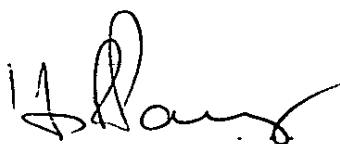


**Registered No: 4512301**

**THE COMPANIES ACT 1985**  
**PRIVATE COMPANY LIMITED BY SHARES**  
**NOTICE OF PASSING OF WRITTEN RESOLUTION**  
**BY**  
**OXITEC LIMITED**

Notice is hereby given that on **DECEMBER 7<sup>TH</sup>** 2010 following resolution was duly passed as a special resolution of the Company pursuant to Chapter 2 of Part 13 of the Companies Act 2006

“THAT the regulations contained in the printed document attached hereto and marked “A” for the purposes of identification be and they are hereby approved and adopted as the articles of association of the Company in substitution for and to the exclusion of the existing articles of association of the Company ”



Director



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**ARTICLES OF ASSOCIATION  
of  
OXITEC LIMITED  
(Company Number 4512301)**

**Adopted on DECEMBER 7<sup>th</sup> 2010**

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**WILMERHALE** 

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**THE COMPANIES ACTS 1985 AND 2006**  
**PRIVATE COMPANY LIMITED BY SHARES**  
**(Company Number 4512301)**

**ARTICLES OF ASSOCIATION**

**of**

**OXITEC LIMITED**

(Adopted by special resolution passed on DECEMBER 7<sup>th</sup> 2010)

**INTERPRETATION AND LIMITATION OF LIABILITY**

**1. DEFINED TERMS**

1.1 In these Articles, unless the context requires otherwise

“**Acquirer**” means a person so defined in the definitions of “Special Change of Control” and “Majority Change of Control”,

“**Act**” means the Companies Act 2006,

“**acting in concert**” has the meaning of that phrase under the City Code on Takeovers and Mergers as in force and construed at the date of adoption of these Articles;

“**Affiliate**” means any person or entity that, directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, another person or entity (for purposes of this definition, “control” means the power, whether held directly or indirectly, to direct or cause direction of management and policies through ownership of voting securities, contract or otherwise),

“**Article**” means an article contained in these Articles,

“**Articles**” means the Company’s articles of association for the time being in force,

“**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;

“**Board**” means the board of directors of the Company from time to time,

**“business day”** means any day (other than a Saturday, Sunday or public holiday in the United Kingdom) on which clearing banks in the City of London are generally open for business,

**“capitalised sum”** has the meaning given in Article 50 2;

**“chairman”** has the meaning given in Article 15 2,

**“chairman of the meeting”** has the meaning given in Article 54;

**“the Counter Notice”** has the meaning given in Article 37.13,

**“director”** means a director of the Company, and includes any person occupying the position of director, by whatever name called,

**“distribution recipient”** has the meaning given in Article 45 2,

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

**“East Hill”** means East Hill University Spinouts Fund V LP, East Hill University Spinouts Fund V(B) LP, East Hill University Spinouts Fund I LP, East Hill University Spinouts Fund II LP and East Hill Venture Fund LP – Series 2008A,

**“East Hill Director”** means any director to be appointed in accordance with Article 22.6;

**“electronic form”** has the meaning given in Section 1168 of the Act,

**“eligible director”** means a director who would be entitled to vote on the matter at a meeting of directors (but excluding any director whose vote is not to be counted in respect of the particular matter),

**“fully paid”** in relation to a share, means that the nominal value and any premium to be paid to the Company in respect of that share have been paid to the Company,

**“Group Company”** means, in relation to a Member, any subsidiary or holding Company (as such expressions are defined in Section 1159 of the Companies Act 2006) of such Member, or any subsidiary of such holding Company,

**“hard copy form”** has the meaning given in Section 1168 of the Act,

**“instrument”** means a document in hard copy form;

**“Investors”** means East Hill, Isis College Funds, the Oxford Funds and Mr Clay;

**“Isis College Funds”** the Isis College Fund No 1 Limited Partnership and the Isis College Fund No 2 Limited Partnership or any other fund which is associated or affiliated to the Isis College Funds which invests the Company

from time to time,

**“Majority Change of Control”** means the acquisition (whether by purchase, transfer or otherwise but excluding a transfer of Shares made in accordance with Article 37 (Transferring Shares)) by any person, including a Member of the Company (an **“Acquirer”**), of any interest in any Shares if, upon completion of that acquisition, the Acquirer, together with persons acting in concert or connected with him, would hold or beneficially own more than 50 per cent of the Shares,

**“Members”** means the holders for the time being of the Shares,

**“OCP”** means Oxford Capital Partners Limited of 201 Cumnor Hill, Oxford OX2 9PJ,

**“OCP Director”** means any director to be appointed in accordance with Article 22 7,

**“the Offer Notice”** has the meaning given in Article 37.11;

**“Options”** means options granted or to be granted to directors, employees and consultants of the Company over not more than 59,000 Shares in aggregate,

**“ordinary resolution”** has the meaning given in Section 282 of the Act,

**“Ordinary Shares”** means ordinary Shares of £0.01 each in the capital of the Company having the rights set out in these Articles,

**“Oxford Fund Affiliate”** means OCP, the Oxford Funds, any investment fund which is managed or advised by OCP or any of its associated companies, any nominee, trustee or custodian for the investors in the Oxford Funds and any investor in any of the Oxford Funds,

**“Oxford Funds”** means the Oxford Gateway Fund No. 2, the Oxford Gateway Fund No. 3 and the Oxford Gateway Fund No. 4 or any other fund which invests in the Company from time to time, of which OCP or any associated Company of OCP is the manager,

**“paid”** means paid or credited as paid,

**“participate”**, in relation to a directors’ meeting, has the meaning given in Article 13 1,

**“persons entitled”** has the meaning given in Article 50 2,

**“Permitted Transferee”** means a person to whom a Shareholder transfers any Share(s) pursuant to Article 37 7, 37 18, 37 19 or 37 20;

**“proxy notice”** has the meaning given in Article 60,

**“Qualifying Parties”** means each of Dr Luke Alphey, the University and each of the Investors (for so long as they each together with their Permitted

Transferees, hold at least ten per cent of the issued Shares),

**"Sale"** means completion of a successful offer to purchase 90% or more of the issued share capital of the Company (or 90% or more of all such capital including any already held by the Offeror),

**"the Sale Notice"** has the meaning given in Article 37 13;

**"Section"** means save where expressly provided to the contrary a section of the Companies Act 2006, as it may be amended or re-enacted from time to time,

**"Shares"** means Ordinary Shares;

**"Special Change of Control"** means the acquisition (whether by purchase, transfer or otherwise but excluding a transfer of Shares to which Article 37 7 applies) by any person, including a Member of the Company ("an **Acquirer**"), of any interest in any Shares if, upon completion of that acquisition, the Acquirer, together with persons acting in concert or connected with him, would hold or beneficially own more than 70 per cent. of the Shares,

**"special resolution"** has the meaning given in Section 283 of the Act,

**"subsidiary"** has the meaning given in Section 1159 of the Act,

**"Subsidiaries"** means any subsidiary of the Company as such expression is defined in Section 1159 of the Companies Act 2006,

**"transmittee"** means a person entitled to a share by reason of the death or bankruptcy of a Member or otherwise by operation of law;

**"University"** means the Chancellor, Masters and Scholars of the University of Oxford,

**"University Director"** means any director to be appointed in accordance with Article 22 5, and

**"University Funds"** means any limited partnership or other similar investment vehicle in which the University and/or any of the colleges of the University are participants from time to time, and

**"writing"** means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise

- 1 2 Unless the context otherwise requires, other words or expressions contained in these Articles bear the same meaning as in the Act as in force on the date when these Articles become binding on the Company
- 1 3 Headings in these Articles are used for convenience only and shall not affect the construction or interpretation of these Articles



