 182(5) and 182(6) of the Act, a director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the Company must declare the nature and extent of that interest in accordance with the requirements of the Act.

20.2 If a director has declared the nature and extent of their interest under Article 20.1, that director:

20.2.1 may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise (directly or indirectly) interested;

20.2.2 shall be an Eligible Director for the purposes of any proposed decision of the directors (or committee of the directors) in respect of such existing or proposed transaction or arrangement in which the director is interested;

20.2.3 may act alone or through a company or firm in a professional capacity for the Company (otherwise than as auditor) and shall be entitled to remuneration for professional services as if that person was not a director;

20.2.4 may be a director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate in which the Company is otherwise (directly or indirectly) interested; and

20.2.5 shall not, save as otherwise agreed between such director and the Company, be accountable to the Company for any benefit which the director (or a person connected with them (as defined in section 252 of the Act)) derives from any such contract, transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such contract, transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit nor shall the receipt of any such remuneration or other benefit constitute a breach of duty under section 176 of the Act.

20.3 The Company may by ordinary resolution ratify any transaction not duly authorised by reason of a contravention of this Article 20.

## **21 INTERPRETATION OF CONFLICTS**

References in Articles 19 or 20 to:

21.1.1 a contract, include references to an existing or proposed contract and to an existing or proposed transaction or arrangement whether or not it is a contract; and

21.1.2 a conflict of interest, includes a conflict of interest and duty and a conflict of duties.

## **22 MEANS OF DISCLOSURE**

An interest of a director to be disclosed under Articles 19 or 20 may be declared at a meeting of directors, by notice in writing pursuant to section 184 of the Act or by means of a general notice under section 185 of the Act.

## **23 CHAIRPERSON'S OR DIRECTORS' RULING**

23.1 If, in relation to a director other than the chairperson, a question arises at a board meeting about:

23.1.1 whether a director has an interest in a contract; and

23.1.2 whether it is likely to give rise to a conflict of interest; or

23.1.3 whether that person can vote or be counted in the quorum,

and that person does not agree to abstain from voting on the question or not be counted in the quorum, the question must be referred to the chairperson.

23.2 If a question arises at a board meeting as set out in Articles 23.1.1 to 23.1.3 (inclusive) in relation to the chairperson, the question must be referred to the other directors. The chairperson cannot vote on the question but can be counted in the quorum.

23.3 Any ruling by the chairperson under Article 23.1, or resolution by the directors' under Article 23.2, is final unless the nature and extent of the interest (so far as it is known to relevant director or the chairperson (as applicable)) has not been fairly disclosed to the other directors.

## **24 CONNECTED PERSONS' INTERESTS**

For the purposes of Articles 19 and 20, an interest of a person who is connected with a director (within the meaning of section 252 of the Act) shall be treated as an interest of the director.

## **25 INTERESTS OF ALTERNATE DIRECTORS**

25.1 Articles 19 and 20 apply to an alternate director as if that person was a director of the Company.

25.2 For the purposes of Articles 19 and 20, the interest of an alternate director's appointor is treated as the interest of the alternate director, in addition to any interest which the alternate director otherwise has.

## **APPOINTMENT OF DIRECTORS**

### **26 METHODS OF APPOINTING DIRECTORS**

- 26.1 Any person who is willing to act as a director, and is permitted by law to do so, may be appointed to be a director:
- 26.1.1 by ordinary resolution;
  - 26.1.2 by a decision of the directors; or
  - 26.1.3 in accordance with Article 26.2.
- 26.2 The Founder shall have the right, for so long as he holds shares in the Company, to appoint and maintain in office one natural person (including himself) as a director (a **Founder Director**) and to remove any such Founder Director and to appoint a replacement.
- 26.3 An appointment or removal under Article 26.2 takes effect immediately upon receipt by the Company in accordance with Article 73 or on such later date (if any) specified in the notice.
- 26.4 In any case where, as a result of death, the Company has no shareholders and no directors, and no Founder Director is appointed within 10 Business Days of such death, 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.
- 26.5 For the purposes of Article 26.4, where two or more shareholders die in circumstances rendering it uncertain who was the last to die, the youngest shareholder is deemed to have survived an older shareholder(s).

### **27 TERMINATION OF DIRECTOR'S APPOINTMENT**

- 27.1 A person ceases to be a director as soon as:
- 27.1.1 that person ceases to be a director by virtue of any provision of the Act or is prohibited from being a director by law;
  - 27.1.2 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;
  - 27.1.3 a bankruptcy order is made against that person;
  - 27.1.4 a composition is made with that person's creditors generally in satisfaction of that person's debts;
  - 27.1.5 a registered medical practitioner who is treating that person gives a written opinion to the Company stating that person has become physically or

mentally incapable of acting as a director and may remain so for more than three months;

- 27.1.6 that person shall, for more than six consecutive months, have been absent without permission of the directors from meetings of directors held during that period and the directors resolve that person's office be vacated and their alternate director (if any) has not during such period attended such meetings instead of them;
  - 27.1.7 an ordinary resolution is passed to remove that person as a director of the Company; or
  - 27.1.8 that person, being a Founder Director, is removed in accordance with Article 26.2.
- 27.2 An ordinary resolution proposed pursuant to Article 27.1.7 shall be proposed in a form that provides shareholders with the ability to cast their votes against as well as in favour of such resolution.
- 27.3 If an ordinary resolution in Article 27.1.7 is proposed in relation to a Founder Director, provided that the Founder continues to hold shares in the Company, the Founder shall be entitled to cast such number of votes as is necessary to defeat the resolution to remove that Founder Director.

## **28 DIRECTORS' REMUNERATION**

- 28.1 Directors may undertake any services for the Company that the directors decide.
- 28.2 Directors are entitled to such remuneration as the directors determine:
- 28.2.1 for their services to the Company as directors; and
  - 28.2.2 for any other service which they undertake for the Company.
- 28.3 Subject to the Articles, a director's remuneration may:
- 28.3.1 take any form; and
  - 28.3.2 include any arrangements in connection with the payment of a pension, allowance or gratuity, or any death, sickness or disability benefits, to or in respect of that director.
- 28.4 Unless the directors decide otherwise, directors' remuneration accrues from day to day.
- 28.5 Unless the directors decide otherwise, directors are not accountable to the Company for any remuneration which they receive as directors or other officers or employees of any other group company or of any other body corporate in which the Company is interested.

**29 EXPENSES OF DIRECTORS AND COMPANY SECRETARY**

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

29.1.1 meetings of directors or committees of directors;

29.1.2 general meetings; or

29.1.3 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.

