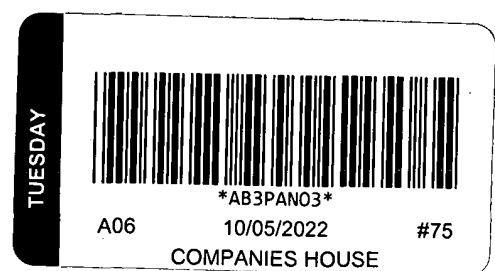


**Company Number: 03699814**

**ARTICLES OF ASSOCIATION of  
HALEWOOD ARTISANAL SPIRITS PLC  
(Adopted by Special Resolution passed on  
21 March 2022 )**



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Company Number: 03699814

**THE COMPANIES ACT 2006**  
**PUBLIC COMPANY LIMITED BY SHARES**  
**ARTICLES OF ASSOCIATION OF**  
**HALEWOOD ARTISANAL SPIRITS PLC**  
**("Company")**

(Adopted by special resolution passed on 21 March 2022 )

**1. Definitions and Interpretation**

1.1 In these Articles, unless the context requires otherwise:

<b>"A Ordinary Shareholder Offerees"</b>	has the meaning given in Article 64.7.4.
<b>"A Ordinary Shareholders"</b>	the Holders of the A Ordinary Shares from time to time.
<b>"A Ordinary Shares"</b>	means A Ordinary Shares of £1.00 each in the capital of the Company.
<b>"Act"</b>	the Companies Act 2006.
<b>"Adoption Date"</b>	the date of the adoption of the Articles.
<b>"Allocated Person"</b>	has the meaning given in Article 64.8.
<b>"Alternate"</b>	an alternate director.
<b>"Appointor"</b>	has the meaning given in Article 30.1.
<b>"Articles"</b>	means the Company's articles of association.
<b>"Available Leavers Shares"</b>	has the meaning given in Article 64.7.4(i).
<b>"Business Day"</b>	a day other than a Saturday or Sunday on which bank are open for general business in London.
<b>"Call Notice"</b>	has the meaning given in Article 55.1.
<b>"Call"</b>	has the meaning given in Article 55.1.
<b>"CEO"</b>	chief executive officer of the Company appointed by the Board with Founder Shareholders Consent from time to time.

<b>"certificate"</b>	means a paper certificate (other than a share warrant) evidencing a person's title to specified Shares or other securities.
<b>"certificated"</b>	in relation to a Share, means that it is not an uncertificated Share or a Share in respect of which a share warrant has been issued and is current.
<b>"Chairman of the Meeting"</b>	has the meaning given in Article 36.3.
<b>"Chairman"</b>	has the meaning given in Article 17.2.
<b>"Company's Lien"</b>	has the meaning given in Article 53.1.
<b>"Completion"</b>	completion of the sale of the relevant Leaver Shares in accordance with these Articles.
<b>"Connected Person"</b>	a person connected with another within the meaning of section 1122 of the Corporation Tax Act 2010.
<b>"Controlling Interest"</b>	an interest in A Ordinary Shares giving the holder or holders control over 51% or more of the issued A Ordinary Shares.
<b>"Counsel's Opinion"</b>	a written opinion of Queen's Counsel of relevant experience and not less than ten year's standing to the effect that, based on all reasonably relevant information available and provided to them, the relevant Management Shareholder has committed fraud.
<b>"Debt"</b>	<p>the aggregate amount of all borrowings (and indebtedness in the nature of borrowings) of the Group including, without limitation, the aggregate amount of all:</p> <ul style="list-style-type: none"> <li>(a) bank debt, loans, overdrafts or invoice discounting or similar facilities; and</li> <li>(b) loan stocks, bonds, debentures or notes or other financing instruments, or any similar debt.</li> </ul>
<b>"Deferred Share"</b>	means a Deferred Share of £1 in the capital of the Company.
<b>"director"</b>	means a director of the Company, and includes any person occupying the position of director, by whatever name called.

<b>"Disposal"</b>	the non-ordinary course disposal by the Company or any Group Company of all of the Group's business and assets (including the sale of a subsidiary company (whether in one transaction or as a series of related transactions) or as a result of a series of Partial Disposals).
<b>"Distribution Recipient"</b>	has the meaning given in Article 75.2.
<b>"Dividend Policy"</b>	as set out in clause 5 of the Shareholders Agreement.
<b>"document"</b>	includes, unless otherwise specified, any document sent or supplied in electronic form.
<b>"Drag Along Buyer"</b>	has the meaning given in Article 65.1.
<b>"Drag Along Notice"</b>	has the meaning given in Article 65.1.
<b>"Drag Along Sale"</b>	has the meaning given in Article 65.1.
<b>"Drag Majority"</b>	member(s) holding (in aggregate) A Ordinary Shares granting the right to exercise at least 75% of the voting rights attaching to all A Ordinary Shares from time to time.
<b>"Dragged Seller"</b>	has the meaning given in Article 65.1.
<b>"EBITDA"</b>	means earnings before family cost (being such costs as are agreed by the Founder Shareholders Representatives and Management Shareholders Representative from time to time) and exceptional costs, interest, taxation, depreciation and amortisation of the Group calculated in accordance with the monthly management accounts as delivered in accordance with paragraph 4.1 of part 3 of Schedule 3 of the Shareholders Agreement dated on or about the Adoption Date.
<b>"electronic form"</b>	has the meaning given in section 1168 of the Act.
<b>"Employee"</b>	means any employee and/or Director of any Group Company.
<b>"Employee Trust"</b>	means any trust established by the Company for the benefit of employees of the Group and/or any of the persons referred to in section 1166 of the Act.

<b>"Encumbrance"</b>	any mortgage, charge (fixed or floating), pledge, lien, hypothecation, guarantee, trust, right of set-off or other third party right or interest (legal or equitable) including any assignment by way of security, reservation of title or other security interest of any kind, howsoever created or arising, or any other agreement or arrangement (including a sale and repurchase agreement) having similar effect.
<b>"Expert"</b>	a firm of chartered accountants (acting as an expert and not as an arbitrator) nominated by the Founder Shareholders Representatives and the relevant Leaver or, in the event of disagreement as to the nomination for a period of seven days, nominated on the application of either of them by the President for the time being of the Institute of Chartered Accountants in England and Wales. The costs of the Expert shall be borne by the Company unless otherwise determined by the Expert. The parties concerned shall co-operate in relation to the nomination and subsequent appointment of the firm of chartered accountants and shall not unreasonably withhold their consent to the nomination or subsequent appointment, or the terms of engagement for the appointment, of the firm of chartered accountants. In the event that after nomination there is disagreement between the parties concerned as to the terms of engagement of the nominated firm of chartered accountants for a period of seven days, the Founder Shareholders Representatives and the relevant Leaver are each, in the absence of any conflict on the part of the proposed Expert, unconditionally and irrevocably authorised to appoint any person as agent of those parties to sign the latest version of those terms of engagement on behalf of those parties, who shall then be bound by those terms of engagement.
<b>"Family Member"</b>	means the relevant person's children (including any adopted and/or step children).
<b>"Family Trust"</b>	a trust or settlement set up for the benefit of Family Members.



<b>"Founder Shareholders Representatives"</b>	such person or persons as notified in writing to the Company and the Management Shareholder Representative by Shareholders holding a majority of the A Ordinary Shares, but excluding for this purpose any A Ordinary Shares held by the Management Shareholders and/or their Permitted Transferees and/or their Transmittees.
<b>"Founder Shareholders Consent" or "the consent of the Founder Shareholders"</b>	means the prior consent in writing of the Founder Shareholders Majority.
<b>"Founder Shareholders Majority"</b>	means the Shareholders holding not less than a majority of the A Ordinary Shares, but excluding for this purpose any A Ordinary Shares held by the Management Shareholders and/or their Permitted Transferees and/or their Transmittees.
<b>"Founder Shareholders"</b>	has the meaning given to that term in the Shareholders Ageement.
<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>"Group Company"</b>	any member of the Group.
<b>"Group"</b>	<ul style="list-style-type: none"> <li>(a) the Company;</li> <li>(b) any subsidiary; and</li> <li>(c) any company of which the Company is a subsidiary from time to time (its holding company) or any other subsidiaries of any such holding company from time to time.</li> </ul>
<b>"hard copy form"</b>	has the meaning given in section 1168 of the Act.
<b>"Holder"</b>	in relation to a Share, the person whose name is entered in the register of members as the holder of that Share from time to time.

<b>"Incentivisation Shares"</b>	<p>new equity shares in the Company (which may only be issued to a replacement CEO in the event of a Specified Event falling under paragraph (i) of the definition of Specified Event but which for the avoidance of doubt must not be A Ordinary Shares) which represent up to 5% of the issued ordinary share capital of the Company at the date of issue (excluding any Deferred Shares). Such Shares shall:</p> <ul style="list-style-type: none"> <li>(i) only carry a right to up to 5% in the increase in the equity value (being the value of the issued ordinary share capital of the Company) of the Company from the date of issue;</li> <li>(ii) carry no more than 5% of the votes exercisable by members; and</li> <li>(iii) represent no more than 5% of the nominal value of issued ordinary share capital.</li> </ul>
<b>"instrument"</b>	means a document in hard copy form.
<b>"Leaver Notice"</b>	has the meaning given in Article 64.4.
<b>"Leaver Shares"</b>	all the A Ordinary Shares held by a Leaver, his Permitted Transferees and Transmittees at the time he becomes a Leaver.
<b>"Leaver"</b>	has the meaning given in Article 64.1.
<b>"Leaving Date"</b>	<ul style="list-style-type: none"> <li>(a) where employment ceases by virtue of notice given by the employer to the Employee concerned, the date on which that notice expires;</li> <li>(b) where a contract of employment is terminated by notice given by the employer and a payment is made in lieu of notice, the date on which that notice was given or, if later, the date the Employee concerned ceases to be an Employee;</li> <li>(c) where the Employee concerned is a director and an employee of any Group Company, the date on which that Employee's contract of employment with that Group Company is terminated;</li> </ul>

- (d) where the Employee concerned is a director (but not an employee) of any Group Company, the date on which the contract for the provision of that Employee's services (whether entered into directly with him or with a third party) with that Group Company is terminated; or
- (e) in any other case, the date on which the contract of employment of the Employee concerned is terminated or, in the case of a Leaver who is bankrupt, the date on which he become bankrupt.

**"Lien Enforcement Notice"**

a notice served in accordance with Article 54.2.

**"Listing"**

the admission of all or any of the share capital of the Company (or where a new holding company of the Company is formed for the purpose of facilitating the admission, such new holding company) to the Official List of the UK Listing Authority or the admission of the same to trading on the AIM market of the London Stock Exchange or the admission of, or the grant of permission by any like authority for the same to be dealt in on, any other equivalent or similar share market.

**"Listing Proceeds"**

in the event of a Listing, the market value of the Listing Shares determined by reference to the price per Share at which such Shares are to be offered for sale, placed or otherwise marketed pursuant to the arrangements relating to the Listing, all as determined by the financial advisers to the Company or, if none, the broker appointed by the directors to advise in connection with the Listing.

**"Listing Shares"**

the issued equity share capital of the Company (excluding any equity share capital to be subscribed and issued on such Listing other than new Shares to be paid up by way of capitalisation of reserves or arising from any sub-division, consolidation or conversion of Shares).

