

The Companies Act 2006

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION
of
PROXIMAGEN GROUP LIMITED
(the "company")

Index to the Articles

THURSDAY



L1FFJHT6

LD1

16/08/2012

#318

COMPANIES HOUSE

Part 1 Interpretation, Limitation of Liability and Allotment of Shares	1
1 Defined terms	1
2 Liability of members	2
3 Allotment of shares	2
4 Further issues of shares, pre-emption rights	2
Part 2 Directors	3
5 Directors' general authority and borrowing powers	3
6 Shareholders' reserve power	3
7 Directors may delegate	3
8 Committees	3
9 Directors to take decisions collectively	4
10 Written resolutions	4
11 Calling a directors' meeting	4
12 Participation in directors' meetings	5
13 Quorum for directors' meetings	5
14 Chairing of directors' meetings	6
15 Casting vote	6
16 Permitted interests and voting	6
17 Directors' interests other than in relation to transactions or arrangements with the company	7
18 Records of decisions to be kept	8
19 Directors' discretion to make further rules	8
20 Methods of appointing directors	9
21 Termination of director's appointment	9
22 Directors' remuneration	10
23 Directors' expenses	10
Part 3 Shares and Distributions	10
24 All shares to be fully paid up	11
25 Powers to issue different classes of share	11
26 Company not bound by less than absolute interests	11
27 Share certificates	11
28 Replacement share certificates	11
29 Share transfers	12
30 Scheme of Arrangement	12
31 Transmission of shares	13
32 Exercise of transmitters' rights	14
33 Transmitters bound by prior notices	14
34 Procedure for declaring dividends	14
35 Payment of dividends and other distributions	15
36 No interest on distributions	15
37 Unclaimed distributions	15

38	Non-cash distributions	16
39	Waiver of distributions	16
40	Authority to capitalise and appropriation of capitalised sums	16
Part 4	Decision-Making by Shareholders	17
41	Attendance and speaking at general meetings	17
42	Quorum for general meetings	18
43	Chairing general meetings	18
44	Attendance and speaking by directors and non-shareholders	18
45	Adjournment	19
46	Voting general	19
47	Errors and disputes	19
48	Poll votes	20
49	Content of proxy notices	20
50	Delivery of proxy notices	21
51	Amendments to resolutions	21
Part 5	Administrative Arrangements	22
52	Means of communication to be used	22
53	Company seals	22
54	No right to inspect accounts and other records	23
55	Provision for employees on cessation of business	23
56	Indemnity	23
57	Insurance	23

Part 1

Interpretation, Limitation of Liability and Allotment of Shares

1 Defined terms

In these articles, unless the context requires otherwise--

“articles” means the company’s articles of association,

“bankruptcy” includes individual insolvency proceedings in a jurisdiction other than England and Wales or Northern Ireland which have an effect similar to that of bankruptcy,

“chairman” has the meaning given in article 14,

“chairman of the meeting” has the meaning given in article 43,

“Companies Acts” means the Companies Acts (as defined in section 2 of the Companies Act 2006), in so far as they apply to the company,

“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 35,

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

“electronic form” has the meaning given in section 1168 of the Companies Act 2006,

“eligible director” has the meaning given in article 10(3),

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

“hard copy form” has the meaning given in section 1168 of the Companies Act 2006,

“holder” in relation to shares means the person whose name is entered in the register of members as the holder of the shares,

“instrument” means a document in hard copy form,

“ordinary resolution” has the meaning given in section 282 of the Companies Act 2006,

“paid” means paid or credited as paid,

“participate”, in relation to a directors’ meeting, has the meaning given in article 12,

“proxy notice” has the meaning given in article 49,

“**scheme**” means the scheme of arrangement dated 27 June 2012 between the company and holders of the Scheme Shares (as defined in the Scheme) under Part 26 of the Companies Act 2006, in such form as it became fully effective in accordance with its terms,

“**shareholder**” means a person who is the holder of a share,

“**shares**” means shares in the company,

“**special resolution**” has the meaning given in section 283 of the Companies Act 2006,

“**subsidiary**” has the meaning given in section 1159 of the Companies Act 2006,

“**transmittee**” means a person entitled to a share by reason of the death or bankruptcy of a shareholder or otherwise by operation of law,

“**USL**” means USL Pharma International UK Limited, 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

Unless the context otherwise requires, other words or expressions contained in these articles bear the same meaning as in the Companies Act 2006 as in force on the date when these articles become binding on the company

The articles constituting Schedule 1 to the Companies (Model Articles) Regulations 2008 (SI 2008/3229) shall not apply to the company