29.2 Subject to the Act, the directors shall have the power to make arrangements for the Company to fund a director's expenditure incurred or to be incurred by that director for the purposes of the Company or for the purpose of enabling that director to properly perform their duties as an officer of the Company or enable that director to avoid incurring such expenditure.

**30 APPOINTMENT AND REMOVAL OF ALTERNATE DIRECTORS**

30.1 Any director may at any time appoint any other director or any person who is approved by resolution of directors to be that person's alternate director and may at any time terminate such appointment.

30.2 Any appointment or removal of an alternate director shall be made by the delivery, to the registered office of the Company or to a meeting of the directors, of:

30.2.1 a written notice of appointment, accompanied by evidence of the alternate director's consent to act as such; or

30.2.2 a written notice of removal,

in each case, signed by the relevant director or in any other manner approved by the directors.

30.3 The appointment of an alternate director shall terminate:

30.3.1 when the alternate's appointor revokes the appointment in accordance with Article 30.2;

30.3.2 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;

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

30.3.4 when the alternate's appointor ceases to be a director of the Company under Article 27.

### **31 RIGHTS AND RESPONSIBILITIES OF ALTERNATE DIRECTORS**

31.1 An alternate director shall be entitled:

31.1.1 to receive notices of all meetings of the directors and committees of the board of which the director who appointed the alternate is a member;

31.1.2 subject to Articles 19 and 20, to attend and vote as a director at, and to be counted as part of the quorum for, any such meeting at which the alternate's appointor is not present (but the alternate shall not be counted as more than one director for the purposes of Article 16.2);

31.1.3 to sign or otherwise indicates their agreement in writing to any written resolution of the directors in place of the alternate's appointor; and

31.1.4 generally to perform all functions of the alternate's appointor.

31.2 If an alternate director is also a director or attends any meeting as an alternate for more than one director, the alternate's voting rights shall be cumulative.

31.3 Save as otherwise provided in these Articles, an alternate director shall be deemed for all purposes to be a director of the Company and shall alone be responsible for their own acts and defaults and shall not be deemed to be an agent of the director appointing them.

31.4 An alternate director shall not be entitled to receive any remuneration from the Company for acting as an alternate director unless the director who appointed such alternate instructs the Company in writing to pay part of the remuneration payable by the Company to that director to the alternate director instead.

## **PART 3: DECISION-MAKING BY DIRECTORS**

### **ORGANISATION OF GENERAL MEETINGS**

#### **32 CALLING GENERAL MEETINGS**

The directors may, whenever they think fit, convene a general meeting and, subject to the Act, must proceed to convene a general meeting in accordance with the Act following requisition by the shareholders.

#### **33 LENGTH OF NOTICE**

33.1 A general meeting of the Company (other than an adjourned meeting) shall be called by notice of at least 14 clear days.

33.2 A general meeting of the Company may be called on short notice if the majority in number of those shareholders having a right to attend and vote at the meeting and

holding at least 90% in nominal value of the shares having a right to attend and vote at the meeting agree to such short notice.

#### **34 AMENDMENTS TO RESOLUTIONS**

34.1 An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if:

34.1.1 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 will 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

34.1.2 the proposed amendment does not, in the reasonable opinion of the chairperson of the meeting, materially alter the scope of the resolution.

34.2 A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if:

34.2.1 the chairperson of the meeting proposes the amendment at the general meeting at which the resolution will be proposed; and

34.2.2 the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.

34.3 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.

#### **35 ATTENDANCE AT GENERAL MEETINGS**

35.1 A shareholder or person permitted to attend under Article 38 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.

35.2 A shareholder so participating is able to exercise the right to vote at a general meeting when:

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

35.2.2 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.

35.3 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.

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

35.5 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.

#### **36 QUORUM FOR GENERAL MEETINGS**

36.1 No business other than the appointment of the chairperson of the meeting will be transacted at a general meeting if the persons attending it do not constitute a quorum.

36.2 If and for so long as the Company has only one shareholder, the quorum shall be one.

36.3 Where the Company has more than one shareholder entitled to attend and vote at a meeting, one qualifying person present at the meeting is a quorum, where such person is entitled to vote as:

36.3.1 the duly authorised corporate representative of two or more corporations, each of which is a shareholder entitled to attend and vote on the business to be transacted at the meeting; or

36.3.2 a proxy duly appointed by two or more shareholders entitled to attend and vote on the business to be transacted at the meeting.

36.4 Subject to the Act, Article 36.3 and Article 39.6, in all other cases two qualifying persons present at a meeting and entitled to vote are a quorum.

#### **37 CHAIRING GENERAL MEETINGS**

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

37.2 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:

37.2.1 the directors present; or

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

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

37.3 The person chairing a meeting in accordance with this Article 37 is referred to as “**the chairperson of the meeting**”.



## **38 ATTENDANCE AND SPEAKING BY DIRECTORS AND NON-SHAREHOLDERS**

- 38.1 Directors may attend and speak at general meetings, whether or not they are shareholders.
- 38.2 The chairperson of the meeting may permit other persons who are not:
- 38.2.1 shareholders of the Company; or
  - 38.2.2 otherwise entitled to exercise the rights of shareholders in relation to general meetings,
- to attend and speak at a general meeting.

## **39 ADJOURNMENT**

- 39.1 If a quorum is not present within 30 minutes of the time at which the meeting was due to start, or if during a meeting a quorum ceases to be present, the chairperson of the meeting must adjourn it.
- 39.2 The chairperson of the meeting may adjourn a general meeting:
- 39.2.1 at which a quorum is present, if the meeting consents to an adjournment; or
  - 39.2.2 whether or not it has commenced or a quorum is present, if 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.
- 39.3 The chairperson of the meeting must adjourn a general meeting if directed to do so by the meeting.
- 39.4 When adjourning a general meeting, the chairperson of the meeting must:
- 39.4.1 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
  - 39.4.2 have regard to any directions as to the time and place of any adjournment which have been given by the meeting.
- 39.5 If the continuation of an adjourned meeting is to take place more than 14 days after it was adjourned, the Company must give at least seven clear days' notice of it:
- 39.5.1 to the same persons to whom notice of the Company's general meetings is required to be given, and
  - 39.5.2 containing the same information which such notice is required to contain.
- 39.6 If at the adjourned meeting the persons attending within 30 minutes of the time at which the meeting was due to start do not constitute a quorum, the shareholders present and entitled to vote at such meeting shall constitute a quorum.

- 39.7 No business may be transacted at an adjourned general meeting which could not properly have been transacted at the meeting if the adjournment had not taken place.