1 4 Unless expressly provided otherwise, a reference to a statute, statutory provision or subordinate legislation is a reference to it as it is in force from time to time, taking account of

- (a) any subordinate legislation from time to time made under it, and
- (b) any amendment or re-enactment and includes any statute, statutory provision or subordinate legislation which it amends or re-enacts

1 5 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. LIABILITY OF MEMBERS**

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

### **DIRECTORS**

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

### **3. DIRECTORS' GENERAL AUTHORITY**

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

### **4. SHAREHOLDERS' RESERVE POWER**

4 1 The Members may, by special resolution, direct the directors to take, or refrain from taking, specified action

4 2 No such special resolution invalidates anything which the directors have done before the passing of the resolution

### **5. DIRECTORS MAY DELEGATE**

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

- (a) to such person or committee,
- (b) by such means (including by power of attorney);
- (c) to such an extent;
- (d) in relation to such matters or territories, and
- (e) on such terms and conditions,

as they think fit

5 2 If the directors so specify, any such delegation may authorise further delegation of the directors' powers by any person to whom they are delegated

5 3 The directors may revoke any delegation in whole or part, or alter its terms and conditions

## **6. COMMITTEES**

6 1 Committees to which the directors delegate any of their powers must follow procedures which are based as far as they are applicable on those provisions of the Articles which govern the taking of decisions by directors.

6 2 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.

## **7. REMUNERATION**

7 1 The directors may exercise all the powers of the Company to pay or provide pensions, annuities, gratuities, superannuation and other allowances and benefits to:-

- (a) current and former directors;
- (b) current and former employees,
- (c) dependants and relatives of current and former directors and employees
- (d) of the Company or any subsidiary or associated Company The directors are entitled to retain any benefits received by any of them as a result of their exercise of these powers

7 2 If a director performs special services for the Company which are outside the normal scope of his duties, then that director may receive extra remuneration The amount of the remuneration will be decided by the directors and will be charged as part of the Company's ordinary revenue expenses However, the directors do not need to give extra remuneration to any director who performs special services without being requested to do so by the directors.

## **8. DIRECTORS AS REPRESENTATIVES**

8 1 If the Company is a Member of another corporation then any director

- (a) is authorised for the purposes of Section 323 of the Act to act as the Company's representative at any meeting of such corporation or at any meeting of a class of Members of that corporation,
- (b) may sign any written resolution of the Members of that corporation, or
- (c) may act as a signatory to conclude any particular business in relation to that corporation

as if the board of directors of the Company had given its consent

## **9. BORROWING**

- 9 1 The directors may exercise all the powers of the Company to
- 9 2 borrow money without limit as to amount on such terms and in such manner as they think fit,
- 9 3 grant any mortgage, charge or standard security over all or any part of its undertaking, property and uncalled capital, and
- 9 4 issue debentures, debenture stock, and other securities whether outright or as security for any debt, liability or obligation of the Company or of any third party

## **DECISION-MAKING BY DIRECTORS**

### **10. DIRECTORS TO TAKE DECISIONS COLLECTIVELY**

- 10 1 Decisions of the directors may be taken
  - (a) by majority decision at a directors' meeting; or
  - (b) in the form of a directors' written resolution in accordance with article 8.
- 10 2 If:
  - (a) the Company only has one director for the time being, and
  - (b) no provision of the Articles requires it to have more than one director,the general rule set out in Article 10 1 does not apply, and the director may (for so long as he remains the sole director) take decisions without regard to any of the provisions of the Articles relating to directors' decision-making

### **11. DIRECTORS' WRITTEN RESOLUTIONS**

- 11 1 Any director may propose a written resolution by giving notice to each director stipulating the proposed resolution and the time by which the directors should adopt it
- 11 2 Notice shall be given in writing and may be so given using electronic means
- 11 3 A proposed directors' written resolution is adopted when all eligible directors have signed one or more copies of it
- 11 4 It is immaterial whether any director signs the resolution before or after the time by which the notice proposed that it should be adopted.

- 11 5 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

## **12. CALLING A DIRECTORS' MEETING**

- 12 1 The Board shall meet at least six times each year, and shall in addition meet if any director should so require Subject to the provisions of Article 14 and unless otherwise agreed by all the directors in the case of any emergency, at least fourteen (14) days' prior written notice of each Board meeting shall be given to all directors and any director may call a directors' meeting or authorise the Company secretary (if any) to do so

- 12 2 Notice of any directors' meeting must indicate

- (a) its proposed date and time,
- (b) where it is to take place,
- (c) 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, and
- (d) the matters to be discussed at the meeting

- 12 3 Unless otherwise agreed by all of the directors, no matters may be discussed at any meeting unless they were specified in the notice convening the meeting

- 12 4 Notice of a directors' meeting shall be given to each director in writing and may be so given using electronic means

- 12 5 Notice of a directors' meeting need not be given to directors who waive their entitlement to notice of that meeting, by giving notice to that effect to the Company not more than 7 days after the date on which the meeting is held Where such notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it

## **13. PARTICIPATION IN DIRECTORS' MEETINGS**

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

- (a) the meeting has been called and takes place in accordance with the Articles, and
- (b) they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting

- 13 2 In determining whether directors are participating in a directors' meeting, it is irrelevant where any director is or how they communicate with each other

- 13 3 If all the directors participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is

#### **14. QUORUM FOR DIRECTORS' MEETINGS**

- 14 1 At a directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting
- 14 2 Subject to Article 14 3, a quorum of the Board is three (3) directors, present in person or by teleconference or represented by an alternate, including at least two (2) of the University Director, the East Hill Director and the OCP Director or their duly appointed alternates
- 14 3 For the purposes of any meeting (or part of a meeting) held pursuant to Article 18 to authorise a director's conflict, if there is only one director in office besides the conflicted director(s), the quorum for such meeting (or part of a meeting) shall be one eligible director
- 14 4 If the total number of directors in office for the time being is less than the quorum required, the directors must not take any decision other than a decision:
- (a) to appoint further directors; or
  - (b) to call a general meeting so as to enable the Members to appoint further directors
- 14 5 If a quorum is not present within half an hour of the scheduled time for a board meeting, it will be adjourned until the same time, day and place the following week. However, the directors may decide to adjourn a meeting to another time or place provided that this time is not less than seven (7) days and not more than fourteen (14) days from the time of the original meeting. If, at the adjourned meeting, a quorum is not present within half an hour of the scheduled time, it shall be deemed quorate, provided that at least two directors are present
- 14.6 A meeting of the board of directors or of a committee may be held by means of video-conference, telephone or similar communications equipment. However, everybody who participates in the meeting must be able to hear each other. Any person participating in a meeting held in this manner shall be deemed to be present at the meeting. They will therefore count towards the quorum and be entitled to vote in any resolutions proposed to be passed at the meeting

#### **15. CHAIRING OF DIRECTORS' MEETINGS**

- 15 1 The directors may appoint a director to chair their meetings
- 15 2 The person so appointed for the time being is known as the chairman
- 15 3 The directors may terminate the chairman's appointment at any time.

- 15.4 If the chairman is not participating in a directors' meeting within ten minutes of the time at which it was to start, the participating directors must appoint one of themselves to chair it

## **16. CASTING VOTE**

- 16.1 If the numbers of votes for and against a proposal at a meeting of directors are equal, the chairman or other director chairing the meeting shall not have a casting vote

## **17. TRANSACTIONS OR OTHER ARRANGEMENTS WITH THE COMPANY**

- 17.1 Subject to Article 17.2, if a director is in any way directly or indirectly interested in a proposed transaction or arrangement with the Company or a transaction or arrangement that has been entered into by the Company, he must declare the nature and extent of that interest to the directors in accordance with Sections 177(2) and 182(2) of the Act. As long as the director does this, he may vote at the meeting and may be counted in determining that a quorum is present at the meeting. A disclosure that complies with Sections 177(2) or 182(2), as applicable, of the Act will be sufficient disclosure for the purposes of this Article.