<b>"Management Shareholder Representative"</b>	means initially Stewart Hainsworth (whilst he is not a Leaver), or otherwise such other Management Shareholder as may be notified to the Company in writing from time to time by Management Shareholders holding not less than 50% in aggregate of the nominal value of the A Ordinary Shares held by Management Shareholders who are not Leavers and/or their Permitted Transferees.
<b>"Management Shareholders"</b>	together Stewart Hainsworth, Alan Robinson and John Bradbury.
<b>"member"</b>	has the meaning given in section 112 of the Act.
<b>"Offer Price"</b>	means the price offered where a Leaver's Share is to be sold in accordance with Article 64.3.
<b>"Offeree"</b>	has the meaning given in Article 64.7.3.
<b>"ordinary resolution"</b>	has the meaning given in section 282 of the Act.
<b>"paid"</b>	means paid or credited as paid.
<b>"Partial Disposal"</b>	the non-ordinary course disposal of any part of the Group's business and assets (which does not constitute a Disposal).
<b>"participate"</b>	in relation to a directors' meeting, has the meaning given in Article 14.1.
<b>"partly paid"</b>	in relation to a Share means that part of that Share's nominal value or any premium at which it was issued has not been paid to the Company.
<b>"Permitted A Ordinary Share Transfer"</b>	has the meaning given in Article 4.5.
<b>"Permitted Transferee"</b>	a person to whom A Ordinary Shares have been transferred in accordance with Article 4.5.2 or Article 4.5.6.
<b>"Proxy Notice"</b>	has the meaning given in Article 43.
<b>Recognised Investment Exchange</b>	has the meaning as defined in section 285 of the Financial Services and Market Act 2000.
<b>"Re-Issued Shares"</b>	has the meaning given to that term in the Shareholders Agreement.
<b>"Relevant Director"</b>	any director or former director of any Group Company.

<b>"Relevant Loss"</b>	any loss or liability which has been or may be incurred by a Relevant Director in connection with his duties or powers in relation to any Group Company or any pension fund or employees' share scheme of any Group Company.
<b>"Sale"</b>	the sale of any Shares (in one transaction or as a series of related transactions) which would, if completed, result in the buyer (not being the holder of any A Ordinary Shares on 3 August 2016) of those Shares (or grantee of that right) and persons acting in concert with him (as defined in the City Code on Takeovers and Mergers) acquiring 51% or more of the issued A Ordinary Shares provided that, for the avoidance of doubt, the transfer of A Ordinary Shares from (i) the trustees of the John Halewood Will Trust to new trustees of the John Halewood Will Trust; and/or (ii) the trustees of the John Halewood 1999 Life Interest Trust to new trustees of the John Halewood 1999 Life Interest Trust, shall not constitute a Sale.
<b>"Sale Notice"</b>	has the meaning given in Article 64.9.
<b>"Sale Proceeds"</b>	has the meaning as set out in Article 5.2.
<b>"Securities Seal"</b>	has the meaning given in Article 50.7.
<b>"Share Base Price"</b>	means the amount agreed by the Founder Shareholders Representatives, the Company and the relevant Leaver in writing prior to the Adoption Date as being the aggregate value of the Leaver Shares as at the Adoption Date.

<b>"Share Fair Price"</b>	means, in respect of a Leaver (and (if applicable) his Permitted Transferees and/or Transmittees), the amount equal to such person's pro rata entitlement (being calculated as the proportion of such person's holding of all of the Shares in issue as at the Leaver's Leaving Date and as if all the Shares constituted a single class, but disregarding for this purpose any Deferred Shares) to an amount equal to <b>A</b> , where <b>A</b> is calculated as (10 x EBITDA in respect of the 12 months prior to the month of the Leaving Date) less Debt as at the relevant Leaving Date. Such amount to be agreed by the Founder Shareholders Representatives and the relevant Leaver in accordance with Article 64.5, or, if not so agreed, as determined by the Expert in accordance with Article 64.6.
<b>"Shareholder"</b>	a person who is the Holder of a Share.
<b>"Shareholder Action"</b>	has the meaning given to that term in the Shareholders Agreement dated on or about the Adoption Date.
<b>"Shareholders Agreement"</b>	means any agreement from time to time entered into between inter alia the Founder Shareholders and the Management Shareholders relating to the Company.
<b>"Shares"</b>	means shares in the Company, of any class.
<b>"special resolution"</b>	has the meaning given in section 283 of the Act.
<b>"Specified Event"</b>	has the meaning given to that term in the Shareholders Agreement dated on or about the Adoption Date.
<b>"Start Date"</b>	has the meaning given to that term in Article 64.7.
<b>"Stewart Hainsworth Shares"</b>	those 9,499 A Ordinary Shares which were created on the conversion of 9,499 Shares registered in the name of Stewart Hainsworth into A Ordinary Shares on 5 December 2019.
<b>"subsidiary"</b>	has the meaning given in section 1159 of the Act.
<b>"Transfer"</b>	means a sale or transfer of any interest in Shares (whether legal, beneficial or otherwise including any Encumbrance granted concerning Shares).
<b>"Transfer Notice"</b>	has the meaning given to that term in Article 64.2.1.

<b>"Transmittee"</b>	means a person entitled to a Share by reason of the death or bankruptcy of a member or otherwise by operation of law.
<b>"uncertificated"</b>	in relation to a Share means that, by virtue of legislation (other than section 778 of the Act) permitting title to shares to be evidenced and transferred without a certificate, title to that Share is evidenced and may be transferred without a certificate.
<b>"Very Bad Leaver"</b>	a Leaver who ceases to be an Employee by reason of fraud which for these purposes shall mean that the relevant Leaver and the Founder Shareholders Representatives have agreed that there has been fraud on the part of the Leaver or in the absence of such agreement, the Founder Shareholders have obtained a Counsel's Opinion.
<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.

1.2 A reference to:

- 1.2.1 a **"person"** includes a reference to:
  - (i) any individual, firm, partnership, unincorporated association or company wherever incorporated or situate; and
  - (ii) that person's legal personal representatives, trustees in bankruptcy and successors;
- 1.2.2 **"bankruptcy"** includes individual insolvency proceedings in a jurisdiction other than England and Wales or Northern Ireland which have an effect similar to that of bankruptcy; and
- 1.2.3 a **"document"** includes, unless otherwise specified, any document sent or supplied in electronic form.

1.3 Unless the context otherwise requires:

- 1.3.1 words denoting the singular shall include the plural and vice versa;
- 1.3.2 words denoting a gender shall include all genders; and
- 1.3.3 references to (or to any specified provision of) these Articles or any other document shall be construed as references to these Articles, that provision or that document as in force and as amended from time to time.

1.4 Unless stated to the contrary, a reference to a statute, statutory provision or subordinate legislation includes a reference to it as modified, replaced, amended and/or re-enacted from time to time (before or after the date of these Articles) and any prior or subsequent legislation made under it but this Article 1.4 shall not operate so as to impose on any person any greater obligation than would otherwise apply.

1.5 Unless the context otherwise requires, words or expressions used in these Articles shall have the same meaning as in the Act.

1.6 Any phrase introduced by the terms "**including**", "**include**", "**in particular**" or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.

## **2. Model Articles Shall Not Apply**

Neither the model articles for public companies limited by shares prescribed pursuant to the Act, nor any other articles of association (whether prescribed pursuant to the Act or set out in any other statute, statutory instrument or other subordinate legislation concerning companies) shall apply to the Company.

## **3. Liability of Members**

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

## **4. Share Rights**

4.1 Subject to the provisions of this Article 4 and Article 5 the profits of the Company which are available for lawful distribution in respect of each Accounting Period shall be apportioned between the Holders of the A Ordinary Shares pro rata according to their holdings of A Ordinary Shares and the Holders of the Deferred Shares shall not be entitled to any dividends.

4.2 The A Ordinary Shares shall confer on any Holder of such Shares the right to cast one vote for each A Ordinary Share (as the case may be) of which he is the Holder, regardless whether the vote is taken by show of hands or a poll. The Deferred Shares shall carry no right to vote at a general meeting of the Company.

4.3 At a class meeting of the A Ordinary Shares, each Holder of A Ordinary Shares shall be entitled to vote on a show of hands and, on a poll or written resolution of the A Ordinary Shares, shall be entitled to cast one vote per A Ordinary Share held.

4.4 If the Founder Shareholders (acting by Founder Shareholders Majority) so direct, any Share which is held by a Leaver or his Permitted Transferee or Transmittee shall not confer the right to receive notice of, attend or vote at any general meeting of the Company (or meeting of any class of Shareholder) and that Share shall not be counted:

4.4.1 in determining the total number of votes which may be cast at that meeting;

4.4.2 for the purposes of a written consent of any Shareholder or class of Shareholders.



4.5 Without prejudice to Article 4.6, none of the A Ordinary Shares shall be capable of Transfer, other than:

4.5.1 subject to Article 64 and 69, to a Transmtee; or

4.5.2 in the case of a Management Shareholder to a Family Member (who is 18 years of age or older) or Family Trust provided always that:

- (i) the maximum aggregate number of Family Members to whom Shares may be transferred and who may be the beneficiaries of Family Trust(s) is three;
- (ii) any Family Member and/or the trustees of the Family Trust to whom any Shares are transferred pursuant to this Article 4.5.2 shall themselves be entitled to transfer those A Ordinary Shares pursuant to Article 4.5.2(iv) and 4.5.2(v) but not pursuant to any other provision of this Article 4.5.2;
- (iii) if any A Ordinary Shares held by the trustees of a Family Trust of a Management Shareholder cease to be so held on a Family Trust (otherwise than in consequence of a transfer in accordance with Articles 4.5.2(iv) and 4.5.2(v)) or there ceases to be any beneficiaries of that Family Trust or the beneficiaries are not Family Members, the trustees of that Family Trust shall as soon as reasonably practicable and in any event within 12 weeks:
  - (1) notify the Company in Writing of that cessation; and
  - (2) unless the Founder Shareholders (by Founder Shareholders Consent) direct otherwise, transfer those Shares to the Management Shareholder;
  - (3) if the trustees of a Family Trust fail to comply with Article 4.5 (iii)(1) and/or 4.5 (iii)(2), the Company:
    - (A) is unconditionally and irrevocably authorised to (and, on the direction of the Founder Shareholders Representative, shall) appoint any person as agent of those trustees to execute and deliver the required transfer form in their name, and on their behalf to transfer the relevant A Ordinary Shares pursuant to this Article 4.5.2; and
    - (B) may (and, on the direction of the Founder Shareholders Representative, shall) (subject to that transfer form being stamped or duly certified) register the transfer,

any the validity of those proceedings shall not be questioned by any person.

- (iv) A Family Member of a Management Shareholder may transfer to that Management Shareholder any Shares that Family Member holds which were transferred to him by that Management Shareholder or his Family Trust pursuant to this Article 4.5.2 and/or any other A Ordinary Shares held by that Family Member which were obtained as a result of holding those transferred A Ordinary Shares;
- (v) Where any A Ordinary Shares are held by trustees on a Family Trust of a Management Shareholder, without prejudice to Articles 4.5.2(i) to 4.5.2(iv) (inclusive).
  - (1) on any change of trustees those A Ordinary Shares may be transferred to the new trustees of that Family Trust; and
  - (2) those A Ordinary Shares may be transferred at any time:
    - (A) to the Management Shareholder;
    - (B) to another Family Trust of that Management Shareholder; or
    - (C) to any Family Member of that Management Shareholder.

4.5.3 pursuant to Article 54 (*Enforcement of the Company's Lien*); or

4.5.4 as required by Article 64 (*Leaver Provisions*); or

4.5.5 as required by Article 65 (*Drag-along and Tag-along*); or

4.5.6 with Founder Shareholders Consent,

(each a "**Permitted A Ordinary Share Transfer**").