## **VOTING AT GENERAL MEETINGS**

### **40 VOTING**

- 40.1 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.
- 40.2 Subject to any rights or restrictions attached to any shares in the Articles or otherwise, and subject to Article 27.3 and Article 40.6, on a vote on a resolution on a show of hands at a meeting every shareholder present in person and entitled to vote on the resolution has one vote.
- 40.3 Subject to any rights or restrictions attached to any shares in the Articles or otherwise, and subject to Article 27.3 and Article 40.6, on a vote on a resolution on a show of hands at a meeting every proxy present who has been duly appointed by a shareholder entitled to vote on the resolution has one vote, except where:
- 40.3.1 more than one proxy has been duly appointed by the same shareholder, in which case, all the proxies appointed by that shareholder taken together have one vote; and/or
- 40.3.2 that person:
- (a) has been duly appointed as proxy by more than one shareholder entitled to vote on the resolution; and
  - (b) has been instructed by one or more of those shareholders:
    - (i) to vote for the resolution and by one or more of those shareholders to vote against the resolution; or
    - (ii) to vote in the same way on the resolution (whether for or against) and one or more of those shareholders have given the proxy discretion as to how to vote on the resolution,in which case, the proxy has one vote for and one vote against the resolution.
- 40.4 Subject to any rights or restrictions attached to any shares in the Articles or otherwise, and subject to Article 27.3 and Article 40.6, on a vote on a resolution on a poll at a meeting, every shareholder present and entitled to vote on the resolution has one vote in respect of each share held by the relevant shareholder or shareholders.
- 40.5 In the case of joint holders of a share, only the vote of the senior holder who votes (and/or any proxies or corporate representatives duly authorised by the senior holder) may be counted by the Company.

- 40.6 If any shareholder has been deemed to serve a Transfer Notice under Article 58.1, the shares held by such shareholder (the **Restricted Shares**) shall immediately cease to entitle the holder of such Restricted Shares to receive notice of or to attend, speak or vote (whether on a show of hands or on a poll) at any general meeting or written resolution or at any separate class meeting of the Company, until such time as the Restricted Shares have been transferred pursuant to these Articles (upon which they shall no longer be Restricted Shares). Restricted Shares shall not be counted in determining the total number of votes which may be cast at such meeting or required for the purposes of a written resolution or a consent under these Articles or otherwise.

**41 NO CASTING VOTE**

In the event of an equality of votes on a show of hands or a poll, the chairperson of the meeting shall not be entitled to a casting vote.

**42 ERRORS AND DISPUTES**

- 42.1 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.

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

- 42.3 The Company is not obliged to verify that a proxy or corporate representative of a shareholder has acted in accordance with the terms of their appointment and any failure to do so shall not affect the validity of any proceedings at a meeting of the Company.

**43 CHAIRPERSON'S DECLARATION**

Unless a poll is duly demanded, a declaration by the chairperson of the meeting that a vote on a resolution on a show of hands has or has not been passed or passed with a particular majority is conclusive evidence of that fact without proof of the number or proportion of votes recorded in favour of or against the resolution.

**44 DEMANDING A POLL**

- 44.1 A poll on a resolution may be demanded:

44.1.1 in advance of the general meeting where it will be put to the vote; or

44.1.2 at a general meeting, either before a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared.

- 44.2 Subject to the Act, a poll may be demanded by:

44.2.1 the chairperson of the meeting;

44.2.2 the directors;

- 44.2.3 two or more persons having the right to vote on the resolution; or
- 44.2.4 a person or persons representing not less than one tenth of the total voting rights of all the shareholders having the right to vote on the resolution.

44.3 A demand for a poll may be withdrawn if:

- 44.3.1 the poll has not yet been taken; and
- 44.3.2 the chairperson of the meeting consents to the withdrawal,

and any demand withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made.

#### 45 **PROCEDURE FOR POLL VOTING**

45.1 Subject to Article 45.2, polls must be taken when, where and in such manner as the chairperson of the meeting directs.

45.2 A poll on:

- 45.2.1 the election of the chairperson of the meeting; or
- 45.2.2 a question of adjournment,

must be taken immediately.

#### 46 **CONTENT AND DELIVERY OF PROXY NOTICES**

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

- 46.1.1 states the name and address of the shareholder appointing the proxy;
- 46.1.2 identifies the person appointed to be that shareholder's proxy and the general meeting in relation to which that person is appointed;
- 46.1.3 is signed by or on behalf of the shareholder appointing the proxy, or is authenticated in such manner as the directors may determine; and
- 46.1.4 is delivered to the Company in accordance with the Articles and any instructions contained in the notice of the general meeting or adjourned meeting to which they relate.

46.2 The Company may require proxy notices to be delivered in a particular form and, subject to the Act, by a particular time and may specify different forms for different purposes.

46.3 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.

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

- 46.4.1 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
- 46.4.2 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.
- 46.5 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.
- 46.6 If a proxy notice is not executed by the person appointing the proxy, it must be accompanied by written evidence of the authority of the person who executed it to execute it on the appointor's behalf.
- 47 REVOCATION OF PROXY NOTICES**
  - 47.1 An appointment under a proxy notice may be revoked by delivering to the Company a notice in writing given by or on behalf of the person by whom or on whose behalf the proxy notice was given.
  - 47.2 A notice revoking a proxy appointment only takes effect if it is delivered before the start of the meeting or adjourned meeting to which it relates.
- 48 CORPORATE REPRESENTATIVES**
  - 48.1 In accordance with the Act, a corporation which is a shareholder of the Company may, by resolution of its directors or other governing body, authorise a person or persons to act as its representative or representatives at any meeting of the Company.
  - 48.2 A director, the company secretary (if any) or another person authorised for the purpose by the directors or company secretary (if any) may require a corporate representative to produce a certified copy of the resolution of authorisation or such other evidence of authorisation as the directors may determine before permitting the corporate representative to exercise their powers.
- 49 WRITTEN RESOLUTIONS**
  - 49.1 A resolution of the shareholders, or of a class of shareholders, of the Company may be passed as a written resolution in accordance with the Act.
  - 49.2 On a written resolution, each shareholder has the same number of votes as that person would have on a poll.

## **PART 4: SHARES AND DISTRIBUTIONS**

### **SHARES**

**50 SHARE CAPITAL**

- 50.1 The Company's shares are ordinary shares of £1 each and are unlimited in number.
- 50.2 Unless the shareholders have either in respect of any particular offer of shares or generally by ordinary resolution otherwise resolved, and subject always to the Act, the directors may exercise the Company's power to allot or grant any Relevant Securities provided that either (i) Founder Consent has been received to the allotment or grant, or (ii) they are first offered to the existing holders in proportion to their existing holdings in accordance with Article 51.
- 50.3 In accordance with section 567(1) of the Act, sections 561 and 562 of the Act shall not apply to an allotment of equity securities (as defined in section 560(1) of the Act) made by the Company.