- 17.2 A director need not declare an interest under Article 17.1:

- (a) if it cannot reasonably be regarded as likely to give rise to a conflict of interest,
- (b) if, or to the extent that, the other directors are already aware of it (and for this purpose the other directors are treated as being aware of anything which they ought reasonably to be aware), or
- (c) if, or to the extent that, it concerns terms of his service contract that have been or are to be considered by a meeting of the directors or a committee of the directors appointed for the purpose under the Company's constitution

## **18. DIRECTORS' CONFLICTS OF INTEREST**

- 18.1 The Board may, subject to Article 18.3, authorise any matter which relates to a situation in which a director (the "**Relevant Director**") has, or can have, a direct or indirect interest which conflicts or possibly may conflict, with the interests of the Company and which would, if not so authorised, result in a breach of duty by the Relevant Director under Section 175 of the Act ("**a Relevant Situation**")
- 18.2 The Relevant Director seeking authorisation in respect of a Relevant Situation must declare to the Board the nature and extent of his interest in that Relevant Situation as soon as is reasonably practicable. The Relevant Director must provide the Board with such details as are necessary for the Board to decide whether or not to authorise the Relevant Situation. The Relevant Director

must also provide such additional information as may be requested by the Board

18.3 Any director (including the Relevant Director) may propose that a Relevant Situation be authorised by the Board. Such proposal and any authorisation given by the Board shall be effected in the same way that any other matter may be proposed to and resolved upon by the Board in accordance with the provisions in these Articles save that:

- (a) the Relevant Director and any other director with an interest in the Relevant Situation shall not count towards the quorum nor vote on any resolution giving such authorisation, and
- (b) a Relevant Director may, if the other directors so decide, be excluded from any meeting of the Board or any committee of directors while the Relevant Situation is under consideration.

18.4 Where the Board authorises a Relevant Situation

- (a) the Board may (whether at the time of giving the authorisation or subsequently)
  - (i) require that a Relevant Director is excluded from the receipt of information, the participation in discussion and/or the making of decisions (whether at meetings of the Board or otherwise) related to the Relevant Situation, and
  - (ii) impose upon a Relevant Director such other terms for the purpose of dealing with the Relevant Situation as it may determine,
- (b) the Relevant Director will be obliged to conduct himself in accordance with any terms imposed by the Board in relation to the Relevant Situation,
- (c) the Board may provide that where the Relevant Director obtains or has obtained (through his involvement in the Relevant Situation and otherwise than through his position as a director of the Company) information that is confidential to a third party, the director will not be obliged to disclose that information to the Company, or to use or apply the information in relation to the Company's affairs.
- (d) the terms of the authorisation must be recorded in writing (but the authority will be effective whether or not the terms are so recorded), and
- (e) the Board may revoke or vary such authorisation at any time but this will not affect anything done by the Relevant Director prior to such revocation or variation in accordance with the terms of such authorisation

- 18 5 For the purposes of this Article 18, a conflict of interest includes a conflict of interest and duty and a conflict of duties

## **19. RECORDS OF DECISIONS TO BE KEPT**

- 19 1 The directors must ensure that the Company keeps a record, in writing, for at least 10 years from the date of the decision recorded, of every decision taken or written resolution adopted by the directors
- 19.2 Where decisions of the directors are taken by electronic means, such decisions shall be recorded by the directors in permanent form, so that they may be read with the naked eye

## **20. DIRECTORS' DISCRETION TO MAKE FURTHER RULES**

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

## **APPOINTMENT OF DIRECTORS**

### **21. NUMBER OF DIRECTORS**

- 21 1 The maximum number and minimum number of directors may be decided by ordinary resolution of the Company from time to time. If no resolution is made, the maximum number of directors shall be seven (7) and the minimum number of directors shall be one (1). When the minimum number of directors is one (1), the sole director shall have authority to exercise all the powers and discretions granted to the directors by these Articles. The sole director may do this by written resolution.

### **22. METHODS OF APPOINTING DIRECTORS**

- 22 1 No person can be appointed a director at any general meetings unless
- (a) they are recommended by the directors; or
  - (b) they are proposed by a person qualified to vote at the general meeting. In that case, the Member proposing the director must, not less than fourteen (14) and no more than thirty five (35) clear days before the date of the meeting, give notice to the Company of their intention to propose the person for appointment and also send to the Company a notice signed by that person indicating his willingness to be appointed

Subject to this, the Company may by ordinary resolution appoint any who is willing to act as a director, and is permitted by law to do so, either to fill a vacancy or as an additional director.

- 22 2 The directors may appoint a person who is willing to act to be a director, and is permitted by law to do so, either to fill a vacancy or as an additional director



- 22.3 In any case where, as a result of death or bankruptcy, the Company has no Members and no directors, the transmittee(s) of the last Member to have died or to have a bankruptcy order made against him (as the case may be) have the right, by notice in writing, to appoint a natural person (including a transmittee who is a natural person), who is willing to act and is permitted to do so, to be a director
- 22.4 For the purposes of paragraph 22.3, 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
- 22.5 The University shall, for so long as it is a Qualifying Party, have the right to nominate one (1) director of the Company. If the University ceases to be a Qualifying Party it shall, at the request of the Board, promptly procure the removal of any director appointed by it pursuant to this Article 22.4.
- 22.6 East Hill shall, for so long as it is a Qualifying Party have the right to nominate one (1) director of the Company. If the Investor ceases to be a Qualifying Party it shall, at the request of the Board, promptly procure the removal of its director
- 22.7 OCP shall have the right to nominate one (1) director of the Company for so long as the shares held by it or its Permitted Transferees constitute 5% or more of the issued share capital of the Company, and shall, at the request of the Board, promptly procure the removal of such director on its ceasing to be so entitled.
- 22.8 Dr Luke Alphey shall be entitled to be a director for so long as he is either the holder of not less than 10 per cent of the issued share capital of the Company or continues to be the Company's scientific director
- 22.9 Each party having a right to nomination under Article 22.5, 22.6 or 22.7 shall be entitled to appoint such director, and to remove and replace any director so appointed, by serving written notice to that effect on the Company, signed by or on behalf of that Party
- 22.10 There shall be no restrictions (other than those imposed by law or by Table A) on who may be appointed a director of the Company. A person of any age may be appointed and no director will be required to vacate his office because he has reached a particular age
- 22.11 The Company may by extraordinary resolution remove any director (other than a director appointed pursuant to Articles 22.5, 22.6 or 22.7) at any time. However
- (a) a removal of a director will not affect any claims that the director may have against the Company for breach of contract or otherwise, and
  - (b) the power to remove a director under this Article 22.11 is in addition to, and without prejudice to, Sections 168 and 169 of the Act

## **23. TERMINATION OF DIRECTOR'S APPOINTMENT**

23 1 The directors do not need to retire by rotation

23 2 A person ceases to be a director as soon as.

- (a) that person ceases to be a director by virtue of any provision of the Act or is prohibited from being a director by law,
- (b) that person is removed from office by special resolution of the Members,
- (c) a bankruptcy order is made against that person,
- (d) a composition is made with that person's creditors generally in satisfaction of that person's debts,
- (e) 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,
- (f) by reason of that person's mental health, a court makes an order which wholly or partly prevents that person from personally exercising any powers or rights which that person would otherwise have;
- (g) notification is received by the Company from the director that the director is resigning from office, and such resignation has taken effect in accordance with its terms

## **24. DIRECTORS' REMUNERATION**

24 1 Directors may undertake any services for the Company that the directors decide

24 2 Directors are entitled to such remuneration as the directors determine

- (a) for their services to the Company as directors, and
- (b) for any other service which they undertake for the Company

24 3 Subject to the Articles, a director's remuneration may

- (a) take any form, and
- (b) 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

24 4 Unless the directors decide otherwise, directors' remuneration accrues from day to day.