- 4.6 Notwithstanding any other provisions of these Articles, the A Ordinary Shares not held by a Management Shareholder (or any of their Permitted Transferees or Transmittees) are freely transferable without restriction to any person or persons.
- 4.7 The Deferred Shares shall not be capable of transfer.
- 4.8 If a Specified Event has occurred and, if following a written request from the Founder Shareholders Representative to implement a Shareholder Action, the implementation of a Shareholder Action, or any step required to give effect to a Shareholder Action has been delayed or impeded by 20 (twenty) Business Days or more as a result of:
  - 4.8.1 the exercise or non-exercise of voting rights attaching to any Shares held by the Management Shareholders, their Transmittes and/or the Permitted Transferees (or any of them) and/or any action or non-action as the Holder of Shares by them (or any of them);
  - 4.8.2 without prejudice to Article 4.8.1, the exercise or non-exercise or performance of any votes, powers, rights or obligations as Directors and/or the Holders of Shares by the Management Shareholders (or any of them),

and the Founder Shareholders Representatives deliver a notice in Writing to the Company (a **"Voting Adjustment Notice"**) the voting rights attached to the A Ordinary Shares held by the Founder Shareholders only shall be amended with effect from the date of the Voting Adjustment Notice solely for the purposes of effecting a Shareholder Action (any such voting adjustment shall not apply in relation to any issue which is not a Shareholder Action) so that:

- 4.8.3 on a poll or show of hands every Founder Shareholder who is present in person or by one or more proxies has 100,000 votes for every A Ordinary Share held by him, her or it; and
- 4.8.4 the Founder Shareholders may solely for the purpose of effecting a Shareholder Action pass any shareholder resolution or class consent as a written resolution and may sign such resolution and/or any consents to short notice for and on behalf of all of the other Shareholders solely for the purpose of effecting a Shareholder Action;

until the earlier of:

- 4.8.5 the date the Shareholder Action has been effected;
- 4.8.6 the date the Founder Shareholders Representatives give notice in Writing to the Company cancelling that Voting Adjustment Notice, and

if a Specified Event has occurred and a Voting Adjustment Notice has been served, no class consent shall, without prejudice to Article 4.8.4 be required from any class of Shares for any increase in share capital or authority to allot or amendment to these Articles for the purposes of creating or issuing any new shares for the purpose of issuing Shares in accordance with Article 9.2.

- 4.9 Nothing in these Articles or otherwise shall confer any special rights or privileges or class rights or entitlements on the holders of any Shares to the extent that the rights, entitlements or privileges could delay or prevent any Shareholder Action following any Specified Event and nothing bona fide done in carrying out any Shareholder Action (or subsequently as a necessary consequence of anything done or any right or entitlement granted in respect of any Shareholder Action) by the Company or any other Shareholder shall constitute or be deemed to constitute any variation, modification or abrogation of the rights of or require any consent to be obtained from the holders of any Shares.

- 4.10 Deferred Shares will carry:

- 4.10.1 no rights to participate in any dividend (without prejudice to the holders' rights to all arrears, deficiency or accruals of any dividend (whether earned or declared or not), calculated down to (and including) the date of conversion which will be paid in full on that date to the extent lawfully possible; otherwise as soon as lawfully possible afterwards; and
- 4.10.2 a right to a return of capital, other than £0.01 in aggregate for all Deferred Shares held by each holder; and

- 4.10.3 no right to receive notice of, attend, speak at or vote at any general meeting of the Company.
- 4.11 The Company shall have the right at any time or times to repurchase any Deferred Shares then in issue in consideration of the payment of £1 in aggregate (payable to all such holders of Deferred Shares) for the entire number of Deferred Shares.
5. **Distribution of Proceeds**
- 5.1 On a return of assets on liquidation, the assets of the Company remaining after the payment of its liabilities shall be applied (to the extent that the Company is lawfully able to do so) in the order of priority set out in Article 5.2 and as if the assets to be distributed were Sale Proceeds.
- 5.2 On a Sale, the total gross consideration (before the deduction of any professionals fees relating to the Sale) payable (including any deferred consideration) whether in cash or otherwise to those members selling Shares in the Sale (the "**Sale Proceeds**") shall, notwithstanding anything to the contrary in the terms and conditions governing such a Sale and subject to Article 5.3 and Article 5.4, be distributed pro rata to the holders of the A Ordinary Shares.
- 5.3 If the Sale Proceeds relating to a Sale are not to be settled in their entirety upon completion of the Sale in cash the directors shall register the transfer of the relevant Shares, provided that:
- 5.3.1 where any amount of the Sale Proceeds is variable or contingent, the Sale Proceeds due on the date of completion of the Sale are distributed in accordance with Article 5.2 on the basis only of the estimate of the Founder Shareholders Majority of the total amount of Sale Proceeds that will be received and that the Founder Shareholders Majority may in their absolute discretion determine that no value shall be placed on any consideration not received in cash on completion of the Sale unless and until such consideration has been received in cash;
- 5.3.2 any Sale Proceeds not distributed in accordance with Article 5.3.1 and subsequently received in cash shall as soon as reasonably practicable after the date such proceeds are received in cash be distributed so as to ensure that the balance of the Sale Proceeds shall be distributed (as nearly as possible) so as to achieve the order of priority set out in Article 5.2 on the basis of the total amount of Sale Proceeds received, provided that no member shall be obliged to return any amount distributed to him pursuant to this Article 5.3.
- 5.4 On a Disposal as a consequence of which all of the Group's business and assets have been disposed of, the surplus assets of the Company remaining after payment or providing for its liabilities shall be distributed (to the extent that the Company is lawfully permitted to do so) in accordance with Article 5.2, and on the basis that the surplus assets are the Sale Proceeds provided always that if it is not lawful for the Company to distribute its surplus assets in accordance with the provisions of these Articles each member shall (to the extent lawful) take any action lawfully required by the Founder Shareholders including such action as may be necessary to buy back shares of the Company or to put the Company into voluntary liquidation) to ensure that the balance of the surplus assets is distributed in, or as nearly as possible in, accordance with Article 5.2 and subject to Article 5.3.

- 5.5 Immediately prior to and conditionally upon a Listing, the members shall agree to and effect such reorganisation of the Company's share capital and such bonus issue(s) of Shares as shall be required to ensure that the Listing Proceeds are or would be allocated between the members in the same proportions as the provisions of Article 5.2 would provide on a Sale where the Sale Proceeds were of an amount equal to the Listing Proceeds.

**6. Directors' General Authority**

Subject to the other provisions of these 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.

**7. Members' Reserve Power**

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

**8. Directors May Delegate**

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

- 8.1.1 to such person or committee;
- 8.1.2 by such means (including by power of attorney);
- 8.1.3 to such an extent;
- 8.1.4 in relation to such matters or territories; and
- 8.1.5 on such terms and conditions;

as they think fit.

- 8.2 If the directors so specify, any such delegation may authorise further delegation of the directors' powers by any person to whom they are delegated.
- 8.3 The directors may at any time revoke any delegation in whole or part, or alter its terms and conditions.

**9. New Issues of Shares**

- 9.1 No shares of any class may be allotted by the Company unless they are first offered to all holders of A Ordinary Shares in proportion as nearly as possible to the numbers of A Ordinary Shares held by them.
- 9.2 The Company does not have to make an offer of Shares to all holders of A Ordinary Shares if the issue is;

- 9.2.1 of new Incentivisation Shares, approved by Founder Shareholders Consent;

9.2.2 of Re-Issued Shares, approved by Founder Shareholders Consent.

- 9.3 This Article 9 will also apply (with the necessary changes) to the grant of any right to subscribe for shares of any class.

10. **Variation of class rights**

- 10.1 Save as provided in Article 10.2, no variation of the rights attaching to any class of shares shall be effective except with the sanction of a special resolution of the holders of the relevant class of shares. Where a special resolution to vary the rights attaching to a class of shares is proposed at a separate general meeting of that class of shares, all the provisions of these Articles as to general meetings of the Company shall mutatis mutandis apply, but so that the necessary quorum shall be one holder of the relevant class present in person or by proxy or (being a corporation) by a duly authorised representative. For the purpose of this Article 10.1, one holder present in person or by proxy or (being a corporation) by a duly authorised representative may constitute a meeting.
- 10.2 No variation of the rights attaching to the A Ordinary Shares set out in Article 10.3 shall be effective except with the sanction of a resolution passed by the Holders of not less than 92% of the A Ordinary Shares which must include at least one Holder of one or more of the Stewart Hainsworth Shares. Where a resolution to vary the rights attaching to the A Ordinary Shares as set out in Article 10.3 is proposed at a separate general meeting of the Holders of that class of Shares, all the provisions of these Articles as to general meetings of the Company shall apply (with such changes as are required), but so that the necessary quorum shall be two such Holders present in person or by proxy (one of which must be one of the Founder Shareholders and the other must be Stewart Hainsworth or one of Stewart Hainsworth's Permitted Transferees if Stewart Hainsworth is no longer a Holder of any A Ordinary Shares).
- 10.3 Each of the following shall be deemed to constitute a variation of the rights attached to the A Ordinary Shares:
- 10.3.1 any alteration in these Articles, except for any alteration which is or is a result of a Shareholder Action and which is pursuant to the Shareholders Agreement dated on or about the Adoption Date and these Articles;
- 10.3.2 any reduction, subdivision, consolidation, redenomination, or purchase or redemption by the Company of its own shares (except in accordance with Article 64 (*Leaver Provisions*)) or other alteration in the share capital, of the Company or any of the rights attaching to any share capital except for any alteration which is or is required to effect a Shareholder Action and which is pursuant to the Shareholders Agreement dated on or about the Adoption Date and these Articles;
- 10.3.3 any issue of any Shares in the Company, except for any issue which is a Shareholder Action;
- 10.3.4 any resolution to put the Company into liquidation;
- 10.3.5 the payment of any dividend or other distribution other than in accordance with the Shareholders Agreement dated on or about the Adoption Date;

10.3.6 save as approved by all of the directors at the relevant time, the sale of all or a substantial part of the business and assets of the Company; or

10.3.7 save as approved by all of the directors at the relevant time, the entering into of any agreement or arrangement between the Company and any Shareholder or director of the Company (other than Judith Halewood).

## **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.

## **12. Directors to Take Decisions Collectively**

12.1 Decisions of the directors may be taken:

12.1.1 at a directors' meeting, or

12.1.2 in the form of a directors' written resolution.

## **13. Calling a Directors' Meeting**

13.1 Any director may call a directors' meeting.

13.2 The Company secretary must call a directors' meeting if a director so requests.

13.3 A directors' meeting is called by giving notice of the meeting to the directors.

13.4 Notice of any directors' meeting must indicate:

13.4.1 its proposed date and time;

13.4.2 where it is to take place; and

13.4.3 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.

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

13.6 Notice of a directors' meeting need not be given to any director who waives his entitlement to notice of that meeting, by giving notice to that effect to the Company not more than 7 days after the date on which the meeting is held. Where such notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it.

## **14. Participation in Directors' Meetings**

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

- 14.1.1 the meeting has been called and takes place in accordance with the Articles, and
  - 14.1.2 they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.
- 14.2 In determining whether directors are participating in a directors' meeting, it is irrelevant where any director is or how they communicate with each other.
- 14.3 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.
- 15. **Quorum for Directors' Meetings**
- 15.1 At a directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.
- 15.2 The quorum for directors' meetings may be fixed from time to time by a decision of the directors, but it must never be less than two, and unless otherwise fixed it is two.
- 16. **Meetings Where Total Number of Directors Less Than Quorum**
- 16.1 This Article applies where the total number of directors for the time being is less than the quorum for directors' meetings.
- 16.2 If there is only one director, that director may appoint sufficient directors to make up a quorum or call a general meeting to do so.
- 16.3 If there is more than one director:
  - 16.3.1 a directors' meeting may take place, if it is called in accordance with these Articles and at least two directors participate in it, with a view to appointing sufficient directors to make up a quorum or calling a general meeting to do so, and
  - 16.3.2 if a directors' meeting is called but only one director attends at the appointed date and time to participate in it, that director may appoint sufficient directors to make up a quorum or call a general meeting to do so.
- 17. **Chairing Directors' Meetings**
- 17.1 The directors may appoint a director to chair their meetings.
- 17.2 The person so appointed for the time being is known as the Chairman.
- 17.3 The directors may appoint other directors as deputy or assistant chairmen to chair directors' meetings in the Chairman's absence.
- 17.4 The directors may terminate the appointment of the Chairman, deputy or assistant chairman at any time.
- 17.5 If neither the Chairman nor any director appointed generally to chair directors' meetings in the Chairman's absence is participating in a meeting within ten minutes of the time at which it was to start, the participating directors must appoint one of themselves to chair it.