**51 PRE-EMPTION ON ISSUE**

- 51.1 Unless Founder Consent has been received to the allotment or grant of any Relevant Securities, if the Company proposes to allot or grant any Relevant Securities, those Relevant Securities shall not be allotted to any person unless the Company has first offered them to the holders (on the date of the offer) of the shares (each an **Offeree**) on a pari passu basis (according to their respective holdings of shares, as if they constituted a single class) and in the respective proportions that the number of shares held by each such holder bears to the total number of shares held by all such holders (as nearly as possible without involving fractions) and on the same terms, and at the same price, as those Relevant Securities are being, or are to be, offered to any other person.
- 51.2 An offer made under Article 51.1 shall:
- 51.2.1 be in writing and give details of the number, class and subscription price (including any share premium) of the Relevant Securities being offered;
  - 51.2.2 remain open for a period of at least 14 days from the date of service of the offer; and
  - 51.2.3 stipulate that any Offeree who wishes to subscribe for a number of Relevant Securities in excess of the number to which such person is entitled under Article 51.1 shall, in their acceptance, state the number of excess Relevant Securities (**Excess Securities**) for which they wish to subscribe.
- 51.3 If, on the expiry of an offer made in accordance with Article 51.1, the total number of Relevant Securities applied for is less than the total number of Relevant Securities so offered, the directors shall allot the Relevant Securities to the Offerees in accordance with their applications, subject to a maximum of each Offeree's proportionate entitlement.

- 51.4 Any Relevant Securities not accepted by Offerees pursuant to an offer made in accordance with Article 51.1 shall be used to satisfy any requests for Excess Securities made pursuant to Article 51.2.3. If there are insufficient Excess Securities to satisfy such requests, the Excess Securities shall be allotted to the applicants in the respective proportions that the number of shares held by each such applicant bears to the total number of such shares held by all applicants (as nearly as possible without involving fractions or increasing the number of Excess Securities allotted to any shareholder beyond that applied for by that shareholder).
- 51.5 If, after completion of the allotments referred to in Article 51.3 and Article 51.4, not all of the Relevant Securities have been allotted, the balance of such Relevant Securities may, subject to Article 51.6 be offered to any other person(s) as the directors may determine, at the same price and on the same terms as the offer to the shareholders.
- 51.6 No shares shall be allotted to any current or prospective employee or director of any group company unless such person shall first have entered into a joint election with the relevant group company under section 431 of the Income Tax (Earnings and Pensions) Act 2003.

## **52 ALL SHARES TO BE FULLY PAID UP**

- 52.1 Unless the Company otherwise resolves by ordinary resolution, no share will be issued for less than the aggregate of its nominal value and any premium to be paid to the Company in consideration for its issue.
- 52.2 This does not apply to shares taken on the formation of the Company by the subscribers to the Company's memorandum.

## **53 POWERS TO ISSUE DIFFERENT CLASSES OF SHARE**

- 53.1 Subject to the Articles and the Act, 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.
- 53.2 Subject to the Act, the Company may issue shares which are to be redeemed, or are liable to be redeemed at the option of the Company or the holder, and the directors may determine the terms, conditions and manner of redemption of any such shares.
- 53.3 If the rights and restrictions attaching to shares are determined by ordinary resolution pursuant to Article 53.1 or by the directors pursuant to Article 53.2, those rights and restrictions shall apply as if such rights and restrictions were set out in the Articles.

## **54 COMPANY NOT BOUND BY LESS THAN ABSOLUTE INTERESTS**

Except as required by law, no person will 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.

## **55 SHARE CERTIFICATES**

- 55.1 The Company must issue each shareholder, free of charge, with one or more certificates in respect of the shares which that shareholder holds.
- 55.2 Every certificate must specify:
- 55.2.1 in respect of how many shares, of what class, it is issued;
  - 55.2.2 the nominal value of those shares;
  - 55.2.3 the amount paid up on them; and
  - 55.2.4 any distinguishing numbers assigned to them.
- 55.3 No one certificate may be issued in respect of shares of more than one class.
- 55.4 If more than one person holds a share, only one certificate may be issued in respect of it and delivery of a certificate to the senior holder constitutes delivery to all of them.
- 55.5 Certificates must:
- 55.5.1 have affixed to them the Company's common seal; or
  - 55.5.2 be otherwise executed in accordance with the Act.

## **56 REPLACEMENT SHARE CERTIFICATES**

- 56.1 If a certificate issued in respect of a shareholder's shares is:
- 56.1.1 damaged or defaced; or
  - 56.1.2 said to be lost, stolen or destroyed,
- that shareholder is, subject to having first complied with the obligations in Articles 56.2.2 and 56.2.3, entitled to be issued with a replacement certificate in respect of the same shares.
- 56.2 A shareholder exercising the right to be issued with such a replacement certificate:
- 56.2.1 may at the same time exercise the right to be issued with a single certificate or separate certificates;
  - 56.2.2 must return the certificate which is to be replaced to the Company if it is damaged or defaced; and
  - 56.2.3 must comply with such conditions as to evidence, indemnity and the payment of a reasonable fee as the directors decide.



## SHARE TRANSFERS

### 57 SHARE TRANSFERS: GENERAL

- 57.1 No shareholder shall create any Encumbrance over, transfer or otherwise dispose of or give any person any rights in or over any Share or any interest in any Share, except as permitted or required by these Articles, or with Founder Consent.
- 57.2 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.
- 57.3 On a transfer of, or a series of transfers of, in aggregate, 50 per cent or more of the shares in the Company including any shares held by the Founder pursuant to these Articles (including but not limited to Article 60), the transferors shall contribute to all costs associated with such transfer or series of transfers which are not otherwise paid for by the Company directly in the proportion to which their shares being transferred bears to the aggregate number of shares being transferred by all the transferors.
- 57.4 No fee may be charged for registering any instrument of transfer or other document relating to or affecting the title to any share.
- 57.5 The Company may retain any instrument of transfer which is registered.
- 57.6 The transferor remains the holder of a share until the transferee's name is entered in the register of members as holder of it.
- 57.7 The directors may refuse to register the transfer of a share, and if they do so, they shall, within two months after the date on which the transfer was lodged with the Company, send the transferee notice of refusal together with their reasons for refusal and, unless they suspect that the proposed transfer may be fraudulent, the instrument of transfer.