2 Liability of members

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

3 Allotment of shares

Without prejudice to section 550 of the Companies Act 2006, any offer or agreement made by the directors in respect of any shares in the company, which is made prior to the expiration of the directors’ authority (to exercise any power of the company to offer, allot or otherwise dispose of any shares in the company (or grant any right to subscribe for shares or to convert any security into shares in the company), to such persons, at such times and generally on such terms and conditions as they think proper (in so far as the company by ordinary resolution has not varied, renewed or revoked the said authority)) and which is in all other respects within the terms of such authority, shall be authorised to be made, notwithstanding that such offer or agreement would or might require relevant shares to be allotted after the expiration of such authority and, accordingly, the directors may at any time allot any relevant shares in pursuance of such offer or agreement

4 Further issues of shares; pre-emption rights

In accordance with section 567(1) of the Companies Act 2006, sections 561 and 562 of the Companies Act 2006 shall not apply to an allotment of equity securities (as defined in section 560(1) of the Companies Act 2006) made by the company

Part 2

Directors

Directors' Powers and Responsibilities

5 Directors' general authority and borrowing powers

- (1) Subject to these articles, the directors are responsible for the management of the company's business, for which purpose they may exercise all the powers of the company
- (2) The directors may exercise all the powers of the Company to borrow money and to mortgage or charge its undertaking, property, or any part thereof, and, subject to sections 549, 551 and 559 of the Companies Act 2006, to 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

6 Shareholders' reserve power

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

7 Directors may delegate

- (1) Subject to these articles, the directors may delegate any of the powers which are conferred on them under these 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
- (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
- (3) The directors may revoke any delegation in whole or part, or alter its terms and conditions

8 Committees

- (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 these articles which govern the taking of decisions by directors

- (2) The directors may make rules of procedure for all or any committees, which prevail over rules derived from these articles if they are not consistent with them

Decision-Making by Directors

9 Directors to take decisions collectively

- (1) The general rule about decision-making by directors is that any decision of the directors must be either a majority decision at a meeting or a decision taken in accordance with article 10
- (2) If--
 - (a) the company only has one director for the time being, and
 - (b) no provision of these articles requires it to have more than one director,

the general rule in article 9(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 these articles relating to directors' decision-making

10 Written resolutions

- (1) A decision of the directors is taken in accordance with this article when all eligible directors indicate to each other by any means that they share a common view on a matter
- (2) A unanimous decision of eligible directors may take the form of a resolution in writing, where each eligible director has signed one or more copies of it, or to which each eligible director has otherwise indicated agreement in writing
- (3) References in these articles to "eligible directors" are to directors 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)
- (4) A decision may not be taken in accordance with this article if the eligible directors would not have formed a quorum at such a meeting

11 Calling a directors' meeting

- (1) Any director may call a directors' meeting by giving notice of the meeting to the directors or by authorising the company secretary (if any) to give such notice
- (2) Notice of any directors' meeting must indicate--
 - (a) its proposed date and time,
 - (b) where it is to take place, and
 - (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

- (3) Subject to paragraph (5), notice of a directors' meeting must be given to each director, but need not be in writing
- (4) Notice of a directors' meeting need not be given to directors who waive their entitlement to notice of that meeting, by giving notice to that effect to the company not more than 14 days before or after the date on which the meeting is held. Where such notice is given before or (as the case may be) after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it
- (5) If notice of a directors' meeting is not received by any director due to no fault of the director giving such notice, the validity of the meeting shall not be affected, and the validity of any business conducted at such meeting shall not be affected provided that such matters were approved by a majority of directors who attended that meeting

12 Participation in directors' meetings

- (1) Subject to these 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 these 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
- (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
- (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

13 Quorum for directors' meetings

- (1) At a directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting
- (2) The quorum for directors' meetings may be fixed from time to time by a decision of the directors. Unless otherwise fixed it is one eligible director. For the purposes of any meeting (or part of a meeting) held pursuant to article 17 to authorise a director's conflict, if, notwithstanding any quorum fixed by the directors, there is only one eligible director in office other than the Conflicted Director(s), the quorum for such meeting (or part of a meeting) shall be one eligible director
- (3) If the total number of directors for the time being is less than the quorum required, the directors must not take any decision other than a decision--
 - (a) to appoint further directors, or
 - (b) to call a general meeting so as to enable the shareholders to appoint further directors