**18. Voting At Directors' Meetings: General Rules**

18.1 Subject to the Articles, a decision is taken at a directors' meeting by a majority of the votes of the participating directors.

18.2 Subject to the Shareholders Agreement dated on or about the Adoption Date and the Articles including, without limitation, Article 18.3 each director participating in a directors' meeting has one vote.

18.3 If the Specified Event has occurred and, subject always to Article 18.4, a Voting Adjustment Notice has been given and not cancelled then (notwithstanding the other provisions of these Articles) if a Founder Shareholders Representative (in their capacity as a director of the Company):

18.3.1 votes against any resolution put to a Directors' meeting, that resolution shall be deemed not to have been carried notwithstanding that the number of votes cast in its favour; and/or

18.3.2 votes in favour of any resolution put to a Directors' meeting, that resolution shall be deemed to have been carried notwithstanding that the number of votes cast against it exceeds those cast in its favour exceeds those cast against it.

18.4 The enhanced rights set out in Article 18.3 shall apply only for the purposes as set out in the Shareholders Agreement dated on or about the Adoption Date.

18.5 Subject to the Articles, if a director has an interest in an actual or proposed transaction or arrangement with the Company:

18.5.1 that director and that director's Alternate may not vote on any proposal relating to it, but

18.5.2 this does not preclude the Alternate from voting in relation to that transaction or arrangement on behalf of another Appointor who does not have such an interest.

**19. Chairman's Casting Vote at Directors' Meetings**

19.1 If the numbers of votes for and against a proposal are equal, the Chairman or other director chairing the meeting has a casting vote.

19.2 Article 19.1 shall not apply if, in accordance with these Articles, the Chairman or other director is not to be counted as participating in the decision-making process for quorum or voting purposes.

**20. Alternates Voting at Directors' Meetings**

A director who is also an Alternate has an additional vote on behalf of each Appointor who is:

20.1.1 not participating in a directors' meeting, and

20.1.2 would have been entitled to vote if they were participating in it.

21. **Situational Conflicts of Interest**

- 21.1 Subject to the other provisions of these Articles, the directors may, with Founder Shareholders Consent in accordance with (but subject to) the provisions of section 175 of the Act and this Article 21, authorise any matter which would, if not authorised, result in a director (the "**Conflicted Director**") being in breach of his duty under section 175 of the Act to avoid a situation in which he has, or could have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company (a "**Conflict**").
- 21.2 An authorisation given under Article 21.1 (an "**Authorisation**") (and any subsequent variation or termination of that Authorisation) will only be effective if:
- 21.2.1 any requirement as to the quorum at the directors' meeting at which the matter is considered is met without counting the Conflicted Director (or any other interested director); and
  - 21.2.2 the matter was agreed to without the Conflicted Director (or any other interested director) voting or would have been agreed to if his (or any other interested director's) vote had not been counted.
- 21.3 The directors may at any time:
- 21.3.1 make any Authorisation subject to such terms and conditions as they think fit; and
  - 21.3.2 vary or terminate any Authorisation (provided that this will not affect anything done by the relevant Conflicted Director or the Company in accordance with that Authorisation before any such variation or termination).
- 21.4 The members may with Founder Shareholders Consent also authorise a Conflict by ordinary resolution (a "**Shareholder Authorisation**") and may with Founder Shareholders Consent at any time, by ordinary resolution:
- 21.4.1 make any Shareholder Authorisation subject to such terms and conditions as they think fit; and
  - 21.4.2 vary or terminate any Shareholder Authorisation (provided that this will not affect anything done by the relevant Conflicted Director or the Company in accordance with that Shareholder Authorisation before any such variation or termination).
- 21.5 If the Conflicted Director receives an Authorisation or Shareholder Authorisation in respect of a Conflict then (unless that Authorisation or Shareholder Authorisation provides otherwise) the Conflicted Director:
- 21.5.1 may vote at any future directors' meeting (or meeting of a committee of the directors) on any resolution in respect of that Conflict (and if he does vote his vote shall be counted) and he shall be taken into account in determining whether a quorum is Participating at that meeting;

- 21.5.2 may absent himself from the whole or any part of any directors' meeting (or meeting of a committee of the directors) at which anything relating to that Conflict may be discussed;
- 21.5.3 shall not be required to disclose to the Company (or use for its benefit) any confidential information he obtains otherwise than in his capacity as a director, as a result of that Conflict where to do so would be a breach of any duty of confidence owed by him to a third party; and
- 21.5.4 shall not be liable to account to the Company for any benefit he or any of his Connected Persons derive as a result of that Conflict.
- 21.6 The members hereby authorise any Conflict which arises solely by virtue of any Director being in any way connected with any of the A Ordinary Shareholders and the provisions of Article 21.5 shall apply to each such Director as if he had received a Shareholder Authorisation with no conditions attaching to it.
- 21.7 The members hereby authorise any Conflict which arises solely by virtue of any director also being a director or other officer of, employed by any member of the Group and the provisions of Article 21.5 shall apply to any such director as if he had received a Shareholder Authorisation with no conditions attaching to it.
- 22. Transactional Conflicts of Interest**
- 22.1 If a director (the "**Transaction Director**") is in any way directly or indirectly interested in a proposed or existing transaction or arrangement with the Company (the "**Transaction**") he must declare the nature and extent of that interest to the other directors in accordance with the provisions of the Act.
- 22.2 Subject to the provisions of the Act, Article 22.1 and the terms of any relevant Authorisation or Shareholder Authorisation, the Transaction Director:
- 22.2.1 may be a party to, or otherwise be interested in, the Transaction;
- 22.2.2 may vote at any directors' meeting (or meeting of a committee of the directors) on any resolution in respect of the Transaction (and if he does vote his vote shall be counted) and he shall be taken into account in determining whether a quorum is Participating in that meeting; and
- 22.2.3 shall not be liable to account to the Company for any benefit he or any of his Connected Persons derive as a result of the Transaction and the Transaction shall not be liable to be avoided on the ground of his interest.
- 23. Proposing Directors' Written Resolutions**
- 23.1 Any director may propose a directors' written resolution.
- 23.2 The company secretary must propose a directors' written resolution if a director so requests.
- 23.3 A directors' written resolution is proposed by giving notice of the proposed resolution to the directors.

23.4 Notice of a proposed directors' written resolution must indicate:

23.4.1 the proposed resolution, and

23.4.2 the time by which it is proposed that the directors should adopt it.

23.5 Notice of a proposed directors' written resolution must be given in writing to each director.

23.6 Any decision which a person giving notice of a proposed directors' written resolution takes regarding the process of adopting that resolution must be taken reasonably in good faith.

**24. Adoption of Directors' Written Resolutions**

24.1 A proposed directors' written resolution is adopted when all the directors who would have been entitled to vote on the resolution at a directors' meeting have signed one or more copies of it, provided that those directors would have formed a quorum at such a meeting.

24.2 It is immaterial whether any director signs the resolution before or after the time by which the notice proposed that it should be adopted.

24.3 Once a directors' written resolution has been adopted, it must be treated as if it had been a decision taken at a directors' meeting in accordance with the Articles.

24.4 The company secretary must ensure that the Company keeps a record, in writing, of all directors' written resolutions for at least ten years from the date of their adoption.

**25. Directors' Discretion to Make Further Rules**

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

**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, shall be appointed to be a director by ordinary resolution.

26.2 In any case where, as a result of death or bankruptcy, the Company has no members and no directors, the Transmitttee(s) of the last member to have died or have a bankruptcy order made against him (as the case may be) have the right, by notice in writing to the Company, to appoint a natural person to be a director.

26.3 For the purposes of Article 26.2, where two or more members die in circumstances rendering it uncertain who was the last to die, a younger member is deemed to have survived an older member.

26.4 Any person who is willing to act as a director, and is permitted by law to do so, shall be appointed by written notice to the Company from the Founder Shareholders Majority and such appointment shall take place with immediate effect following the serving of such notice upon the Company.

## **27. Termination of Director's Appointment**

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 a bankruptcy order is made against that person;
- 27.1.3 a composition is made with that person's creditors generally in satisfaction of that person's debts;
- 27.1.4 a registered medical practitioner who is treating that person gives a written opinion to the Company stating that that person has become physically or mentally incapable of acting as a director and may remain so for more than three months;
- 27.1.5 notification is received by the Company from the director that the director is resigning from office as director, and such resignation has taken effect in accordance with its terms; and
- 27.1.6 written notice requesting such Director's termination of appointment has been received by the Company from the Founder Shareholders Majority and such director shall immediately cease to hold office with effect from the date of such notice.

## **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 the Company's subsidiaries or of any other body corporate in which the Company is interested.

**29. Directors' Expenses**

29.1 The Company may pay any reasonable expenses which the directors 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.

**30. Appointment and Removal of Alternates**

30.1 Any director (the "**Appointor**") may appoint as an Alternate any other director, or any other person approved by resolution of the directors, to:

30.1.1 exercise that director's powers, and

30.1.2 carry out that director's responsibilities, in relation to the taking of decisions by the directors in the absence of the Alternate's Appointor.

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

30.3 The notice must:

30.3.1 identify the proposed Alternate, and

30.3.2 in the case of a notice of appointment, contain a statement signed by the proposed Alternate that the proposed Alternate is willing to act as the Alternate of the director giving the notice.

**31. Rights and Responsibilities of Alternates**

31.1 An Alternate has the same rights, in relation to any directors' meeting or directors' written resolution, as the Alternate's Appointor.

31.2 Except as the Articles specify otherwise, Alternates:

31.2.1 are deemed for all purposes to be directors;

31.2.2 are liable for their own acts and omissions;

31.2.3 are subject to the same restrictions as their Appointors; and

31.2.4 are not deemed to be agents of or for their Appointors.

31.3 A person who is an Alternate but not a director:

31.3.1 may be counted as participating for the purposes of determining whether a quorum is participating (but only if that person's Appointor is not participating), and

31.3.2 may sign a written resolution (but only if it is not signed or to be signed by that person's Appointor).

No Alternate may be counted as more than one director for such purposes.

31.4 An Alternate is not entitled to receive any remuneration from the Company for serving as an Alternate except such part of the Alternate's Appointor's remuneration as the Appointor may direct by notice in writing made to the Company.

## **32. Termination of Alternate Directorship**

An Alternate's appointment as an Alternate terminates:

32.1.1 when the Alternate's Appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate;

32.1.2 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;

32.1.3 on the death of the Alternate's Appointor; or

32.1.4 when the Alternate's Appointor's appointment as a director terminates.

## **33. Members Can Call General Meeting If Not Enough Directors**

If:

33.1.1 the Company has fewer than two directors, and

33.1.2 the director (if any) is unable or unwilling to appoint sufficient directors to make up a quorum or to call a general meeting to do so,

then two or more members may call a general meeting (or instruct the company secretary to do so) for the purpose of appointing one or more directors.

## **34. Attendance and Speaking At General Meetings**

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

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

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

34.2.2 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.

34.3 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.