### 58 COMPULSORY TRANSFER

- 58.1 The directors may deem a shareholder (other than the Founder) to have served a notice that they wish to sell all the shares held by them (a **Transfer Notice**) immediately before any of the following events:
- 58.1.1 an order being made for the shareholder's bankruptcy, or an arrangement or composition being made with any of his creditors, or where he otherwise takes the benefit of any statutory provision for the time being in force for the relief of insolvent debtors;
  - 58.1.2 the shareholder lacking capacity (under section 2 of the Mental Health Act 2005) to make decisions in relation to the Company or his shareholding;
  - 58.1.3 the shareholder (being an Employee) becoming a Departing Employee; and
  - 58.1.4 the shareholder committing a material or persistent breach of these Articles or any Shareholders' Agreement or Deed of Covenant which, if capable of

remedy, has not been so remedied within 10 Business Days of notice to remedy the breach being served by the directors.

- 58.2 A Transfer Notice constitutes the Company the agent of the shareholder who is deemed to have served the Transfer Notice (the **Seller**) for the sale of all the shares held by them, including any shares acquired after the date the relevant Transfer Notice is deemed given but before completion of the transfer of shares pursuant to the relevant Transfer Notice (the **Sale Shares**) in accordance with the provisions of these Articles.
- 58.3 A Transfer Notice may not be withdrawn, however a Transfer Notice deemed to be served by a Seller under Article 58.1.3 or Article 58.1.4 shall immediately and automatically revoke a Transfer Notice deemed to be served by that same Seller under Article 58.1.1 or Article 58.1.2.
- 58.4 The price for each Sale Share (the **Transfer Price**) shall be:
- 58.4.1 if the Transfer Notice is deemed to be served under Article 58.1.1 or Article 58.1.2, or if the Transfer Notice is deemed to be served under Article 58.1.3 and the Departing Employee is a Good Leaver, its Fair Value; and
- 58.4.2 if the Transfer Notice is deemed to be served under Article 58.1.3 and the Departing Employee is a Bad Leaver, or if the Transfer Notice is deemed to be served under Article 58.1.4, the lower of the subscription price paid for the Sale Share, including any share premium, and the Fair Value of the Sale Share.
- 58.5 As soon as practicable following the determination of the Transfer Price, the directors shall offer the Sale Shares for sale to the other shareholders (excluding the Seller and any other shareholder whose shares are, at the date of the Transfer Notice, the subject of a Transfer Notice) (**Transfer Offerees**) inviting them to apply to the Company in writing within the period from the date of the offer to the date 5 Business Days after the offer (both dates inclusive) (**Offer Period**) for the maximum number of Sale Shares they wish to buy. Each offer shall be in writing and give details of the number and aggregate Transfer Price of the Sale Shares offered.
- 58.6 If:
- 58.6.1 at the end of the Offer Period, the total number of Sale Shares applied for is equal to or exceeds the number of Sale Shares, the directors shall allocate the Sale Shares to each Transfer Offeree who has applied for Sale Shares in the proportion which his existing holding of shares bears to the total number of shares (excluding those held either by the Seller or by any shareholder whose shares are, at the date of the Transfer Notice, the subject of a Transfer Notice). Fractional entitlements shall be rounded down to the nearest whole number (save where such rounding would result in not all Sale Shares being allocated, in which case, the allocation of any such fractional entitlements among the Transfer Offerees shall be determined by the

- directors). No allocation shall be made to a shareholder of more than the maximum number of Sale Shares which he has stated he is willing to buy;
- 58.6.2 not all Sale Shares are allocated following allocations in accordance with Article 58.6.1, but there are applications for Sale Shares that have not been satisfied, the directors shall allocate the remaining Sale Shares to such applicants in accordance with the procedure set out in Article 58.6.1. The procedure set out in this Article 58.6.2 shall apply on any number of consecutive occasions until either all Sale Shares have been allocated or all applications for Sale Shares have been satisfied; and
- 58.6.3 at the end of the Offer Period, the Company has not received applications in respect of all the Sale Shares, the directors shall allocate the Sale Shares to the Transfer Offerees in accordance with their applications. The balance of the Sale Shares may be purchased by the Company in accordance with the Act.
- 58.7 The directors shall, when no further offers or allocations are required to be made under Article 58.6, give notice in writing of the allocations of Sale Shares (an **Allocation Notice**) to the Seller and to each shareholder to whom Sale Shares have been allocated and the Company (if it will be purchasing any of the Sale Shares) (each an **Applicant**). The Allocation Notice shall specify the number of Sale Shares allocated to each Applicant and the place and time for completion of the transfer of the Sale Shares (which shall be at least 5 Business Days, but not more than 20 Business Days, after the date of the Allocation Notice).
- 58.8 On the date specified for completion in the Allocation Notice the Seller shall, against payment from an Applicant, execute and deliver a transfer of the Sale Shares allocated to such Applicant, in accordance with any requirements specified in the Allocation Notice, together with the relevant share certificate(s) (or an indemnity in lieu thereof) and such other documents as the Applicants or the directors may reasonably require to show good title to the Sale Shares, enable each of them to be registered as the holder of the Sale Shares, and comply with the provisions of the Act.
- 58.9 Any transfer of shares by way of a sale under this Article 58 shall be deemed to include a warranty that the Seller sells the shares with full title guarantee.
- 58.10 If the Seller fails to comply with Article 58.8:
- 58.10.1 the chairman of the directors (or, failing him, any other director of the Company or some other person nominated by a resolution of the directors) may, as agent or attorney on behalf of the Seller:
- (a) complete, execute and deliver in his name all documents necessary to give effect to the transfer of the relevant Sale Shares to the Applicants;

- (b) receive the Transfer Price and give a good discharge for it (and no Applicant shall be obliged to see to the distribution of the Transfer Price); and
- (c) (subject to the transfers being duly stamped) enter the Applicants in the register of shareholders as the holders of the Sale Shares purchased by them; and

58.10.2 the Company shall pay the Transfer Price into a separate bank account in the Company's name on trust (but without interest) for the Seller until he has delivered his certificate(s) for the relevant Sale Shares or an indemnity, in a form reasonably satisfactory to the directors, in respect of any lost certificate, together, in either case, with such other evidence (if any) as the directors may reasonably require to prove good title to those Sale Shares, to the Company.

58.11 Where an Allocation Notice does not relate to all the Sale Shares, the Seller shall not have the right to sell the balance of the Sale Shares without Founder Consent.

## **59 VALUATION OF SHARES**

59.1 The Valuers shall be requested to determine the Fair Value within 20 Business Days of their appointment and to notify the Company and the Seller in writing of their determination.