- 24 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

## **25. DIRECTORS' EXPENSES**

- 25 1 The Company may pay any reasonable expenses which the directors (including alternate directors) and the secretary properly incur in connection with their attendance at.

- (a) meetings of directors or committees of directors,
- (b) general meetings, or
- (c) separate meetings of the holders of any class of shares or of debentures of the Company,

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

## **ALTERNATE DIRECTORS**

## **26. APPOINTMENT AND REMOVAL OF ALTERNATE DIRECTORS**

- 26 1 Any director (the "**appointor**") may appoint as an alternate any other director, or any other person approved by resolution of the directors (such approval not to be unreasonably withheld), to

- (a) exercise that director's powers; and
- (b) carry out that director's responsibilities,

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

- 26 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.

- 26 3 The notice must

- (a) identify the proposed alternate, and
- (b) 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

## **27. RIGHTS AND RESPONSIBILITIES OF ALTERNATE DIRECTORS**

27 1 An alternate director may act as alternate director to more than one director and has the same rights in relation to any decision of the directors as the alternate's appointor

27 2 Except as the Articles specify otherwise, alternate directors

- (a) are deemed for all purposes to be directors;
- (b) are liable for their own acts and omissions,
- (c) are subject to the same restrictions as their appointors, and
- (d) are not deemed to be agents of or for their appointors

and, in particular (without limitation), each alternate director shall be entitled to receive notice of all meetings of directors and of all meetings of committees of directors of which his appointor is a Member.

27 3 A person who is an alternate director but not a director

- (a) may be counted as participating for the purposes of determining whether a quorum is present (but only if that person's appointor is not participating),
- (b) may participate in a unanimous decision of the directors (but only if his appointor is an eligible director in relation to that decision, but does not participate), and
- (c) shall not be counted as more than one director for the purposes of Articles 27 3(a) and (b)

27 4 A director who is also an alternate director is entitled, in the absence of his appointor, to a separate vote on behalf of his appointor, in addition to his own vote on any decision of the directors (provided that his appointor is an eligible director in relation to that decision), but shall not count as more than one director for the purposes of determining whether a quorum is present, irrespective of how many directors he represents

27 5 An alternate director is not entitled to receive any remuneration from the Company for serving as an alternate director except such part of the alternate's appointor's remuneration as the appointor may direct by notice in writing made to the Company.

## **28. TERMINATION OF ALTERNATE DIRECTORSHIP**

An alternate director's appointment as an alternate terminates

28 1 when the alternate's appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate,

- 28 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,
- 28 3 on the death of the alternate's appointor, or
- 28 4 when the alternate's appointor's appointment as a director terminates

## **29. SECRETARY**

The directors may appoint any person who is willing to act as the secretary for such term, at such remuneration and upon such conditions as they may think fit and from time to time remove such person and, if the directors so decide, appoint a replacement, in each case by a decision of the directors

## **SHARES**

### **30. LIEN**

- 30 1 The Company shall have a first and paramount lien on every share (not being a fully paid share) for all moneys (whether presently payable or not) payable at a fixed time or called in respect of that share. The directors may at any time declare any share to be wholly or in part exempt from the provisions of this Article. The Company's lien on a share shall extend to any amount payable in respect of it
- 30 2 The Company may sell in such manner as the directors determine any shares on which the Company has a lien if a sum in respect of which the lien exists is presently payable and is not paid within fourteen clear days after notice has been given to the holder of the share or to the person entitled to it in consequence of the death or bankruptcy of the holder, demanding payment and stating that if the notice is not complied with the shares may be sold.
- 30.3 To give effect to a sale under this Article 30 the directors may authorise some person to execute an instrument of transfer of the shares sold to, or in accordance with the directions of, the purchaser. The title of the transferee to the shares shall not be affected by any irregularity in or invalidity of the proceedings in reference to the sale.
- 30 4 The net proceeds of the sale, after payment of the costs, shall be applied in payment of so much of the sum for which the lien exists as is presently payable, and any residue shall (upon surrender to the Company for cancellation of the certificate for the shares sold and subject to a like lien for any moneys not presently payable as existed upon the shares before the sale) be paid to the person entitled to the shares at the date of the sale

### **31. CALLS ON SHARES AND FORFEITURE**

- 31 1 Subject to the terms of allotment, the directors may make calls upon the Members in respect of any moneys unpaid on their shares (whether in respect of nominal value or premium) and each Member shall (subject to receiving at least fourteen clear days' notice specifying when and where payment is to be

made) pay to the Company as required by the notice the amount called on his shares. A call may be required to be paid by instalments. A call may, before receipt by the Company of any sum due thereunder, be revoked in whole or part and payment of a call may be postponed in whole or part. A person upon whom a call is made shall remain liable for calls made upon him notwithstanding the subsequent transfer of the shares in respect whereof the call was made.

- 31.2 A call shall be deemed to have been made at the time when the resolution of the directors authorising the call was passed
- 31.3 The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
- 31.4 If a call remains unpaid after it has become due and payable the person from whom it is due and payable shall pay interest on the amount unpaid from the day it became due and payable until it is paid at the rate fixed by the terms of allotment of the share or in the notice of the call or, if no rate is fixed, at the appropriate rate (as defined by the Act) but the directors may waive payment of the interest wholly or in part
- 31.5 An amount payable in respect of a share on allotment or at any fixed date, whether in respect of nominal value or premium or as an instalment of a call, shall be deemed to be a call and if it is not paid the provisions of the Articles shall apply as if that amount had become due and payable by virtue of a call
- 31.6 Subject to the terms of allotment, the directors may make arrangements on the issue of shares for a difference between the holders in the amounts and times of payment of calls on their shares
- 31.7 If a call remains unpaid after it has become due and payable the directors may give to the person from whom it is due not less than fourteen clear days' notice requiring payment of the amount unpaid together with any interest which may have accrued. The notice shall name the place where payment is to be made and shall state that if the notice is not complied with the shares in respect of which the call was made will be liable to be forfeited
- 31.8 If the notice is not complied with any share in respect of which it was given may, before the payment required by the notice has been made, be forfeited by a resolution of the directors and the forfeiture shall include all dividends or other moneys payable in respect of the forfeited shares and not paid before the forfeiture
- 31.9 Subject to the provisions of the Act, a forfeited share may be sold, re-allotted or otherwise disposed of on such terms and in such manner as the directors determine either to the person who was before the forfeiture the holder or to any other person and at any time before sale, re-allotment or other disposition, the forfeiture may be cancelled on such terms as the directors think fit. Where for the purposes of its disposal a forfeited share is to be transferred to any person the directors may authorise some person to execute an instrument of transfer of the share to that person

31 10 A person any of whose shares have been forfeited shall cease to be a Member in respect of them and shall surrender to the Company for cancellation the certificate for the shares forfeited but shall remain liable to the Company for all moneys which at the date of forfeiture were presently payable by him to the Company in respect of those shares with interest at the rate at which interest was payable on those moneys before the forfeiture or, if no interest was so payable, at the appropriate rate (as defined in the Act) from the date of forfeiture until payment but the directors may waive payment 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

31 11 A statutory declaration by a director or the secretary that a share has been forfeited on a specified date shall be conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share and the declaration shall (subject to the execution of an instrument of transfer if necessary) constitute a good title to the share and the person to whom the share is disposed of shall not be bound to see to the application of the consideration, if any, nor shall his title to the share be affected by any irregularity in or invalidity of the proceedings in reference to the forfeiture or disposal of the share.