- 34.4 In determining attendance at a general meeting, it is immaterial whether any two or more members attending it are in the same place as each other.
- 34.5 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.
35. **Quorum for General Meetings**
- 35.1 The quorum for a general meeting shall be two members.
- 35.2 No business other than the appointment of the Chairman of the Meeting is to be transacted at a general meeting if the persons attending it do not constitute a quorum.
36. **Chairing General Meetings**
- 36.1 If the directors have appointed a Chairman, the Chairman shall chair general meetings if present and willing to do so.
- 36.2 If the directors have not appointed a Chairman, or if the Chairman is unwilling to chair the meeting or is not present within ten minutes of the time at which a meeting was due to start:
- 36.2.1 the directors present, or
- 36.2.2 (if no directors are present), the meeting, must appoint a director or member to chair the meeting, and the appointment of the Chairman of the Meeting must be the first business of the meeting.
- 36.3 The person chairing a meeting in accordance with this Article is referred to as "**the Chairman of the Meeting**".
37. **Attendance and Speaking by Directors and Non-Members**
- 37.1 Directors may attend and speak at general meetings, whether or not they are members.
- 37.2 The Chairman of the Meeting may permit other persons who are not:
- 37.2.1 members of the Company, or
- 37.2.2 otherwise entitled to exercise the rights of members in relation to general meetings, to attend and speak at a general meeting.
38. **Adjournment**
- 38.1 If the persons attending a general meeting within half an hour of the time at which the meeting was due to start do not constitute a quorum, or if during a meeting a quorum ceases to be present, the Chairman of the Meeting must adjourn it.
- 38.2 The Chairman of the Meeting may adjourn a general meeting at which a quorum is present if:
- 38.2.1 the meeting consents to an adjournment, or



- 38.2.2 it appears to the Chairman of the Meeting that an adjournment is necessary to protect the safety of any person attending the meeting or ensure that the business of the meeting is conducted in an orderly manner.
- 38.3 The Chairman of the Meeting must adjourn a general meeting if directed to do so by the meeting.
- 38.4 When adjourning a general meeting, the Chairman of the Meeting must:
- 38.4.1 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
- 38.4.2 have regard to any directions as to the time and place of any adjournment which have been given by the meeting.
- 38.5 If the continuation of an adjourned meeting is to take place more than 14 days after it was adjourned, the Company must give at least 7 clear days' notice of it (that is, excluding the day of the adjourned meeting and the day on which the notice is given):
- 38.5.1 to the same persons to whom notice of the Company's general meetings is required to be given, and
- 38.5.2 containing the same information which such notice is required to contain.
- 38.6 No business may be transacted at an adjourned general meeting which could not properly have been transacted at the meeting if the adjournment had not taken place.
39. **Voting: General**
- A resolution put to the vote of a general meeting must be decided on a show of hands unless a poll is duly demanded in accordance with these Articles.
40. **Errors and Disputes**
- 40.1 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.
- 40.2 Any such objection must be referred to the Chairman of the Meeting whose decision is final.
41. **Demanding a Poll**
- 41.1 A poll on a resolution may be demanded:
- 41.1.1 in advance of the general meeting where it is to be put to the vote, or
- 41.1.2 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.
- 41.2 A poll may be demanded by:
- 41.2.1 the Chairman of the Meeting;
- 41.2.2 the directors;

- 41.2.3 two or more persons having the right to vote on the resolution; or
  - 41.2.4 a person or persons representing not less than one tenth of the total voting rights of all the members having the right to vote on the resolution.
- 41.3 A demand for a poll may be withdrawn if:
  - 41.3.1 the poll has not yet been taken, and
  - 41.3.2 the Chairman of the Meeting consents to the withdrawal.
- 42. **Procedure on a Poll**
  - 42.1 Subject to the Articles, polls at general meetings must be taken when, where and in such manner as the Chairman of the Meeting directs.
  - 42.2 The Chairman of the Meeting may appoint scrutineers (who need not be members) and decide how and when the result of the poll is to be declared.
  - 42.3 The result of a poll shall be the decision of the meeting in respect of the resolution on which the poll was demanded.
  - 42.4 A poll on:
    - 42.4.1 the election of the Chairman of the Meeting, or
    - 42.4.2 a question of adjournment, must be taken immediately.
  - 42.5 Other polls must be taken within 30 days of their being demanded.
  - 42.6 A demand for a poll does not prevent a general meeting from continuing, except as regards the question on which the poll was demanded.
  - 42.7 No notice need be given of a poll not taken immediately if the time and place at which it is to be taken are announced at the meeting at which it is demanded.
  - 42.8 In any other case, at least 7 days' notice must be given specifying the time and place at which the poll is to be taken.
- 43. **Content of Proxy Notices**
  - 43.1 Proxies may only validly be appointed by a notice in writing (a "**Proxy Notice**") which:
    - 43.1.1 states the name and address of the member appointing the proxy;
    - 43.1.2 identifies the person appointed to be that member's proxy and the general meeting in relation to which that person is appointed;
    - 43.1.3 is signed by or on behalf of the member appointing the proxy, or is authenticated in such manner as the directors may determine; and
    - 43.1.4 is delivered to the Company in accordance with these Articles and any instructions contained in the notice of the general meeting to which they relate.

- 43.2 The Company may require Proxy Notices to be delivered in a particular form, and may specify different forms for different purposes.
- 43.3 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.
- 43.4 Unless a Proxy Notice indicates otherwise, it must be treated as:
- 43.4.1 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
  - 43.4.2 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.
44. **Delivery of Proxy Notices**
- 44.1 Any notice of a general meeting must specify the address or addresses ("**proxy notification address**") at which the Company or its agents will receive Proxy Notices relating to that meeting, or any adjournment of it, delivered in hard copy or electronic form.
- 44.2 A person who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a general meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid Proxy Notice has been delivered to the Company by or on behalf of that person.
- 44.3 Subject to Articles 44.4 and 44.5, a Proxy Notice must be delivered to a proxy notification address not less than 48 hours before the general meeting or adjourned meeting to which it relates.
- 44.4 In the case of a poll taken more than 48 hours after it is demanded, the notice must be delivered to a proxy notification address not less than 24 hours before the time appointed for the taking of the poll.
- 44.5 In the case of a poll not taken during the meeting but taken not more than 48 hours after it was demanded, the Proxy Notice must be delivered:
- 44.5.1 in accordance with Article 44.3, or
  - 44.5.2 at the meeting at which the poll was demanded to the Chairman, secretary or any director.
- 44.6 An appointment under a Proxy Notice may be revoked by delivering a notice in writing given by or on behalf of the person by whom or on whose behalf the Proxy Notice was given to a proxy notification address.
- 44.7 A notice revoking a proxy appointment only takes effect if it is delivered before:
- 44.7.1 the start of the meeting or adjourned meeting to which it relates, or
  - 44.7.2 (in the case of a poll not taken on the same day as the meeting or adjourned meeting) the time appointed for taking the poll to which it relates.

- 44.8 If a Proxy Notice is not signed 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.

**45. Amendments to Resolutions**

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

45.1.1 notice of the proposed amendment is given to the Company secretary in writing by a person entitled to vote at the general meeting at which it is to be proposed not less than 48 hours before the meeting is to take place (or such later time as the Chairman of the Meeting may determine), and

45.1.2 the proposed amendment does not, in the reasonable opinion of the Chairman of the Meeting, materially alter the scope of the resolution.

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

45.2.1 the Chairman of the Meeting proposes the amendment at the general meeting at which the resolution is to be proposed, and

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

- 45.3 If the Chairman of the Meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the chairman's error does not invalidate the vote on that resolution.

**46. Class Meetings**

The provisions of these Articles relating to general meetings apply, with any necessary modifications, to meetings of the holders of any class of Shares.

**47. Powers to Issue Different Classes Of Share**

- 47.1 Subject to the Articles, but without prejudice to the rights attached to any existing Share, the Company may issue Shares with such rights or restrictions as may be determined by ordinary resolution.

- 47.2 The Company may issue Shares which are to be redeemed, or are liable to be redeemed at the option of the Company or the holder, and the directors may determine the terms, conditions and manner of redemption of any such Shares.

**48. Payment of Commissions on Subscription For Shares**

- 48.1 The Company may pay any person a commission in consideration for that person:

48.1.1 subscribing, or agreeing to subscribe, for Shares, or

48.1.2 procuring, or agreeing to procure, subscriptions for Shares.

48.2 Any such commission may be paid:

48.2.1 in cash, or in fully paid or partly paid Shares or other securities, or partly in one way and partly in the other, and

48.2.2 in respect of a conditional or an absolute subscription.

49. **Company Not Bound By Less Than Absolute Interests**

Except as required by law, no person is to be recognised by the Company as holding any Share upon any trust, and except as otherwise required by law or these 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.

50. **Certificates to Be Issued Except In Certain Cases**

50.1 The Company must issue each member with one or more certificates in respect of the Shares which that member holds.

50.2 This Article does not apply to:

50.2.1 Uncertificated Shares;

50.2.2 Shares in respect of which a share warrant has been issued; or

50.2.3 Shares in respect of which the Act permits the Company not to issue a certificate.

50.3 Except as otherwise specified in these Articles, all certificates must be issued free of charge.

50.4 No certificate may be issued in respect of Shares of more than one class.

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

50.6 Every certificate must specify:

50.6.1 in respect of how many Shares, of what class, it is issued;

50.6.2 the nominal value of those Shares;

50.6.3 the amount paid up on them; and

50.6.4 any distinguishing numbers assigned to them.

50.7 Certificates must:

50.7.1 have affixed to them the Company's common seal or an official seal which is a facsimile of the Company's common seal with the addition on its face of the word "Securities" (a "**Securities Seal**"), or

50.7.2 be otherwise executed in accordance with the Act.

- 50.8 When a member's holding of Shares of a particular class increases, the Company may issue that member with:
- 50.8.1 a single, consolidated certificate in respect of all the Shares of a particular class which that member holds, or
  - 50.8.2 a separate certificate in respect of only those Shares by which that member's holding has increased.
- 50.9 When a member's holding of Shares of a particular class is reduced, the Company must ensure that the member is issued with one or more certificates in respect of the number of Shares held by the member after that reduction. But the Company need not (in the absence of a request from the member) issue any new certificate if:
- 50.9.1 all the Shares which the member no longer holds as a result of the reduction, and
  - 50.9.2 none of the Shares which the member retains following the reduction, were, immediately before the reduction, represented by the same certificate.
- 50.10 A member may request the Company, in writing, to replace:
- 50.10.1 the member's separate certificates with a consolidated certificate, or
  - 50.10.2 the member's consolidated certificate with two or more separate certificates representing such proportion of the Shares as the member may specify.
- 50.11 When the Company complies with such a request it may charge such reasonable fee as the directors may decide for doing so.
- 50.12 A consolidated certificate must not be issued unless any certificates which it is to replace have first been returned to the Company for cancellation.
- 50.13 If a certificate issued in respect of a member's Shares is:
- 50.13.1 damaged or defaced, or
  - 50.13.2 said to be lost, stolen or destroyed, that member is entitled to be issued with a replacement certificate in respect of the same Shares.
- 50.14 A member exercising the right to be issued with such a replacement certificate:
- 50.14.1 may at the same time exercise the right to be issued with a single certificate or separate certificates;
  - 50.14.2 must return the certificate which is to be replaced to the Company if it is damaged or defaced; and
  - 50.14.3 must comply with such conditions as to evidence, indemnity and the payment of a reasonable fee as the directors decide.

**51. Uncertificated Shares**

**51.1** In this Article, "**the relevant rules**" means:

51.1.1 any applicable provision of the Act about the holding, evidencing of title to, or transfer of Shares other than in certificated form, and

51.1.2 any applicable legislation, rules or other arrangements made under or by virtue of such provision.

**51.2** The provisions of this Article have effect subject to the relevant rules.

**51.3** Any provision of the Articles which is inconsistent with the relevant rules must be disregarded, to the extent that it is inconsistent, whenever the relevant rules apply.

**51.4** The directors have power to take such steps as they think fit in relation to:

51.4.1 the evidencing of and transfer of title to uncertificated Shares (including in connection with the issue of such Shares);

51.4.2 any records relating to the holding of uncertificated Shares;

51.4.3 the conversion of certificated Shares into uncertificated Shares; or

51.4.4 the conversion of uncertificated Shares into certificated Shares.

**51.5** The Company may by notice to the holder of a Share require that Share:

51.5.1 if it is uncertificated, to be converted into certificated form, and

51.5.2 if it is certificated, to be converted into uncertificated form, to enable it to be dealt with in accordance with these Articles.