59.2 The Valuers shall determine the Fair Value for any Sale Share in writing on the following bases and assumptions:

- 59.2.1 valuing each of the Sale Shares as a proportion of the total value of all the issued shares in the capital of the Company without any premium or discount being attributable to the percentage of the issued share capital of the Company which they represent or for the rights or restrictions applying to the Sale Shares;
- 59.2.2 if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so;
- 59.2.3 the sale is to be on arms' length terms between a willing seller and a willing buyer;
- 59.2.4 the Sale Shares are sold free of all Encumbrances;
- 59.2.5 the sale is taking place on the date the Valuers were requested to determine the Fair Value; and
- 59.2.6 taking account of any other factors that the Valuers reasonably believe should be taken into account.

- 59.3 The directors and the relevant Seller shall be entitled to make written submissions to the Valuers and will provide the Valuers with such assistance and documents as the Valuers reasonably require for the purpose of reaching a decision, subject to the Valuers agreeing to give such confidentiality undertakings as the directors may reasonably require.
- 59.4 To the extent not provided for by this Article 59, the Valuers may, in their reasonable discretion, determine such other procedures to assist with the valuation as they consider just or appropriate.
- 59.5 The Valuers shall act as expert and not as arbitrator and their written determination shall be final and binding on the parties (in the absence of manifest error or fraud).
- 59.6 The cost of obtaining the Valuers' valuation shall be borne by the Company and the Seller equally or in such other proportions as the Valuers direct.

## 60 **DRAG ALONG**

- 60.1 If the holders of 50 per cent of the shares in the Company, including the Founder (for so long as he remains a shareholder) (the **Selling Shareholders**) wish to transfer all their interest in shares (the **Sellers' Shares**) to a Proposed Purchaser, the Selling Shareholders shall have the option (the **Drag Along Option**) to compel each other shareholder (each a **Called Shareholder** and together the **Called Shareholders**) to sell and transfer all their shares to the Proposed Purchaser or as the Proposed Purchaser shall direct (the **Drag Purchaser**) in accordance with the provisions of this Article.
- 60.2 The Selling Shareholders may exercise the Drag Along Option by giving a written notice to that effect (a **Drag Along Notice**) to the Called Shareholders, at any time before the transfer of the Sellers' Shares to the Drag Purchaser. A Drag Along Notice shall specify that:
- 60.2.1 the Called Shareholders are required to transfer all their shares (the **Called Shares**) under this Article;
  - 60.2.2 the person to whom they are to be transferred;
  - 60.2.3 the consideration (or if required by the circumstances of the offer, an estimate or the anticipated range) (whether in cash or otherwise) for which the Called Shares are to be transferred;
  - 60.2.4 the amount, if any, of the aggregate consideration due from the Drag Purchaser (or its nominee) which is likely or may be deferred, held in escrow or subject to any other condition or matter before it is determined, paid or delivered;
  - 60.2.5 the proposed date of transfer, and

60.2.6 the form of any sale agreement or form of acceptance or any other document of similar effect that the Called Shareholders are required to sign in connection with such sale (the **Sale Agreement**),

(and, in the case of Articles 60.2.2 to 60.2.5 above, whether actually specified or to be determined in accordance with a mechanism described in the Drag Along Notice). No Drag Along Notice or Sale Agreement may require a Called Shareholder to agree to any terms except those specifically provided for in this Article.

60.3 In addition to those matters provided for by Article 60.2, the Drag Along Notice will include all other terms and conditions pursuant to which the Called Shareholders are required to sell and transfer all of their interest in the Called Shares to the Drag Purchaser (or its nominee), and may:

60.3.1 provide for the form of consideration to be received by the Called Shareholders to be cash, a form of non-cash, consideration (including loan notes or other securities), or a combination of these forms;

60.3.2 provide for an election to be made by each Called Shareholder (or certain of them) with respect to the form of consideration to be received;

60.3.3 provide that the Selling Shareholders receive (or are able to elect to receive) a form of consideration which is different from that to be provided, or made available to the Called Shareholders (provided always that the consideration to be provided to the Called Shareholders is objectively of the same value as that provided to the Selling Shareholders for each of their shares);

60.3.4 provide that a portion of the commissions, fees, costs and expenses incurred in the implementation of the Drag Along Option and otherwise the terms of this Article 60 are to be met by the Called Shareholders (pro rata to the number of shares held by them), by way of reduction in the amount of consideration ultimately received by them for their shares;

60.3.5 provide that a portion of the consideration due to the Called Shareholders be deferred, held in escrow or made subject to any other condition or matter before it is determined, paid or delivered;

60.3.6 require the Called Shareholders to provide for the benefit of the Drag Purchaser (or its nominee), warranties, representations and/or covenants as to title and capacity to transfer their shares free of encumbrances and such other warranties, representations and/or indemnities regarding the affairs (and business) of the Company and any of its subsidiaries, provided always that the pro rata liability of each Called Shareholder shall not be greater than the pro rata liability of each Selling Shareholder; and

60.3.7 provide that, where there is any reduction, or deemed reduction, in the price ultimately paid for the shares as a result of any claim for a breach of warranty, or of any other contractual representation or covenant given to the Drag

Purchaser (or its nominee), in connection with its purchase of the shares, that this reduction will be borne, as near as is practicable, by each shareholder by reference to the number of shares held by them which were transferred pursuant to the Drag Along Option.

- 60.4 Drag Along Notices shall be irrevocable but will lapse if for any reason there is not a sale of the Sellers' Shares by the Selling Shareholders to the Drag Purchaser within 60 Business Days after the date of service of the Drag Along Notice. The Selling Shareholders shall be entitled to serve further Drag Along Notices following the lapse of any particular Drag Along Notice.
- 60.5 The consideration (in cash or otherwise) for which the Called Shareholders shall be obliged to sell each of the Called Shares shall be that to which they would be entitled if the total consideration proposed to be paid, allotted or transferred by the Drag Purchaser were distributed to the holders of the Called Shares and the Sellers' Shares *pari passu*, unless otherwise specified in the Drag Along Notice in which case, the consideration shall be that which has been specified in the Drag Along Notice (the **Drag Consideration**).
- 60.6 Within three Business Days of the Drag Along Notice being served on the Called Shareholders (or such later date as may be specified in the Drag Along Notice) (the **Drag Completion Date**), each Called Shareholder shall deliver to the Company:
- 60.6.1 duly executed stock transfer form(s) for their shares in favour of the Drag Purchaser;
  - 60.6.2 the relevant share certificate(s) (or a duly executed indemnity for lost certificate in a form acceptable to the directors) to the Company;
  - 60.6.3 duly executed Sale Agreement, if applicable, in the form specified in the Drag Along Notice or as otherwise specified by the Company; and
  - 60.6.4 such other documents specified as having to be delivered by the Called Shareholders in the Drag Along Notice,
- (together the **Drag Documents**).
- 60.7 If requested to do so in writing by the Selling Shareholders, the directors may authorise any director to complete any details omitted from, or errors or inaccuracies contained in, any of the Drag Documents which are returned by Called Shareholders to the Company for the purposes of this Article 60, and if required, to elect the form of consideration due to a Called Shareholder in respect of their shares.
- 60.8 On the Drag Completion Date, the Company shall pay or transfer to each Called Shareholder, on behalf of the Drag Purchaser, the Drag Consideration that is due to the extent the Drag Purchaser has paid, allotted or transferred such consideration to the Company. The Company's receipt of the Drag Consideration shall be a good discharge to the Drag Purchaser. Following the Company's receipt of the Drag

Consideration, but pending its payment or transfer to the Called Shareholder, the Company shall hold the Drag Consideration in trust for each of the Called Shareholders without any obligation to pay interest.