## **32. POWERS TO ISSUE DIFFERENT CLASSES OF SHARE AND CONVERSION OF SHARES**

32 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 of the Members and set out in the Articles

32 2 The Company has the power to convert and reclassify shares from one class to another by ordinary resolution

## **33. COMPANY NOT BOUND BY LESS THAN ABSOLUTE INTERESTS**

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

## **34. PRE-EMPTION RIGHTS**

34 1 Save in respect of Shares issued pursuant to the Options, which the directors will be free to issue (without having to comply with the provisions of this Article), if the directors want to issue Shares, they must first offer the Shares to the Members of the Company in proportion (so far as possible) to the numbers of Shares currently held by them. The offer shall be at the same price and on the same terms to each Member and shall be made by notice sent by the directors to the Members which gives details of the number of Shares offered and giving a deadline before which the Members must accept the offer. The deadline must be more than thirty (30) days after the day the notice was

sent to the Members After the deadline, the Members who have not responded to the offer will be deemed to have refused it

After the deadline, any Shares which have not been accepted by Members will be offered to the Members who accepted the original offer in proportion to their current Shareholding This offer will be made in the same manner as the original offer.

34 2 Any Shares which

- (a) have not been accepted by any Members after being offered under Article 34 1; or
- (b) could not be offered under Article 34 1 without being offered in fractions,

may be allotted in accordance with the powers given to the directors pursuant to the Act However, the directors may not deal with the Shares on terms which are more favourable than the terms on which the Shares were originally offered to the Members

34 3 An offer of Shares made to the University pursuant to Article 34.1 shall, as the University directs, entitle either:

- (a) the University, or
- (b) the University Funds or a nominee appointed by the University Funds where the University Funds retain the entire beneficial interest in such Shares,

to subscribe for such Shares

34 4 An offer of Shares made to any Investor (or its Affiliate(s) holding Ordinary Shares) pursuant to Article 34.1 shall, as the Investor directs, entitle either.

- (a) the Investor, or
- (b) any of the Investor's Affiliates (including in the case of the Oxford Funds any Oxford Fund Affiliate) or a nominee appointed by the Investor where the Investor or any of its Affiliates (including in the case of the Oxford Funds any Oxford Fund Affiliate) retain the entire beneficial interest in such Shares

to subscribe for such Shares

34 5 Sections 561 and 562 (inclusive) of the Act shall not apply to the Company.

34 6 The provisions of Article 34 may be disapplied by a resolution of the Company, provided that holders of no less than 90 per cent of the issued share capital of the Company vote in favour of such resolution



34.7 Shares may be held by nominees or custodians on behalf of any of the Investors and these Articles shall be construed accordingly

### **35. SHARE CERTIFICATES**

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

35.2 Every certificate must specify:

- (a) in respect of how many shares, of what class, it is issued,
- (b) the nominal value of those shares,
- (c) that the shares are fully paid, and
- (d) any distinguishing numbers assigned to them

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

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

35.5 Certificates must.

- (a) have affixed to them the Company's common seal, or
- (b) be otherwise executed in accordance with the Act

### **36. REPLACEMENT SHARE CERTIFICATES**

36.1 If a certificate issued in respect of a Member's shares is

- (a) damaged or defaced, or
- (b) said to be lost, stolen or destroyed,

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

36.2 A Member exercising the right to be issued with such a replacement certificate:

- (a) may at the same time exercise the right to be issued with a single certificate or separate certificates,
- (b) must return the certificate which is to be replaced to the Company if it is damaged or defaced, and
- (c) must comply with such conditions as to evidence and indemnity and the payment of a reasonable fee as the directors decide

### **37. TRANSFERRING SHARES**

- 37.1 Shares may be transferred by means of a stock transfer form which is executed by or on behalf of the transferor. If the Shares are not fully paid up, the stock transfer form must also be signed by or on behalf of the transferee.
- 37.2 No fee may be charged for registering any instrument of transfer or other document relating to or affecting the title to any share.
- 37.3 The Company may retain any instrument of transfer which is registered.
- 37.4 Even if a Member has signed a stock transfer form for Shares, the Company will treat him or her as a holder of those Shares until the transferee's name is entered in the Register of Members as the holder of those Shares.
- 37.5 The directors may refuse to register the transfer of a share, and if they do so, 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.
- 37.6 The directors shall not register a transfer of any Shares unless the transfer is in accordance with this Article 37.6. However, if the Qualifying Parties agree in writing, the restrictions in this Article 37.6 may be waived, for example, to facilitate a trade sale, merger or public offering, or in other circumstances where it is appropriate to introduce a new Member as purchaser of an outgoing Member's Shares. The directors shall not in any circumstances register a transfer of any Shares to an infant, a bankrupt or a person of unsound mind. If a transfer is made in accordance with this Article 37.6, the directors shall register it, whether or not the Shares being transferred are fully paid up.
- 37.7 The directors shall register a transfer of Shares, or a transmission of Shares
- (a) by a Member to a relative of a Member,
  - (b) by the personal representatives of a deceased Member to a relative of that Member;
  - (c) by a Member to trustees of a trust created by that Member (by deed or will) where the persons beneficially interested under the trust are
    - (i) that Member, and/or
    - (ii) relatives of that Member, or
  - (d) by trustees of any such trust as referred to above to new trustees provided there is no change in beneficial ownership of the Shares, or
  - (e) by a person to a person who is the beneficial owner of such Shares or (in the case of the legal title only) to a different or additional nominee or trustee on behalf of the beneficial owner, or
  - (f) being a transfer pursuant to a Sale

For the purpose of this Article 37 7, a relative of a Member is their mother or father, or their mother or father's lineal descendants, their husband or wife or their child, adopted child or step-child (provided that such child is over the age of 18).

- 37 8 If a Member ("**the Seller**") wants to transfer their Shares, and Article 37 7 does not apply, they must obtain the prior agreement in writing of the Qualifying Parties and give a written notice to the directors ("**the Transfer Notice**") The Transfer Notice must be accompanied by the Share certificates for the Shares to be transferred It must state both the number and the class of the Shares that the Seller wants to transfer
- 37 9 The Transfer Notice will make the directors the Seller's agents to sell the Seller's Shares The directors will therefore be able to sell the Shares referred to in the Transfer Notice ("**the Sale Shares**") However, the directors may only sell the Sale Shares at the Fair Value How the Fair Value is worked out is explained in Article 37 10. The Seller cannot revoke the Transfer Notice unless the directors agree, or if it is allowed by this Article 37 9.
- 37 10 The Fair Value will be agreed between the Seller and the directors within fourteen (14) days after the directors have received the Transfer Notice. If agreement cannot be reached, the Company's auditors will decide what the Fair Value is In doing this, the Company's auditors will act as experts and not as arbitrators Their decision will be binding on both the directors and the Seller In making their determination, the auditors will value the Sale Shares on the basis of an arms length transaction between willing seller and buyer. The calculation of the Fair Value by the auditors will be on a "pro rata" basis It will not include any premium for a majority interest or a discount for a minority interest
- 37 11 If the agreement in writing of the Qualifying Parties has been given and once the Fair Value has been worked out, the directors shall offer the Sale Shares to all the Members (other than the Seller) in proportion (as far as possible) to the number of Shares held by them They will do this by giving written notice ("**the Offer Notice**") The Offer Notice will give the Fair Value and ask each Member to respond to the Offer Notice within fourteen (14) days saying,
- (a) how many Shares they want to buy, and
  - (b) how many extra Shares they would want to buy, if they become available
- 37 12 If the Members do not accept the offer to buy all of the Shares, the surplus Shares shall be used to satisfy the claims of the Members who said in their response to the Offer Notice that they wanted extra Shares. The surplus Shares will be offered to those Members in proportion to the number of Shares held by each of them However, a Member will not have to take more Shares than they wanted If any of the Sales Shares cannot be offered to the Members without being divided into fractions, the directors will decide who those Sale Shares shall be offered to

37 13 Once the fourteen (14) day period after the Offer Notice has ended, the directors will send a written notice to the Seller stating the number of Sale Shares that the Members want to buy ("**the Sale Notice**") If the Members wish to buy some, but not all, of the Sale Shares, the Seller may withdraw the Transfer Notice. The Seller must do this by giving written notice to the directors ("**the Counter Notice**") within twenty one (21) days of receiving the Sale Notice.