**51.6** If:

51.6.1 the Articles give the directors power to take action, or require other persons to take action, in order to sell, transfer or otherwise dispose of Shares, and

51.6.2 uncertificated Shares are subject to that power, but the power is expressed in terms which assume the use of a certificate or other written instrument, the directors may take such action as is necessary or expedient to achieve the same results when exercising that power in relation to uncertificated Shares.

**51.7** In particular, the directors may take such action as they consider appropriate to achieve the sale, transfer, disposal, forfeiture, re-allotment or surrender of an uncertificated Share or otherwise to enforce a lien in respect of it.

**51.8** Unless the directors otherwise determine, Shares which a member holds in uncertificated form must be treated as separate holdings from any Shares which that member holds in certificated form.

**51.9** A class of Shares must not be treated as two classes simply because some Shares of that class are held in certificated form and others are held in uncertificated form.

**52. Share Warrants**

- 52.1 The directors may issue a Share warrant in respect of any fully paid Share.
- 52.2 Share warrants must be:
- 52.2.1 issued in such form, and
  - 52.2.2 executed in such manner, as the directors decide.
- 52.3 A Share represented by a share warrant may be transferred by delivery of the warrant representing it.
- 52.4 The directors may make provision for the payment of dividends in respect of any Share represented by a share warrant.
- 52.5 Subject to these Articles, the directors may decide the conditions on which any share warrant is issued. In particular, they may:
- 52.5.1 decide the conditions on which new warrants are to be issued in place of warrants which are damaged or defaced, or said to have been lost, stolen or destroyed;
  - 52.5.2 decide the conditions on which bearers of warrants are entitled to attend and vote at general meetings;
  - 52.5.3 decide the conditions subject to which bearers of warrants may surrender their warrant so as to hold their Shares in certificated or uncertificated form instead; and
  - 52.5.4 vary the conditions of issue of any warrant from time to time, and the bearer of a warrant is subject to the conditions and procedures in force in relation to it, whether or not they were decided or specified before the warrant was issued.
- 52.6 Subject to the conditions on which the warrants are issued from time to time, bearers of share warrants have the same rights and privileges as they would if their names had been included in the register as holders of the Shares represented by their warrants.
- 52.7 The Company must not in any way be bound by or recognise any interest in a Share represented by a share warrant other than the absolute right of the bearer of that warrant to that warrant.

**53. Company's Lien Over Partly Paid Shares**

- 53.1 The Company has a lien ("**the Company's Lien**") over every Share which is partly paid for any part of:
- 53.1.1 that Share's nominal value, and
  - 53.1.2 any premium at which it was issued,

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



53.2 The Company's Lien over a Share:

53.2.1 takes priority over any third party's interest in that Share, and

53.2.2 extends only to the proceeds of sale of that Share.

53.3 The directors may at any time decide that a Share which is or would otherwise be subject to the Company's Lien shall not be subject to it, either wholly or in part.

54. **Enforcement of the Company's Lien**

54.1 Subject to the provisions of this Article, if:

54.1.1 a Lien Enforcement Notice has been given in respect of a Share, and

54.1.2 the person to whom the notice was given has failed to comply with it, the Company may sell that Share in such manner as the directors decide.

54.2 A "Lien Enforcement Notice":

54.2.1 may only be given in respect of a Share which is subject to the Company's Lien, in respect of which a sum is payable and the due date for payment of that sum has passed;

54.2.2 must specify the Share concerned;

54.2.3 must require payment of the sum payable within 14 days of the notice;

54.2.4 must be addressed either to the holder of the Share or to a person entitled to it by reason of the holder's death, bankruptcy or otherwise; and

54.2.5 must state the Company's intention to sell the Share if the notice is not complied with.

54.3 Where Shares are sold under this Article:

54.3.1 the directors may authorise any person to execute an instrument of transfer of the Shares to the purchaser or a person nominated by the purchaser, and

54.3.2 the transferee is not bound to see to the application of the consideration, and the transferee's title is not affected by any irregularity in or invalidity of the process leading to the sale.

54.4 The net proceeds of any such sale (after payment of the costs of sale and any other costs of enforcing the lien) must be applied:

54.4.1 first, in payment of so much of the sum for which the lien exists as was payable at the date of the Lien Enforcement Notice,

54.4.2 second, to the person entitled to the Shares at the date of the sale, but only after the certificate for the Shares sold has been surrendered to the Company for cancellation or a suitable indemnity has been given for any lost certificates, and subject to a lien equivalent to the Company's Lien over the Shares before the

sale for any money payable in respect of the Shares after the date of the Lien Enforcement Notice.

- 54.5 A statutory declaration by a director or the company secretary that the declarant is a director or the company secretary and that a Share has been sold to satisfy the Company's Lien on a specified date:

54.5.1 is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the Share, and

54.5.2 subject to compliance with any other formalities of transfer required by the Articles or by law, constitutes a good title to the Share.

**55. Call Notices**

- 55.1 Subject to these Articles and the terms on which Shares are allotted, the directors may send a notice (a "Call Notice") to a member requiring the member to pay the Company a specified sum of money (a "Call") which is payable in respect of Shares which that member holds at the date when the directors decide to send the Call Notice.

- 55.2 A Call Notice:

55.2.1 may not require a member to pay a Call which exceeds the total sum unpaid on that member's Shares (whether as to the Share's nominal value or any amount payable to the Company by way of premium);

55.2.2 must state when and how any Call to which it relates it is to be paid; and

55.2.3 may permit or require the Call to be paid by instalments.

- 55.3 A member must comply with the requirements of a Call Notice, but no member is obliged to pay any Call before 14 days have passed since the notice was sent.

- 55.4 Before the Company has received any Call due under a Call Notice the directors may:

55.4.1 revoke it wholly or in part, or

55.4.2 specify a later time for payment than is specified in the notice, by a further notice in writing to the member in respect of whose Shares the Call is made.

**56. Liability to Pay Calls**

- 56.1 Liability to pay a Call is not extinguished or transferred by transferring the Shares in respect of which it is required to be paid.

- 56.2 Joint holders of a Share are jointly and severally liable to pay all Calls in respect of that Share.

- 56.3 Subject to the terms on which Shares are allotted, the directors may, when issuing Shares, provide that Call Notices sent to the holders of those Shares may require them:

56.3.1 to pay Calls which are not the same, or

56.3.2 to pay Calls at different times.

**57. When Call Notice Need Not Be Issued**

57.1 A Call Notice need not be issued in respect of sums which are specified, in the terms on which a Share is issued, as being payable to the Company in respect of that Share (whether in respect of nominal value or premium):

57.1.1 on allotment;

57.1.2 on the occurrence of a particular event; or

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

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

**58. Failure to Comply With Call Notice: Automatic Consequences**

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

58.1.1 the directors may issue a notice of intended forfeiture to that person, and

58.1.2 until the Call is paid, that person must pay the Company interest on the Call from the Call payment date at the relevant rate.

58.2 For the purposes of this Article:

58.2.1 the "**Call payment date**" is the time when the Call Notice states that a Call is payable, unless the directors give a notice specifying a later date, in which case the "**Call payment date**" is that later date;

58.2.2 the "relevant rate" is:

- (i) the rate fixed by the terms on which the Share in respect of which the Call is due was allotted;
- (ii) such other rate as was fixed in the Call Notice which required payment of the Call, or has otherwise been determined by the directors; or
- (iii) if no rate is fixed in either of these ways, 5 per cent per annum.

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

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

**59. Notice of Intended Forfeiture**

59.1 A notice of intended forfeiture:

59.1.1 may be sent in respect of any Share in respect of which a Call has not been paid as required by a Call Notice;

- 59.1.2 must be sent to the holder of that Share or to a person entitled to it by reason of the holder's death, bankruptcy or otherwise;
- 59.1.3 must require payment of the Call and any accrued interest by a date which is not less than 14 days after the date of the notice;
- 59.1.4 must state how the payment is to be made; and
- 59.1.5 must state that if the notice is not complied with, the Shares in respect of which the Call is payable will be liable to be forfeited.

## **60. Directors' Power to Forfeit Shares**

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

## **61. Effect of Forfeiture**

61.1 Subject to the Articles, the forfeiture of a Share extinguishes:

- 61.1.1 all interests in that Share, and all claims and demands against the Company in respect of it, and
- 61.1.2 all other rights and liabilities incidental to the Share as between the person whose Share it was prior to the forfeiture and the Company.

61.2 Any Share which is forfeited in accordance with these Articles:

- 61.2.1 is deemed to have been forfeited when the directors decide that it is forfeited;
- 61.2.2 is deemed to be the property of the Company; and
- 61.2.3 may be sold, re-allotted or otherwise disposed of as the directors think fit.

61.3 If a person's Shares have been forfeited:

- 61.3.1 the Company must send that person notice that forfeiture has occurred and record it in the register of members;
- 61.3.2 that person ceases to be a member in respect of those Shares;
- 61.3.3 that person must surrender the certificate for the Shares forfeited to the Company for cancellation;
- 61.3.4 that person remains liable to the Company for all sums payable by that person under these Articles at the date of forfeiture in respect of those Shares, including any interest (whether accrued before or after the date of forfeiture); and
- 61.3.5 the directors may waive payment of such sums wholly or in part or enforce payment without any allowance for the value of the Shares at the time of forfeiture or for any consideration received on their disposal.

- 61.4 At any time before the Company disposes of a forfeited Share, the directors may decide to cancel the forfeiture on payment of all Calls and interest due in respect of it and on such other terms as they think fit.

**62. Procedure Following Forfeiture**

- 62.1 If a forfeited Share is to be disposed of by being transferred, the Company may receive the consideration for the transfer and the directors may authorise any person to execute the instrument of transfer.

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

62.2.1 is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the Share, and

62.2.2 subject to compliance with any other formalities of transfer required by these Articles or by law, constitutes a good title to the Share.

- 62.3 A person to whom a forfeited Share is transferred is not bound to see to the application of the consideration (if any) nor is that person's title to the Share affected by any irregularity in or invalidity of the process leading to the forfeiture or transfer of the Share.

- 62.4 If the Company sells a forfeited Share, the person who held it prior to its forfeiture is entitled to receive from the Company the proceeds of such sale, net of any commission, and excluding any amount which:

62.4.1 was, or would have become, payable, and

62.4.2 had not, when that Share was forfeited, been paid by that person in respect of that Share, but no interest is payable to such a person in respect of such proceeds and the Company is not required to account for any money earned on them.

**63. Surrender of Shares**

- 63.1 A member may surrender any Share:

63.1.1 in respect of which the directors may issue a notice of intended forfeiture;

63.1.2 which the directors may forfeit; or

63.1.3 which has been forfeited.

- 63.2 The directors may accept the surrender of any such Share.

- 63.3 The effect of surrender on a Share is the same as the effect of forfeiture on that Share.

- 63.4 A Share which has been surrendered may be dealt with in the same way as a Share which has been forfeited.

64. **Leaver Provisions**

64.1 The provisions of this Article 64 shall apply in relation to each of the Management Shareholders, but only if a Management Shareholder:

64.1.1 has his employment terminated (or he otherwise ceases to be an Employee) and he is a Very Bad Leaver; or

64.1.2 becomes bankrupt,

(any such Management Shareholder being a "**Leaver**"). For the avoidance of doubt, this Article 64 shall not apply to Judith Halewood.

64.2 In the event a Management Shareholder is a Very Bad Leaver or becomes bankrupt, he (or his Transmittees) and his Permitted Transferees shall:

64.2.1 be required to transfer A Ordinary Shares if the directors of the Company serve a notice on him (or his Transmittees) that they require the transfer of A Ordinary Shares by him and his Permitted Transferees (or his Transmittees), such notice to be given within two months of him becoming a Leaver or becoming bankrupt ("**Transfer Notice**"). The directors shall at the direction of the Founder Shareholders Representatives serve such a Transfer Notice on the Management Shareholder (or his Transmittees) and/or his Permitted Transferees; and

64.2.2 except if the Management Shareholder is bankrupt, only be required to transfer all (and not some only) of the A Ordinary Shares held by the Management Shareholder (or his Transmittees) and his Permitted Transferees.