- 60.9 To the extent that the Drag Purchaser has not, on the Drag Completion Date, paid, allotted or transferred the Drag Consideration that is due to the Company, the Called Shareholders shall be entitled to the immediate return of the Drag Documents for the relevant shares and the Called Shareholders shall have no further rights or obligations under this Article 60 in respect of their shares.
- 60.10 If a Called Shareholder fails to deliver the Drag Documents for its shares to the Company by the Drag Completion Date, the Company and each director shall be constituted the agent or attorney of such defaulting Called Shareholder to take such actions and enter into any Drag Document or such other agreements or documents as are necessary to effect the transfer of the Called Shareholder's shares pursuant to this Article 60 and the directors shall, if requested by the Drag Purchaser, authorise any director to transfer the Called Shareholder's shares on the Called Shareholder's behalf to the Drag Purchaser to the extent the Drag Purchaser has, by the Drag Completion Date, paid, allotted or transferred the Drag Consideration to the Company for the Called Shareholder's shares offered to them. The directors shall then authorise registration of the transfer once appropriate stamp duty (if any is required) has been paid. The defaulting Called Shareholder shall surrender their share certificate for their shares (or suitable executed indemnity) to the Company. On surrender, they shall be entitled to the Drag Consideration due to them.
- 60.11 On any person, following the issue of a Drag Along Notice, becoming a shareholder pursuant to the exercise of a pre-existing option or warrant to acquire shares in the Company or pursuant to the conversion of any convertible security of the Company (a **New Shareholder**), a Drag Along Notice shall be deemed to have been served on the New Shareholder on the same terms as the previous Drag Along Notice who shall then be bound to sell and transfer all shares so acquired to the Drag Purchaser and the provisions of this Article shall apply with the necessary changes to the New Shareholder except that completion of the sale of the shares shall take place immediately on the Drag Along Notice being deemed served on the New Shareholder.

## **61 TRANSMISSION OF SHARES**

- 61.1 If title to a share passes to a transmittee, the Company may only recognise the transmittee as having any title to that share.
- 61.2 A transmittee who produces such evidence of entitlement to shares as the directors may properly require:
- 61.2.1 may, subject to the Articles, choose either to become the holder of those shares or to have them transferred to another person; and



61.2.2 subject to the Articles, and pending any transfer of the shares to another person, has the same rights as the holder from whom the transmittee derived such entitlement had.

61.3 Notwithstanding Article 61.2, 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 event which gave rise to the transmission unless they become the holders of those shares.

## **62 EXERCISE OF TRANSMITTEES' RIGHTS**

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

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

62.3 Any transfer made or executed under this Article 62 will 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.

## **63 TRANSMITTEES BOUND BY PRIOR NOTICES**

If a notice is given to a shareholder in respect of shares and a transmittee (or any person nominated by the transmittee under Article 61.2) is entitled to those shares, the transmittee (and any person nominated by the transmittee under Article 61.2) is bound by the notice if it was given to the shareholder before the transmittee's name (or the name of any person nominated by the transmittee under Article 61.2) has been entered in the register of members.

## **DIVIDENDS AND OTHER DISTRIBUTIONS**

### **64 PROCEDURE FOR DECLARING DIVIDENDS**

64.1 Subject to the Act, the Company may by ordinary resolution declare dividends, and the directors may declare and pay interim dividends.

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

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

64.4 Unless an ordinary resolution to declare or directors' decision to declare and pay a dividend specifies otherwise, or the terms on which shares are issued specify otherwise, it must be paid by reference to each shareholder's holding of shares in the class in respect of which the dividend is paid on the date of the resolution or decision to declare or pay it.

- 64.5 If the Company's share capital is divided into different classes, no dividend may be paid on shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrears.
- 64.6 The directors may pay at intervals any dividend payable at a fixed rate if it appears to them that the profits available for distribution justify the payment.
- 64.7 If the directors act in good faith, they do not incur any liability to the holders of shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on shares with deferred or non-preferred rights.

**65 CALCULATION OF DIVIDENDS**

- 65.1 Except as otherwise provided by the Articles or the rights attached to shares, all dividends must be:
- 65.1.1 declared and paid according to the amounts paid up on the shares on which the dividend is paid; and
  - 65.1.2 apportioned and paid proportionately to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid.
- 65.2 If any share is issued on terms providing that it ranks for dividend as from a particular date, that share ranks for dividend accordingly.

**66 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 or settled by one or more of the following means:

- 66.1.1 transfer to a bank or building society account specified by the distribution recipient either in writing or as the directors may otherwise decide;
- 66.1.2 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;
- 66.1.3 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
- 66.1.4 any other means of payment or settlement as the directors agree with the distribution recipient either in writing or by such other means as the directors decide.

**67 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:

67.1.1 the terms on which the share was issued; or

67.1.2 the provisions of another agreement between the holder of that share and the Company.

**68 UNCLAIMED DISTRIBUTIONS**

68.1 All dividends or other sums which are:

68.1.1 payable in respect of shares; and

68.1.2 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.

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

68.3 If:

68.3.1 12 years have passed from the date on which a dividend or other sum became due for payment; and

68.3.2 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.

**69 NON-CASH DISTRIBUTIONS**

69.1 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).

69.2 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:

69.2.1 fixing the value of any assets;

69.2.2 paying cash to any distribution recipient on the basis of that value in order to adjust the rights of recipients; and

69.2.3 vesting any assets in trustees.

## **70 WAIVER OF DISTRIBUTIONS**

70.1 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:

70.1.1 the share has more than one holder; or

70.1.2 more than one person is entitled to the share, whether by reason of the death or bankruptcy of one or more joint holders, or otherwise,

the notice is not effective unless it is expressed to be given, and signed, by all the holders or persons otherwise entitled to the share.