37 14 If Members are willing to buy all of the Sale Shares, or if the Seller has not sent a Counter Notice within the twenty one (21) day period, the Seller must transfer the Sale Shares to the Members specified in the Sale Notice However, the Seller does not have to transfer the Sale Shares until he or she has been offered payment for all of them

37 15 If the Seller must transfer the Sale Shares, but does not, then

- (a) the directors shall authorise a person to execute stock transfer forms for the Sales Shares in favour of the buying Members,
- (b) the directors will (subject to stamping of the stock transfer forms) enter the names of the buying Members in the Register of Members as the holders of the Sale Shares in accordance with the Sale Notice, and
- (c) the Company can receive and give a good discharge for any payment for the Sale Shares

The Company will hold any money received for the Sale Shares in a separate bank account as trustee for the Seller The Company will pay the Seller that money on demand. The Company does not have to pay the Seller any interest on the money

37 16 The Seller may sell and transfer any Sale Shares not sold to Members under this Article 37 16 to any person but only with the prior written consent of the Qualifying Parties. Furthermore

- (a) the Seller must send the directors a copy of the terms of sale of the Sale Shares,
- (b) the Seller cannot sell the Sale Shares on better terms than the terms that were offered to the Members, and
- (c) any sale must be within six (6) months after the date of the Sale Notice,

37 17 The directors may ask the following people to give the Company any information or evidence that they feel is necessary to ensure that a transfer of Shares complies with this Article 37 17

- (a) a Member,
- (b) a Member's trustee in bankruptcy,

- (c) a deceased Member's personal representative,
- (d) a corporate Member's liquidator, or
- (e) a person named as a transferee in a stock transfer form lodged with the Company for a registration.

If

- (a) the directors do not get the information or evidence they have asked for within a reasonable time, or
- (b) the information or evidence that they do receive shows that a Transfer Notice ought to be given for Shares,

then the directors may resolve that the Member must transfer the Shares concerned. If they do this, the Member who is shown in the Register of Members as holding the Shares will be deemed to have served a Transfer Notice.

37 18 Notwithstanding any other provision of these Articles

- (a) the University may transfer Shares to any of its Group Companies or Affiliates provided that if such transferee ceases to be its Group Company or Affiliate the transferor shall procure that the Shares are immediately transferred back to it or another Group Company or Affiliate or to any University Fund,
- (b) East Hill may transfer Shares to any of its Group Companies or Affiliates provided that if such transferee ceases to be its Group Company or Affiliate the transferor shall procure that the Shares are immediately transferred back to it or another Group Company or Affiliate,
- (c) the OCP Fund may transfer Shares to any of the OCP Fund Affiliates provided that if such transferee ceases to be an OCP Fund Affiliate the transferor shall procure that the Shares are immediately transferred back to it or another OCP Fund Affiliate,
- (d) if the OCP Fund is wound up in accordance with its terms, Shares held by or on behalf of the OCP Fund may be transferred (or remain held by) the investors of the OCP Fund (or their nominees) at the date the OCP Fund is wound up, notwithstanding that such investor would no longer be an OCP Fund Affiliate.

37 19 Any Shares offered under this Article to the Oxford Funds may be taken up by any of the Oxford Funds whether or not they are then an existing Member.

37 20 Any Shares offered under this Article to the Isis College Funds may be taken up by any of the Isis College Funds whether or not they are then an existing Shareholder.

### **38. TRANSMISSION OF SHARES**

38 1 If title to a share passes to a transmittee, the Company may only recognise the transmittee as having any title to that share

38 2 A transmittee who produces such evidence of entitlement to shares as the directors may properly require

(a) may, subject to the Articles, choose either to become the holder of those shares or to have them transferred to another person; and

(b) subject to the Articles, and pending any transfer of the shares to another person, has the same rights as the holder had

38.3 But, subject to Article 22 3, transmittees do not have the right to attend or vote at a general meeting, or agree to a proposed written resolution, in respect of shares to which they are entitled, by reason of the holder's death or bankruptcy or otherwise, unless they become the holders of those shares

### **39. EXERCISE OF TRANSMITTEES' RIGHTS**

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

39 2 If the transmittee wishes to have a share transferred to another person, the transmittee must execute an instrument of transfer in respect of it

39 3 Any transfer made or executed under this Article is to be treated as if it were made or executed by the person from whom the transmittee has derived rights in respect of the share, and as if the event which gave rise to the transmission had not occurred

### **40. TRANSMITTEES BOUND BY PRIOR NOTICES**

If a notice is given to a Member in respect of shares and a transmittee is entitled to those shares, the transmittee is bound by the notice if it was given to the Member before the transmittee's name, or the name of any person nominated under Article 38 2, has been entered in the register of Members

### **41. COME ALONG OPTION**

41 1 If any one or more Members (together the "Selling Shareholders") wish to sell on arm's length terms any interest in Shares which would result in a Special Change of Control, the Selling Shareholders (or, after the transfer by them of their Shares to the Acquirer resulting in the Special Change of Control, the Acquirer) shall have the option ("the Come Along Option") to require all the other holders of Shares and any persons who become Members after the service of the notice referred to in Article 41.2 to transfer all their Shares to the Acquirer or as the Acquirer shall direct in accordance with this Article 41

41 2 The Selling Shareholders or the Acquirer may exercise the Come Along Option by giving notice to that effect (a "Come Along Notice") to all such

other Shareholders and any persons who become Members after the service of the Come Along Notice (together the "Called Shareholders") at any time after the Selling Shareholders have agreed to transfer the Shares held by them giving rise to the Special Change of Control. A Come Along Notice shall specify that the Called Shareholders are required to transfer all their Shares (the "Called Shares") pursuant to Article 41.1, the price at which the Called Shares are to be transferred (calculated in accordance with Article 41.4) and the proposed date of transfer.

- 41.3 A Come Along Notice is irrevocable but the Come Along Notice and all obligations thereunder will lapse if the Come Along Notice is given before the transfer of Shares resulting in the Special Change of Control and for any reason there is not a Special Change of Control caused by a transfer of Shares by the Selling Shareholders to the Acquirer within 3 months of the date of the Come Along Notice.
- 41.4 The Called Shareholders shall be obliged to sell the Called Shares at the price per Share at which the relevant transfer of Shares referred to in Article 41.1 takes place or took place.
- 41.5 Completion of the sale of the Called Shares shall take place on the date specified for that purpose by the Selling Shareholders or the Acquirer except that
- (a) such person may not specify a date that is less than 14 days after the date of the Come Along Notice,
  - (b) if the Come Along Notice is given by the Selling Shareholders, the date so specified by the Selling Shareholders shall be the same date as the date proposed for completion of the sale of the Shares giving rise to the Special Change of Control,

unless all of the Called Shareholders, the Selling Shareholders and the Acquirer agree otherwise.

- 41.6 If any of the Called Shareholders shall make default in selling its Called Shares in accordance with this Article 41, any director of the Acquirer or some other person duly nominated by resolution of the Company's directors for that purpose shall forthwith be deemed to be the duly appointed attorney of such Called Shareholders with such power to execute, complete and deliver in the name and on behalf of such Called Shareholders a transfer of the relevant Called Shares and any such director or other person may receive and give a good discharge of the purchase money on behalf of such Called Shareholders and (subject to the transfer being duly stamped) enter the name of the third party in the Register of Members as the holder or holders by transfer of the Called Shares so purchased by him or them. The Company shall forthwith pay the purchase money into a separate bank account in the Company's name and shall hold such money on trust (but without interest) for such Called Shareholders until they shall deliver up a certificate or certificates for the relevant Shares to the Company and they shall thereupon be paid the purchase money.