64.3 The price payable for the Leaver Shares shall be:

64.3.1 in respect of the A Ordinary Shares held by the Management Shareholder and his Permitted Transferees where the Management Shareholder is a Very Bad Leaver only, the Share Base Price; and

64.3.2 in respect of the A Ordinary Shares held by the Management Shareholder (or his Transmittees) or his Permitted Transferees where the Management Shareholder becomes bankrupt, the Share Fair Price (or, if not all the Leaver Shares are being offered for sale, the relevant proportion of such Share Fair Price),

(the "**Offer Price**").

64.4 Within seven days the service of a Transfer Notice, the Company shall give notice of such fact to each A Ordinary Shareholder (the "**Leaver Notice**").

64.5 If a Leaver is bankrupt, the Founder Shareholders Representatives and the relevant Leaver, shall seek to agree the Share Fair Price within 14 days of the relevant Leaver Notice.

64.6 If the Share Fair Price is not agreed in accordance with Article 64.5, the matter shall be determined by an Expert and:

64.6.1 the Founder Shareholders Representatives and the relevant Leaver shall immediately instruct the Expert to determine the Share Fair Price for the Leaver Shares at the Leaving Date;

64.6.2 the Expert shall certify the Share Fair Price as soon as possible after being instructed by the Founder Shareholders Representatives and the relevant Leaver and in so certifying the Expert shall be deemed to be acting as expert and not as arbitrator and the Arbitration Act 1996 shall not apply;

64.6.3 the certificate of the Expert shall, in the absence of manifest error, be final and binding; and

64.6.4 the Founder Shareholders Representatives and the relevant Leaver shall procure in so far as they are able that any certificate required pursuant to this Article 64.6 is obtained as soon as possible and the cost of obtaining that certificate shall be borne by the Company unless:

- (i) such an arrangement would be unlawful; or
- (ii) the Share Fair Price as determined by the Expert is the same as, or within 10% of, that price (if any) which the Company had previously notified to the relevant Leaver as being in its opinion the Share Fair Price for the Leaver's Shares, in which case the cost shall be borne by that Leaver.

64.7 Within 20 days of (a) the Leaver Notice in respect of Leaver Shares which are to be offered for sale at the Share Base Price or (b) the agreement or determination of the Share Fair Price pursuant to Article 64.6 ("**Start Date**"), the Leaver Shares shall be purchased in the following order of priority and at the Offer Price:

64.7.1 first, be offered to the Company for acceptance within three weeks after the Start Date to purchase (subject to the Act) by way of share buy-back or cancellation pursuant to a reduction of share capital (and provided that the Company will accept such offer in respect of such number of Leaver Shares as directed by Founder Shareholders Majority to the extent it is lawfully able to do so); or

64.7.2 second, in respect of such number of the Leaver Shares not purchased or allocated pursuant to Article 64.7.1 to an Employee Trust for acceptance within five weeks after the Start Date (and provided that an Employee Trust will accept such offer in respect of such number of those Leaver Shares as directed by the Founder Shareholders Majority); or

64.7.3 third, in respect of such number of the Leaver Shares not purchased or allocated pursuant to Articles 64.7.1 and 64.7.2, be offered to such person or persons intended to take the place of the Leaver (each an "**Offeree**") with Founder Shareholders Consent for acceptance within seven weeks after the Start Date; or

64.7.4 fourth, in respect of such number of the Leaver Shares not purchased or allocated pursuant to Articles 64.7.1 to 64.7.3 (inclusive), be offered to the holders of the A Ordinary Shares (excluding the Management Shareholders (or their Transmittees) and their Permitted Transferees) ("**A Ordinary Shareholder Offerees**") pro rata to their existing holdings of A Ordinary Shares for acceptance within nine weeks after the Start Date. If:

- (i) the total number of Leaver Shares so applied for is equal to or less than the total number of Leaver Shares so offered ("**Available Leavers Shares**"), each A Ordinary Shareholder Offeree shall be allocated the number of Leaver Shares they, he or she applied for; or
- (ii) the total number of Leaver Shares applied for is greater than the total number of Available Leaver Shares, the Available Leaver Shares shall be allocated to the A Ordinary Shareholder Offerees in proportion (as nearly as possible without involving fractions) to their existing holdings of Shares (but without allocating to any A Ordinary Shareholder Offeree a greater number of Available Leaver Shares than the maximum number applied for by him) and any remaining Available Leaver Shares shall be allocated by applying this Articles 64.7.4(ii) without taking account of any A Ordinary Shareholder Offeree whose application has already been satisfied in full.

64.7.5 finally, to the extent any Leaver Shares have not been purchased or allocated pursuant to Article 64.7.1 to 64.7.4 (inclusive) such Leaver Shares shall, without prejudice to Article 64.7.4, be allocated to the A Ordinary Shareholders Offerees pro-rata or as such A Ordinary Shareholders shall otherwise determine provided that this Article 64.7.5 does not apply if Shares are acquired under this Article 64 by virtue of a person's bankruptcy.

64.8 Allocations of Leaver Shares made by the Company pursuant to this Article 64 shall constitute the acceptance by any Offeree and any Shareholder to whom they are allocated (each an "**Allocated Person**") of the offer to acquire those Leaver Shares on the terms offered to them (provided that no person shall, except in accordance with Article 64.7.5, be obliged to take more than the maximum number of Leaver Shares that he has indicated to the Company he is willing to purchase).

64.9 The Company shall immediately on allocating any Leaver Shares, give notice in Writing (each a "**Sale Notice**") to the Leaver and to each Allocated Person of the number of Leaver Shares allocated to that Allocated Person and the aggregate price payable for them. Completion shall take place within five days after the date of the Sale Notices or, in respect of any Leaver Shares allocated to the Company, as soon as reasonably practicable after the date of the Sale Notice having regard to the requirements of the Act. On Completion:

64.9.1 each Allocated Person (other than the Company) shall pay the purchase price in respect of the relevant Leaver Shares:

- (i) to the Leaver; or



- (ii) if the Leaver is not present at Completion, to the Company to be held on trust (without interest) for the Leaver (and the receipt of the Company for the purchase price shall be a good discharge to that Allocated Person (who shall not be bound to see to the application of it));

64.9.2 if the Company is an Allocated Person, it shall:

- (i) pay the purchase price for the relevant Leaver Shares to the Leaver; or
- (ii) if the Leaver is not present at Completion, hold the purchase price for the relevant Leaver Shares on trust (without interest) for the Leaver; and

64.9.3 the Leaver shall transfer the relevant Leaver Shares to the relevant Allocated Person and deliver the relevant share certificates.

64.10 If the Leaver defaults in transferring any Leaver Shares to an Allocated Person pursuant to Article 64.9, the Company is unconditionally and irrevocably authorised to appoint any person as agent of the Leaver to execute a transfer form for those Leaver Shares in the name, and on behalf, of the Leaver (and to do such other things as are necessary to transfer the relevant Leaver Shares pursuant to this Article 64) and, when that transfer form has been duly stamped:

64.10.1 where the Allocated Person is not the Company, the Company shall cause the name of that Allocated Person to become the Holder of those Leaver Shares; and

64.10.2 where the Allocated Person is the Company, the Company shall to the extent those Leaver Shares are not to be held in treasury cause those Leaver Shares to be immediately cancelled in accordance with the Act;

and after that the validity of the proceedings shall not be questioned by any person.

64.11 Any money held on trust by the Company for the Leaver in respect of any A Ordinary Shares shall be released to the Leaver as soon as possible on production of the relevant share certificates (or an appropriate indemnity for any lost share certificates) for the Leaver's A Ordinary Shares that have been transferred to Allocated Persons.

64.12 The Company and the other Shareholders shall consult with a Leaver to the extent reasonably practicable on the application of the order or priority set out in Article 64.7 with a view but without any obligation to accommodating lawful and reasonable tax planning of the Leaver, including (without limitation):

64.12.1 giving reasonable consideration to the Leaver being able to sell his A Ordinary Shares in such manner or to such person as may permit the proceeds to be treated as the proceeds of a capital gains tax disposal and not a distribution or dividend for UK tax purposes; and

64.12.2 giving reasonable consideration to accommodate the application for advance clearance under section 1044 CTA 2010 in respect of a purchase of the A Ordinary Shares so as to enable such a purchase by the Company to be treated

as not being a distribution (to the extent permitted by chapter 3 of Part 22 CTA 2010)

provided that (notwithstanding Article 6.14.1 above) the Company shall (with the consent of a Founder Shareholders Majority) have the final discretion, to the extent it is lawfully able to do so, to accept an offer to purchase the A Ordinary Shares in accordance with Article 64.7.1.

**65. Drag-along and Tag-along**

65.1 If a Drag Majority shall approve a transaction or series of related transactions in which a person or a group of related persons (in each case not being existing Shareholder(s) at the relevant time) (the "**Drag Along Buyer**") may acquire a Controlling Interest (a "**Drag Along Sale**") then the Company shall provide written notice of such approval to all of the other members (each a "**Dragged Seller**"), which notice (the "**Drag Along Notice**") shall specify:

65.1.1 that the Dragged Sellers are required and entitled to transfer their Shares to the Drag Along Buyer;

65.1.2 the number of Shares that the Drag Majority are proposing to transfer to the Drag Along Buyer and the proportion that this bears to the Drag Majority's total holding of Shares and the number of Shares that the Drag Along Buyer is therefore offering to purchase from the Dragged Sellers;

65.1.3 the amount and form of the consideration and the proportion of cash and/or securities that the Drag Along Buyer will pay for the acquisition of all the Shares or a Controlling Interest;

65.1.4 the name of the Drag Along Buyer; and

65.1.5 the proposed date for completion of the transfer of the Shares (which shall be at least seven days after the date of the Drag Along Notice).

65.2 In the event of a Drag Along Sale proceeding, then unless the Drag Majority and the Dragged Sellers agree otherwise, the Drag Along Sale must provide that:

65.2.1 the transfer of the Shares including the Dragged Shares (including payment of the consideration) shall take place on the same day; and

65.2.2 the amount and form of consideration and the proportion of cash and/or securities that the Drag Along Buyer shall offer and is proposing to pay for each of the Drag Majority's Shares shall be the same or equivalent for each A Ordinary Share.

65.3 No Drag Along Buyer shall be entitled or permitted to acquire any Shares if, as a result, a Buyer would acquire all of the Shares or a Controlling Interest (and any Shares or any interest in Shares held by any related persons of a Buyer shall be treated as being held by the Buyer for this purpose) unless and until the Buyer has first made offers in accordance with the same provisions of this Article 65 to all the holders of all Shares in the Company to purchase from them an amount of Shares equivalent to the number of Shares being acquired by the Buyer from the Dragged Majority pro rata to the Drag Majority's total holding of Shares.

65.4 Subject to Article 65.5, on the date specified in the Drag Along Notice each of the Dragged Sellers shall:

- 65.4.1 sell, transfer and deliver, or cause to be sold, transferred and delivered, to the Drag Along Buyer all of the Shares held by such Dragged Seller on the terms set out in the Drag Along Notice;
- 65.4.2 deliver certificates for such Shares at such closing, free and clear of all liens and other Encumbrances; and
- 65.4.3 if member approval of the Drag Along Sale is required, vote, or provide an irrevocable proxy directing the holder of such proxy to vote, in each case in favour thereof.