14 Chairing of directors' meetings

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

15 Casting vote

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

16 Permitted interests and voting

- (1) Subject to the provisions of the Companies Act 2006, a director may, notwithstanding his office, be a party to or otherwise directly or indirectly interested in any transaction or arrangement with the company, any subsidiary of the company or a company in which the company is interested. Subject to the Companies Act 2006 and these articles, a director may vote on and (whether or not he shall vote) be counted in the quorum in relation to any such transaction or arrangement
- (2) Subject to the provisions of the Companies Act 2006, a director may hold any other office in conjunction with his office of director for such period and upon such other terms as the directors may decide, and may, if a director is not an employee and does not otherwise hold executive office, be paid such extra remuneration for so doing (whether by way of salary, commission, participation in profits or otherwise) as the directors or any committee authorised by the directors may decide, and either in addition to or in lieu of any remuneration provided for by or pursuant to any other article
- (3) Subject to the provisions of the Companies Act 2006, a director may be or become a director or other officer of, or otherwise directly or indirectly interested in, or contract with, any subsidiary of the company or a company in which the company is interested or as regards which the company has any power of appointment. Subject to the Companies Act 2006 and these articles, the directors may also cause any voting power conferred by the shares in any subsidiary of the company or any power of appointment to be exercised in such manner in all respects as they think fit, including (i) the exercise of the voting power or power of appointment in favour of the appointment of the directors or any of them as directors or officers of the subsidiary or company to which the power of appointment relates, and (ii) in favour of the payment of remuneration to the directors or officers of the subsidiary or company to which the power of appointment relates. Subject to the Companies Act 2006 and these articles, a director may also vote on and (whether or not he shall vote) be counted in the quorum in relation to any of such matters

- (4) A director may act by himself or his firm in a professional capacity for the company or its subsidiaries (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a director
- (5) A director shall not vote on or be counted in the quorum in relation to any resolution of the directors or of a committee of the directors concerning his own appointment, or the settlement or variation of the terms or the termination of his own appointment, as the holder of any office or position of profit with the company or any company in which the company is interested but, where proposals are under consideration concerning the appointment, or the settlement or variation of the terms or the termination of the appointment, of two or more directors to an office or position of profit with the company or any company in which the company is interested, a separate resolution may be put in relation to each director and in that case each of the directors concerned shall be entitled to vote and be counted in the quorum in respect of each resolution unless it concerns his own such appointment or the settlement or variation of the terms or the termination of his own such appointment
- (6) A director must promptly disclose to the board the nature and extent of any direct or indirect interest of his to which paragraph (1), (2) or (3) relates

17 Directors' interests other than in relation to transactions or arrangements with the company

- (1) If a situation (a "**Relevant Situation**") arises in which a director (a "**Conflicted Director**") has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the company (including, without limitation, in relation to the exploitation of any property, information or opportunity, whether or not the company could take advantage of it, but excluding any situation which cannot reasonably be regarded as likely to give rise to a conflict of interest) the following provisions shall apply if the conflict of interest does not arise in relation to a transaction or arrangement with the company
 - (a) If a Relevant Situation arises from the appointment or proposed appointment of a person as a director of the company, the directors (other than the Conflicted Director, and any other director with a similar interest, who shall not be counted in the quorum at the meeting and shall not vote on the resolution) may resolve to authorise the appointment of the Conflicted Director and the Relevant Situation on such terms as they may determine, and
 - (b) If the Relevant Situation arises in circumstances other than in paragraph (1)(a), the directors (other than the Conflicted Director, and any other director with a similar interest, who shall not be counted in the quorum at the meeting and shall not vote on the resolution) may resolve to authorise the Relevant Situation and the continuing performance by the Conflicted Director of his duties on such terms as they may determine
- (2) Any reference in paragraph (1) to a conflict of interest includes a conflict of interest and duty and a conflict of duties

- (3) Any terms determined by the directors under paragraph (1) may be imposed at the time of authorisation or may be imposed or varied subsequently and may include (without limitation)
 - (a) whether the Conflicted Director(s) may vote (or be counted in the quorum at a meeting) in relation to any resolution relating to the Relevant Situation,
 - (b) the exclusion of the Conflicted Director(s) from all information and discussion by the company of the Relevant Situation, and
 - (c) (without prejudice to the general obligations of confidentiality) the application to the Conflicted Director(s) of a strict duty of confidentiality to the company for any confidential information of the company in relation to the Relevant Situation
- (4) A Conflicted Director must act in accordance with any terms determined by the directors under paragraph (1)
- (5) Except as specified in paragraph (1), any proposal made to the directors and any authorisation by the directors in relation to a Relevant Situation shall be dealt with in the same way as any other matter may be proposed to and resolved upon by the directors in accordance with the provisions of these articles
- (6) Any authorisation of a Relevant Situation given by the directors under paragraph (1) may provide that, where the Conflicted Director obtains (other than through his position as a director of the company) information that is confidential to a third party, he will not be obliged to disclose it to the company or to use it in relation to the company's affairs in circumstances where to do so would amount to a breach of that confidence
- (7) Subject to the Companies Act 2006 (including for the avoidance of doubt any provision relating to the consequences of breach of the Companies Act 2006), a director shall not, by reason of his holding an office as a director (or of the fiduciary relationship established by holding that office), be liable to account to the company for any remuneration, profit or other benefit resulting from
 - (i) any Relevant Situation authorised under paragraph (1) (subject, in any such case, to any terms upon which such authorisation was given), or
 - (ii) any interest permitted under article 16,

and no contract shall be liable to be avoided on the grounds of any director having any type of interest authorised under paragraph (1) or permitted under article 16