## **42. MAJORITY CHANGE OF CONTROL**

- 42 1 Notwithstanding any other provision in these Articles, no sale or transfer or other disposition of any interest in any Share shall have any effect, if it would result in a Majority Change of Control, unless before the transfer is lodged for registration the Acquirer has made a bona fide offer in accordance with this Article 42 to purchase at the Specified Price (as defined in Article 42 3) all the Shares held by the Members (except any Member which has expressly waived its right to receive such an offer for the purpose of this Article 42)
- 42 2 An offer made under Article 42 1 shall be in writing open for acceptance for at least 21 days, and shall be deemed to be rejected by any Member who has not accepted it in accordance with its terms within 21 days and the consideration under such an offer shall be settled in full on completion of the purchase and within 30 days of the date of the offer
- 42 3 For the purposes of Article 42 1.
- (a) the expressions "transfer", "transferor" and "transferee" include respectively the renunciation of a renounceable letter of allotment and any renouncer and renounee of such letter,
  - (b) the expression "Specified Price" means a price per Share equal to the highest price paid or payable by the Acquirer or persons acting in concert with him or connected with him for any Shares within the last 6 months plus an amount equal to the relevant proportion of any other consideration (in cash or otherwise) received or receivable by the holders of the specified Shares which, having regard to the substance of the transaction as a whole, can reasonably be regarded as part of the overall consideration paid or payable for the specified Shares,
  - (c) If any part of the Specified Price is payable otherwise than in cash any Member may require, as a condition of his acceptance of the offer made under this Article 42, to receive in cash on transfer all or any of the price offered for the Shares sold by him pursuant to the offer

## **43. SELL ALONG**

Notwithstanding any other provisions of these Articles, no Member will (either acting alone or in concert with any other Member or Members) transfer or agree to transfer any interest in any Shares to any person who is not already a Member unless such person makes an irrevocable offer, open for acceptance for not less than thirty (30) days, to acquire the same proportion of Shares from the other Members as such person intends to acquire from the selling Members, at the highest price per Share and on terms no less favourable than those offered to the selling Members



## DIVIDENDS AND OTHER DISTRIBUTIONS

### 44. PROCEDURE FOR DECLARING DIVIDENDS

- 44 1 The Company may by ordinary resolution declare dividends, and the directors may decide to pay interim dividends
- 44 2 A dividend must not be declared unless the directors have made a recommendation as to its amount. Such a dividend must not exceed the amount recommended by the directors
- 44 3 No dividend may be declared or paid unless it is in accordance with Members' respective rights
- 44 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.
- 44 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
- 44.6 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.
- 44.7 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.

### 45. PAYMENT OF DIVIDENDS AND OTHER DISTRIBUTIONS

- 45 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
- (a) transfer to a bank or building society account specified by the distribution recipient in writing,
  - (b) 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 in writing,
  - (c) sending a cheque made payable to such person by post to such person at such address as the distribution recipient has specified in writing, or
  - (d) any other means of payment as the directors agree with the distribution recipient in writing

45 2 In the Articles, the “**distribution recipient**” means, in respect of a share in respect of which a dividend or other sum is payable

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

#### **46. 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:

- 46.1 the terms on which the share was issued, or
- 46 2 the provisions of another agreement between the holder of that share and the Company

#### **47. UNCLAIMED DISTRIBUTIONS**

47 1 All dividends or other sums which are

- (a) payable in respect of shares, and
- (b) 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.

47 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

47 3 If

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

#### **48. NON-CASH DISTRIBUTIONS**

48 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)

48 2 For the purposes of paying a non-cash distribution, the directors may make whatever arrangements they think fit, including, where any difficulty arises regarding the distribution

- (a) fixing the value of any assets,
- (b) paying cash to any distribution recipient on the basis of that value in order to adjust the rights of recipients, and
- (c) vesting any assets in trustees

#### **49. 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

49 1 the share has more than one holder; or

49 2 more than one person is entitled to the share, whether by reason of the death or bankruptcy of one or more joint holders, or otherwise,

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

#### **CAPITALISATION OF PROFITS**

#### **50. AUTHORITY TO CAPITALISE AND APPROPRIATION OF CAPITALISED SUMS**

50 1 Subject to the Articles, the directors may, if they are so authorised by an ordinary resolution

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

50 2 Capitalised sums must be applied

- (a) on behalf of the persons entitled, and
- (b) in the same proportions as a dividend would have been distributed to them

- 50 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
- 50 4 A capitalised sum which was appropriated from profits available for distribution may be applied in paying up new debentures of the Company which are then allotted credited as fully paid to the persons entitled or as they may direct
- 50 5 Subject to the Articles the directors may
- (a) apply capitalised sums in accordance with paragraphs 50 3 and 50 4 partly in one way and partly in another,
  - (b) 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
  - (c) 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.

#### DECISION-MAKING BY SHAREHOLDERS

#### ORGANISATION OF GENERAL MEETINGS

### 51. NOTICE OF GENERAL MEETING

- 51.1 A notice which calls a general meeting does not need to specify the general nature of the business to be transacted, unless there is special business All business transacted at a general meeting or at a general meeting shall be deemed to be special other than
- (a) declaring a dividend,
  - (b) consideration of accounts, balance sheets and reports of the directors and auditors, and
  - (c) the fixing of the remuneration of the auditors at a general meeting

51 2 All notices of general meetings shall give information to Members about their right to appoint a proxy in accordance with Section 325 of the Act

51 3 All notices and other communications relating to a general meeting which a Member is entitled to receive shall also be sent to the directors and the auditors.

### 52. ATTENDANCE AND SPEAKING AT GENERAL MEETINGS

52 1 A person is able to exercise the right to speak at a general meeting when that person is in a position to communicate to all those attending the meeting,

during the meeting, any information or opinions which that person has on the business of the meeting

- 52 2 A person is able to exercise the right to vote at a general meeting when
- (a) that person is able to vote, during the meeting, on resolutions put to the vote at the meeting, and
  - (b) that person's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting.
- 52 3 The directors may make whatever arrangements they consider appropriate to enable those attending a general meeting to exercise their rights to speak or vote at it
- 52 4 In determining attendance at a general meeting, it is immaterial whether any two or more Members attending it are in the same place as each other.
- 52 5 Two or more persons who are not in the same place as each other attend a general meeting if their circumstances are such that if they have (or were to have) rights to speak and vote at that meeting, they are (or would be) able to exercise them

### **53. QUORUM FOR GENERAL MEETINGS**

- 53 1 A quorum shall be three (3) persons, present at the time when the meeting proceeds to business and entitled to vote upon the business to be transacted, each being a Member or a proxy for a Member or a duly authorised representative of a corporation.
- 53 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

### **54. CHAIRING GENERAL MEETINGS**

- 54 1 If the directors have appointed a chairman, the chairman shall chair general meetings if present and willing to do so
- 54 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
- (a) the directors present, or
  - (b) (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

54 3 The person chairing a meeting in accordance with this Article is referred to as "the chairman of the meeting"

## **55. ATTENDANCE AND SPEAKING BY DIRECTORS AND NON-MEMBERS**

55.1 Directors may attend and speak at general meetings, whether or not they are Members

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

(a) Members of the Company, or

(b) otherwise entitled to exercise the rights of Members in relation to general meetings,

to attend and speak at a general meeting

## **56. ADJOURNMENT**

56 1 If the persons attending a general meeting within half an hour of the time at which the meeting was due to start do not constitute a quorum, or if during a meeting a quorum ceases to be present, the chairman of the meeting must adjourn it.