65.5 The obligations of each Dragged Seller are subject to the satisfaction of the following conditions, unless waived in writing by that Dragged Seller:

65.5.1 any representations and warranties to be made by such Dragged Seller in connection with the Drag Along Sale are limited to warranties related to authority, ownership and the ability to convey title to such Dragged Seller's Shares, including, without limitation, warranties that:

- (i) the Dragged Seller holds all right, title and interest in and to the Shares such Dragged Seller purports to hold, free and clear of all liens and Encumbrances;
- (ii) the obligations of the Dragged Seller in connection with the transaction have been duly authorised, if applicable;
- (iii) the documents to be entered into by the Dragged Seller have been duly executed by the Dragged Seller and delivered to the acquiror and are enforceable against the Dragged Seller in accordance with their respective terms; and
- (iv) neither the execution and delivery of documents to be entered into in connection with the transaction, nor the performance of the Dragged Seller's obligations thereunder, will cause a breach or violation of the terms of any agreement, law or judgment, order or decree of any court or governmental agency to or by which such Dragged Seller is subject or bound; and

65.5.2 the total aggregate liability of the Dragged Seller shall be limited to at most the proceeds of the Drag Along Sale actually received by that Dragged Seller, or deposited into an escrow established for the purpose, at a given time, except with respect to claims related to fraud by such Dragged Seller, the liability for which need not be limited.

65.6 The Company is unconditionally and irrevocably authorised to appoint any person as agent of each Dragged Seller to execute the required transfer forms for the Dragged Seller's Shares in the name and on behalf of that Dragged Seller and to do such other things as are necessary to transfer such Shares pursuant to this Article 65.

**66. Transfers of Certificated Shares**

66.1 Certificated 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:

66.1.1 the transferor, and

66.1.2 if any of the Shares is partly paid) the transferee.

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

66.3 The Company may retain any instrument of transfer which is registered.

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

66.5 The directors may refuse to register the transfer of a certificated Share if:

66.5.1 the Share is not fully paid;

66.5.2 the transfer is not lodged at the Company's registered office or such other place as the directors have appointed;

66.5.3 the transfer is not accompanied by the certificate for the Shares to which it relates, or such other evidence as the directors may reasonably require to show the transferor's right to make the transfer, or evidence of the right of someone other than the transferor to make the transfer on the transferor's behalf;

66.5.4 the transfer is in respect of more than one class of Share; or

66.5.5 the transfer is in favour of more than four transferees.

66.6 The directors shall refuse to register any transfer A Ordinary Shares held by a Management Shareholder and/or any of his Permitted Transferees which is not a Permitted A Ordinary Share Transfer.

66.7 If the directors refuse to register the transfer of a Share, the instrument of transfer must be returned to the transferee with the notice of refusal unless they suspect that the proposed transfer may be fraudulent.

**67. Transfer of Uncertificated Shares**

67.1 The directors shall refuse to register any transfer of an uncertificated Share:

67.1.1 in favour of more than four transferees; or

67.1.2 where the uncertificated Share is an A Ordinary Shares held by a Management Shareholder and/or any of his Permitted Transferees, any transfer which is not a Permitted A Ordinary Share Transfer.

**68. Transmission of Shares**

- 68.1 If title to a Share passes to a Transmittée, the Company may only recognise the Transmittée as having any title to that Share.
- 68.2 Nothing in these Articles releases the estate of a deceased member from any liability in respect of a Share solely or jointly held by that member.

**69. Transmittées' Rights**

- 69.1 Without prejudice to Article 64 which shall take precedence over this Article 69, a Transmittée who produces such evidence of entitlement to Shares as the directors may properly require:

69.1.1 may, subject to these Articles (and any agreement from time to time between the Company and its Shareholders), choose either to become the holder of those Shares or to have them transferred to another person, and

69.1.2 subject to these Articles, and pending any transfer of the Shares to another person, has the same rights as the holder had.

- 69.2 Transmittées do not have the right to attend or vote at a general meeting in respect of Shares to which they are entitled, by reason of the holder's death or bankruptcy or otherwise, unless they become the holders of those Shares.

- 69.3 Without prejudice to Article 64, on the death of any Shareholder the maximum number of Transmittées who may become registered as the holder of such Shareholder's shares shall be three persons who shall each be family members of such Shareholder.

**70. Exercise of Transmittées' Rights**

- 70.1 Transmittées who wish to become the holders of Shares to which they have become entitled must notify the Company in writing of that wish.

- 70.2 If the Share is a certificated Share and a Transmittée wishes to have it transferred to another person, the Transmittée must execute an instrument of transfer in respect of it.

- 70.3 If the Share is an uncertificated Share and the Transmittée wishes to have it transferred to another person, the Transmittée must:

70.3.1 procure that all appropriate instructions are given to effect the transfer, or

70.3.2 procure that the uncertificated Share is changed into certificated form and then execute an instrument of transfer in respect of it.

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

**71. Transmittees Bound by Prior Notices**

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

**72. Procedure for Disposing of Fractions of Shares**

72.1 This Article applies where:

72.1.1 there has been a consolidation or division of Shares, and

72.1.2 as a result, members are entitled to fractions of Shares.

72.2 The directors may:

72.2.1 sell the Shares representing the fractions to any person including the Company for the best price reasonably obtainable;

72.2.2 in the case of a certificated Share, authorise any person to execute an instrument of transfer of the Shares to the purchaser or a person nominated by the purchaser; and

72.2.3 distribute the net proceeds of sale in due proportion among the holders of the Shares.

72.3 Where any holder's entitlement to a portion of the proceeds of sale amounts to less than a minimum figure determined by the directors, that member's portion may be distributed to an organisation which is a charity for the purposes of the law of England and Wales, Scotland or Northern Ireland.

72.4 The person to whom the Shares are transferred is not obliged to ensure that any purchase money is received by the person entitled to the relevant fractions.

72.5 The transferee's title to the Shares is not affected by any irregularity in or invalidity of the process leading to their sale.

**73. Procedure for Declaring Dividends**

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

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

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

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

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

73.6 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.

73.7 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.

#### 74. **Calculation of Dividends**

Except as otherwise provided by the Articles or the rights attached to Shares, all dividends must be determined in accordance with the Dividend Policy.

#### 75. **Payment of Dividends and Other Distributions**

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

75.1.1 transfer to a bank or building society account specified by the Distribution Recipient either in writing or as the directors may otherwise decide;

75.1.2 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;

75.1.3 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

75.1.4 any other means of payment as the directors agree with the Distribution Recipient either in writing or by such other means as the directors decide.

75.2 In these Articles, "**the Distribution Recipient**" means, in respect of a Share in respect of which a dividend or other sum is payable:

75.2.1 the holder of the Share; or

75.2.2 if the Share has two or more joint holders, whichever of them is named first in the register of members; or

75.2.3 if the holder is no longer entitled to the Share by reason of death or bankruptcy, or otherwise by operation of law, the Transmittree.

**76. 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:

76.1.1 the terms on which the Share was issued, or

76.1.2 the provisions of another agreement between the holder of that Share and the Company.

**77. Unclaimed Distributions**

77.1 All dividends or other sums which are:

77.1.1 payable in respect of Shares, and

77.1.2 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.

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

77.3 If:

77.3.1 twelve years have passed from the date on which a dividend or other sum became due for payment, and

77.3.2 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.

**78. Non-Cash Distributions**

78.1 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).

78.2 If the Shares in respect of which such a non-cash distribution is paid are uncertificated, any Shares in the Company which are issued as a non-cash distribution in respect of them must be uncertificated.

78.3 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:

78.3.1 fixing the value of any assets;

78.3.2 paying cash to any Distribution Recipient on the basis of that value in order to adjust the rights of recipients; and

78.3.3 vesting any assets in trustees.



**79. Waiver of Distributions**

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

79.1.1 the Share has more than one holder, or

79.1.2 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.

**80. Authority to Capitalise and Appropriation of Capitalised Sums**

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

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

80.1.2 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 (or if directed by an ordinary resolution to some only of those persons) (the "**persons entitled**") and in the same proportions (or as otherwise directed by an ordinary resolution).

80.2 Save as otherwise directed by an ordinary resolution, capitalised sums must be applied:

80.2.1 on behalf of the persons entitled, and

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

80.3 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.

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

80.4.1 in or towards paying up any amounts unpaid on existing Shares held by the persons entitled, or

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

80.5 Subject to the Articles the directors may:

80.5.1 apply capitalised sums in accordance with Articles 80.3 and 80.4 partly in one way and partly in another;

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

80.5.3 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.

**81. Means of Communication to be Used**

81.1 Subject to these Articles, anything sent or supplied by or to the Company under these Articles may be sent or supplied in any way in which the 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.

81.2 Subject to these 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.

81.3 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.

**82. Failure to Notify Contact Details**

82.1 If:

82.1.1 the Company sends two consecutive documents to a member over a period of at least 12 months, and

82.1.2 each of those documents is returned undelivered, or the Company receives notification that it has not been delivered, that member ceases to be entitled to receive notices from the Company.

82.2 A member who has ceased to be entitled to receive notices from the Company becomes entitled to receive such notices again by sending the Company:

82.2.1 a new address to be recorded in the register of members, or

82.2.2 if the member has agreed that the Company should use a means of communication other than sending things to such an address, the information that the Company needs to use that means of communication effectively.

**83. Company Seals**

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

83.2 The directors may decide by what means and in what form any common seal or Securities Seal is to be used.

83.3 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.

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

83.4.1 any director of the Company;

83.4.2 the company secretary; or

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

83.5 If the Company has an official seal for use abroad, it may only be affixed to a document if its use on that document, or documents of a class to which it belongs, has been authorised by a decision of the directors.

83.6 If the Company has a Securities Seal, it may only be affixed to securities by the Company secretary or a person authorised to apply it to securities by the company secretary.

83.7 For the purposes of these Articles, references to the Securities Seal being affixed to any document include the reproduction of the image of that seal on or in a document by any mechanical or electronic means which has been approved by the directors in relation to that document or documents of a class to which it belongs.

#### **84. Destruction of Documents**

84.1 The Company is entitled to destroy:

84.1.1 all instruments of transfer of Shares which have been registered, and all other documents on the basis of which any entries are made in the register of members, from six years after the date of registration;

84.1.2 all dividend mandates, variations or cancellations of dividend mandates, and notifications of change of address, from two years after they have been recorded;

84.1.3 all certificates which have been cancelled from one year after the date of the cancellation;

84.1.4 all paid dividend warrants and cheques from one year after the date of actual payment; and

84.1.5 all Proxy Notices from one year after the end of the meeting to which the Proxy Notice relates.

84.2 If the Company destroys a document in good faith, in accordance with these Articles, and without notice of any claim to which that document may be relevant, it is conclusively presumed in favour of the Company that:

84.2.1 entries in the register purporting to have been made on the basis of an instrument of transfer or other document so destroyed were duly and properly made;

- 84.2.2 any instrument of transfer so destroyed was a valid and effective instrument duly and properly registered;
  - 84.2.3 any certificate so destroyed was a valid and effective certificate duly and properly cancelled; and
  - 84.2.4 any other document so destroyed was a valid and effective document in accordance with its recorded particulars in the books or records of the Company.
- 84.3 This Article does not impose on the Company any liability which it would not otherwise have if it destroys any document before the time at which this Article permits it to do so.
- 84.4 In this Article, references to the destruction of any document include a reference to its being disposed of in any manner.
- 85. **No Right to Inspect Accounts And Other Records**

Except as provided by law or authorised by the directors or an ordinary resolution of the Company, no person is entitled to inspect any of the Company's accounting or other records or documents merely by virtue of being a member.
- 86. **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.
- 87. **Directors' Indemnity**
  - 87.1 Subject to Article 87.2, a Relevant Director may be indemnified out of the Company's assets against:
    - 87.1.1 any liability incurred by him in connection with any negligence, default, breach of duty or breach of trust in relation to any Group Company;
    - 87.1.2 any liability incurred by him in connection with the activities of any Group Company in its capacity as a trustee of any occupational pension scheme (as defined in section 235(6) of the Act);
    - 87.1.3 any other liability incurred by him as an officer of any Group Company.
  - 87.2 Article 87.1 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.
- 88. **Directors' Insurance**

The directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any Relevant Director in respect of any Relevant Loss.