## **PURCHASE OF OWN SHARES**

### **71 PURCHASE OF OWN SHARES OUT OF CAPITAL**

The Company may purchase its own shares, in accordance with section 692(1ZA) of the Act, up to an aggregate purchase price in a financial year not exceeding the lower of:

71.1.1 £15,000; or

71.1.2 the nominal value of 5% of its fully paid share capital as at the beginning of that financial year.

## **CAPITALISATION OF PROFITS**

### **72 AUTHORITY TO CAPITALISE AND APPROPRIATION OF CAPITALISED SUMS**

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

72.1.1 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 reserves (including the share premium account and capital redemption reserve); and

72.1.2 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.

72.2 Capitalised sums must be applied:

72.2.1 on behalf of the persons entitled; and

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

- 72.3 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.
- 72.4 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.
- 72.5 Subject to the Articles, the directors may:
- 72.5.1 apply capitalised sums in accordance with Articles 72.3 and 72.4 partly in one way and partly in another;
  - 72.5.2 make such arrangements as they think fit to deal with shares or debentures becoming distributable in fractions under this Article 72 (including the issuing of fractional certificates or the making of cash payments);
  - 72.5.3 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 72; and
  - 72.5.4 generally do all things required to give effect to a resolution passed in accordance with Article 72.1.

## **PART 5: ADMINISTRATIVE ARRANGEMENTS**

### **73 MEANS OF COMMUNICATION TO BE USED**

- 73.1 Subject to the Articles, anything sent or supplied by or to the Company under the Articles may be sent or supplied in any way in which Act provides for documents or information which are authorised or required by any provision of that Act to be sent or supplied by or to the Company.
- 73.2 The Company may send or supply any document or information to a shareholder or any other person (including a director) pursuant to these Articles, the Act or any other rules or regulations to which the Company may be subject, either personally, or by post in a prepaid envelope addressed to the shareholder (or such other person) at the shareholder's registered address or address for service, or by leaving it at that address or any other address for the time being notified to the Company by the shareholder (or such other person) for the purpose, or by sending or supplying it using electronic means to an electronic address for the time being notified to the Company by the shareholder (or such other person) for the purpose, or by any other means authorised in writing by the shareholder (or such other person) concerned.
- 73.3 Subject to the Articles, any notice or document to be sent or supplied to a director in connection with the taking of decisions by directors may also be sent or supplied by the means by which that director has asked to be sent or supplied with such notices or documents for the time being.

- 73.4 A director may agree with the Company that notices or documents sent to that director in a particular way are to be deemed to have been received within a specified time of their being sent, and for the specified time to be less than 48 hours.
- 73.5 Any notice, document or other information shall be deemed served on or delivered to the intended recipient:
- 73.5.1 if properly addressed and sent by prepaid United Kingdom first class post to an address in the United Kingdom, on the second Business Day after it was posted;
  - 73.5.2 if properly addressed and sent by prepaid airmail either to an address outside the United Kingdom or from outside the United Kingdom to an address within the United Kingdom, on the fifth Business Day after it was posted;
  - 73.5.3 if properly addressed and sent by a reputable overnight courier either to an address outside the United Kingdom or from outside the United Kingdom to an address within the United Kingdom, on signature of a delivery receipt or at the time the notice, document or other information is left at the appropriate address;
  - 73.5.4 if properly addressed and delivered by hand, when it was given or left at the appropriate address;
  - 73.5.5 if properly addressed and sent or supplied by electronic means, one hour after the document or information was sent or supplied; and
  - 73.5.6 if sent or supplied by means of a website, when the material is first made available on the website or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on the website.
- 73.6 In proving that any notice, document or other information was properly addressed, it shall suffice to show that the notice, document or other information was addressed to an address permitted for the purpose by the Act.
- 73.7 In the case of joint holders of a share, a notice, document or information shall be validly sent to or supplied to all joint holders if sent or supplied to the senior holder. Anything to be agreed or specified in relation to a notice, document or information to be sent or supplied to joint holders, may be agreed or specified by the senior holder in respect of the joint holding.

#### **74 COMPANY SECRETARY**

Subject to the Act, the directors may appoint a company secretary (or two or more persons as joint secretary) for such term, at such remuneration and upon such conditions as the directors may think fit and any company secretary (or joint secretary) so appointed may be removed by the directors. The directors may also from time to

time appoint on such terms as they think fit, and remove, one or more assistant or deputy secretaries.

## **75 COMPANY SEALS**

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

75.2 The directors may decide by what means and in what form any common seal will be used.

75.3 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.

75.4 For the purposes of this Article 75, an authorised person is:

75.4.1 any director of the Company;

75.4.2 the company secretary (if any); or

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

## **76 RECORDS OF DECISIONS TO BE KEPT**

The directors must ensure that the Company keeps a record, in writing, of:

76.1 of every decision taken by the directors, including by written resolution, and any committee of the directors; and

76.2 of all proceedings of general meetings of the Company and of the holders of any class of shares in the Company, including all resolutions of shareholders passed otherwise than at general meetings and details provided to the Company of decisions taken by a sole shareholder,

in each case, for at least 10 years from the date of the decision, meeting, resolution or appointment.

## **77 NO RIGHT TO INSPECT ACCOUNTS AND OTHER RECORDS**

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

## **78 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.

## 79 INDEMNITY AND INSURANCE

- 79.1 Subject to Article 79.2, but without prejudice to any indemnity to which a relevant officer of the Company or an associated company (as applicable) is otherwise entitled a relevant officer of the Company or an associated company may be indemnified out of the Company's assets against:
- 79.1.1 any liability incurred by that relevant officer in connection with any negligence, default, breach of duty or breach of trust in relation to the Company or an associated company;
  - 79.1.2 any liability incurred by that relevant officer in connection with the activities of the Company or an associated company in that person's capacity as a trustee of an occupational pension scheme (as defined in section 235(6) of the Act); and
  - 79.1.3 any other liability incurred by that relevant officer as an officer of the Company or an associated company.
- 79.2 This Article 79 does not authorise any indemnity which would be prohibited or rendered void by any provision of the Act or by any other provision of law.
- 79.3 To the extent permitted by the Act, the directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any relevant officer in respect of any relevant loss.
- 79.4 In this Article 79:
- 79.4.1 companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate;
  - 79.4.2 a **relevant officer** means any director, company secretary or other officer or former director, company secretary or other officer of the Company, but excluding any person engaged by the Company as auditor (whether or not that person is also a director or other officer), to the extent that person acts in their capacity as auditor; and
  - 79.4.3 a **relevant loss** means any loss or liability which has been or may be incurred by a relevant officer in connection with that person's duties or powers in relation to the Company, any associated company or any pension fund or employees' share scheme of the Company or associated company.