56 2 The chairman of the meeting may adjourn a general meeting at which a quorum is present if

(a) the meeting consents to an adjournment, or

(b) 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

56 3 The chairman of the meeting must adjourn a general meeting if directed to do so by the meeting

56 4 When adjourning a general meeting, the chairman of the meeting must

(a) 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

(b) have regard to any directions as to the time and place of any adjournment which have been given by the meeting

56 5 If the continuation of an adjourned meeting is to take place more than 14 days after it was adjourned, the Company must give at least 7 clear days' notice of it (that is, excluding the day of the adjourned meeting and the day on which the notice is given)

- (a) to the same persons to whom notice of the Company's general meetings is required to be given, and
  - (b) containing the same information which such notice is required to contain
- 56 6 No business may be transacted at an adjourned general meeting which could not properly have been transacted at the meeting if the adjournment had not taken place
- 56 7 If, at the adjourned meeting, a quorum is not present within half an hour of the scheduled time, the meeting shall be dissolved

## VOTING AT GENERAL MEETINGS

### **57. VOTING: GENERAL**

A resolution put to the vote of a general meeting must be decided on a show of hands unless a poll is duly demanded in accordance with the Articles. In either case, votes may be given personally or by proxy

### **58. ERRORS AND DISPUTES**

- 58 1 No objection may be raised to the qualification of any person voting at a general meeting except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting is valid.
- 58 2 Any such objection must be referred to the chairman of the meeting, whose decision is final.

### **59. POLL VOTES**

- 59 1 A poll on a resolution may be demanded
  - (a) in advance of the general meeting where it is to be put to the vote, or
  - (b) 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
- 59 2 A poll may be demanded at any general meeting by any qualifying person (as defined in Section 318 of the Act) present and entitled to vote at the meeting
- 59 3 A demand for a poll may be withdrawn if
  - (a) the poll has not yet been taken, and
  - (b) the chairman of the meeting consents to the withdrawal

A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made

- 59 4 Polls must be taken immediately and in such manner as the chairman of the meeting directs

## **60. CONTENT OF PROXY NOTICES**

- 60 1 Proxies may only validly be appointed by a notice in writing (a "proxy notice") which.

- (a) states the name and address of the Member appointing the proxy;
- (b) identifies the person appointed to be that Member's proxy and the general meeting in relation to which that person is appointed,
- (c) is signed by or on behalf of the Member appointing the proxy, or is authenticated in such manner as the directors may determine, and
- (d) is delivered to the Company in accordance with the Articles not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in accordance with any instructions contained in the notice of the general meeting (or adjourned meeting) to which they relate

and a proxy notice which is not delivered in such manner shall be invalid unless the directors, in their discretion, accept the notice at any time before the meeting

- 60 2 The Company may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes

- 60 3 Proxy notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions

- 60 4 Unless a proxy notice indicates otherwise, it must be treated as:

- (a) 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
- (b) appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself

## **61. DELIVERY OF PROXY NOTICES**

- 61 1 A person who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a general meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid proxy notice has been delivered to the Company by or on behalf of that person.

- 61 2 An appointment under a proxy notice may be revoked by delivering to the Company a notice in writing given by or on behalf of the person by whom or on whose behalf the proxy notice was given



61 3 A notice revoking a proxy appointment only takes effect if it is delivered before the start of the meeting or adjourned meeting to which it relates

61 4 If a proxy notice is not executed by the person appointing the proxy, it must be accompanied by written evidence of the authority of the person who executed it to execute it on the appointor's behalf

## **62. AMENDMENTS TO RESOLUTIONS**

62 1 An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if

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

(b) the proposed amendment does not, in the reasonable opinion of the chairman of the meeting, materially alter the scope of the resolution

62 2 A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if

(a) the chairman of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed, and

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

62 3 If the 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

## **ADMINISTRATIVE ARRANGEMENTS**

### **63. MEANS OF COMMUNICATION TO BE USED**

63 1 Subject to the Articles, anything sent or supplied by or to the Company under the Articles may be sent or supplied in any way in which the Act provides for documents or information which are authorised or required by any provision of the Act to be sent or supplied by or to the Company

63 2 Any notice, document or other information shall be deemed served on or delivered to the intended recipient

(a) if properly addressed and sent by prepaid United Kingdom first class post to an address in the United Kingdom, 48 hours after it was posted (or five business days after posting either to an address outside the United Kingdom or from outside the United Kingdom to an address within the United Kingdom if (in each case) sent by reputable international overnight courier addressed to the intended recipient, provided that delivery in at least five business days was guaranteed at

the time of sending and the sending party receives a confirmation of delivery from the courier service provider),

- (b) if properly addressed and delivered by hand, when it was given or left at the appropriate address;
- (c) if properly addressed and sent or supplied by electronic means, one hour after the document or information was sent or supplied, and
- (d) if sent or supplied by means of a website, when the material is first made available on the website or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on the website

For the purposes of this Article, no account shall be taken of any part of a day that is not a working day

- 63 3 In proving that any notice, document or other information was properly addressed, it shall be sufficient to show that the notice, document or other information was delivered to an address permitted for the purpose by the Act
- 63 4 Subject to the Articles, any notice or document to be sent or supplied to a director in connection with the taking of decisions by directors may also be sent or supplied by the means by which that director has asked to be sent or supplied with such notices or documents for the time being.
- 63 5 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

#### **64. COMPANY SEALS**

- 64 1 Any common seal may only be used by the authority of the directors
- 64 2 The directors may decide by what means and in what form any common seal is to be used
- 64 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
- 64 4 For the purposes of this Article, an authorised person is.
  - (a) any director of the Company,
  - (b) the Company secretary (if any), or
  - (c) any person authorised by the directors for the purpose of signing documents to which the common seal is applied.

64 5 The Company is authorised under Section 49 of the Act to have one or more official seals which can be used outside the United Kingdom. The directors may exercise this power.

## **65. 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.

## **66. 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.

## **67. FAILURE TO NOTIFY CONTACT DETAILS**

67 1 If

- (a) the Company sends two consecutive documents to a Member over a period of at least 12 months, and
- (b) 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

67 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

- (a) a new address to be recorded in the register of Members, or
- (b) 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.

## **DIRECTORS' INDEMNITY AND INSURANCE**

### **68. INDEMNITY**

68 1 Subject to paragraph 68.2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled

- (a) each relevant officer shall be indemnified out of the Company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a relevant officer
  - (i) in the actual or purported execution and/or discharge of his duties, or in relation to them; and

- (ii) in relation to the Company's (or any associated Company's) activities as trustee of an occupational pension scheme (as defined in Section 235(6) of the Act),

including (in each case) any liability incurred by him in defending any civil or criminal proceedings, in which judgment is given in his favour or in which he is acquitted or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part or in connection with any application in which the court grants him, in his capacity as a relevant officer, relief from liability for negligence, default, breach of duty or breach of trust in relation to the Company's (or any associated Company's) affairs; and

- (b) the Company may provide any relevant officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings or application referred to in Article 68 1(a) and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure

68 2 This Article 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

68 3 In this Article

- (a) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate, and
- (b) a "**relevant officer**" means any director or other officer or former director or other officer of the Company or an associated Company (including any Company which is a trustee of an occupational pension scheme (as defined by Section 235(6) of the Act, but excluding in each case any person engaged by the Company (or associated Company) as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor)

## 69. INSURANCE

69 1 The directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any relevant officer in respect of any relevant loss

69.2 In this Article

- (a) a "**relevant officer**" means any director or other officer or former director or other officer of the Company or an associated Company (including any such Company which is a trustee of an occupational pension scheme (as defined by Section 235(6) of the Act, but excluding in each case any person engaged by the Company (or associated Company) as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor);

- (b) a “**relevant loss**” means any loss or liability which has been or may be incurred by a relevant officer in connection with that relevant officer’s duties or powers in relation to the Company, any associated Company or any pension fund or employees’ share scheme of the Company or associated Company, and
- (c) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate

## WINDING UP

### 70. WINDING UP

- 70.1 On a return of capital on a winding up or otherwise the Company's assets available for distribution among the Members shall be applied as follows
- (a) first in repayment of the aggregate of the nominal amount of the ordinary Shares and any premium paid on subscription for them,
  - (b) second in payment of any declared but unpaid dividends up to the date of commencement of the winding up or return of capital, and
  - (c) third amongst the holders of the Ordinary Shares in proportion to the number of Ordinary Shares held by them