18 Records of decisions to be kept

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

19 Directors' discretion to make further rules

Subject to these 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

20 Methods of appointing directors

- (1) Any person who is willing to act as a director, and is permitted by law to do so, may be appointed to be a director--
 - (a) by ordinary resolution, or
 - (b) by a decision of the directors
- (2) In any case where, as a result of death, the company has no shareholders and no directors, the personal representatives of the last shareholder to have died have the right, by notice in writing, to appoint a person to be a director
- (3) For the purposes of paragraph (2), where two or more shareholders die in circumstances rendering it uncertain who was the last to die, a younger shareholder is deemed to have survived an older shareholder
- (4) Notwithstanding any other provision of these articles, at any time the holders of shares entitled to 75 per cent or more of the votes which may be cast at general meetings of the company may appoint any person who is willing to act as a director, and is permitted by law to do so, by notice in writing to the company
- (5) Subject to article paragraphs (1) and (4), a person may be appointed as a director either to fill a vacancy or as an additional director

21 Termination of director's appointment

- (1) 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 Companies Act 2006 or is prohibited from being a director by law,
 - (b) a bankruptcy order is made against that person,
 - (c) a composition is made with that person's creditors generally in satisfaction of that person's debts,
 - (d) 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,
 - (e) 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, or

- (f) 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
- (2) Notwithstanding any other provision of these articles, at any time the holders of shares entitled to 75 per cent or more of the votes which may be cast at general meetings of the company may remove any director by notice in writing to the company

22 Directors' remuneration

- (1) Directors may undertake any services for the company that the directors decide
- (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
- (3) Subject to these 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
- (4) Unless the directors decide otherwise, directors' remuneration accrues from day to day
- (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

23 Directors' expenses

The company may pay any reasonable expenses which the directors 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

Part 3

Shares and Distributions

Shares

24 All shares to be fully paid up

- (1) No share is to be issued for less than the aggregate of its nominal value and any premium to be paid to the company in consideration for its issue
- (2) This does not apply to shares taken on the formation of the company by the subscribers to the company's memorandum

25 Powers to issue different classes of share

- (1) Subject to these 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
- (2) The company may issue shares which are to be redeemed, or are liable to be redeemed at the option of the company or the holder, and the directors may determine the terms, conditions and manner of redemption of any such shares

26 Company not bound by less than absolute interests

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

27 Share certificates

- (1) The company must issue each shareholder, free of charge, with one or more certificates in respect of the shares which that shareholder holds
- (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
- (3) No certificate may be issued in respect of shares of more than one class
- (4) If more than one person holds a share, only one certificate may be issued in respect of it
- (5) Certificates must--
 - (a) have affixed to them the company's common seal, or
 - (b) be otherwise executed in accordance with the Companies Acts

28 Replacement share certificates

- (1) If a certificate issued in respect of a shareholder's shares is--

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

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

- (2) A shareholder 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, indemnity and the payment of a reasonable fee as the directors decide

29 Share transfers

- (1) Shares may be transferred by means of an instrument of transfer in any usual form or any other form approved by the directors, which is executed by or on behalf of the transferor
- (2) No fee may be charged for registering any instrument of transfer or other document relating to or affecting the title to any share
- (3) The company may retain any instrument of transfer which is registered
- (4) The transferor remains the holder of a share until the transferee's name is entered in the register of members as holder of it
- (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

30 Scheme of Arrangement

- (1) Expressions defined in the scheme shall have the same meanings in this article 30 (save as expressly defined in these articles)
- (2) If any shares are issued or transferred to any person or his nominee (a "**new member**") (other than under the scheme or to USL or its nominee(s)) at or after the Reorganisation Record Time (the "**Post-Scheme Shares**"), they shall be immediately transferred by the holder thereof to USL (or as it may direct) in consideration of the payment by USL of an amount in cash for each Post-Scheme Share and the issue by USL to the new member of one Class II CVR for each Post-Scheme Share as that new member would have been entitled to under the scheme as a holder of those Post-Scheme Shares had they been Scheme Shares in respect of which no valid CVR Election had been made under the scheme, provided that if the company is advised that the allotment and/or issue or transfer of Class II CVRs pursuant to this article 30 would or may infringe the laws of a jurisdiction outside the United Kingdom or would or may require the company, USL or Upsher-Smith to comply with

any governmental or other consent or any registration, filing or other formality or condition (whether or not comprised of or including ongoing requirements) with which the company, USL or Upsher-Smith is unable to comply or compliance with which the company, USL or Upsher-Smith regards as unduly onerous, the company may, in its sole discretion, determine that such new member should receive from USL such amount(s) on such date(s) as USL, acting reasonably, deems appropriate or that USL should take such action as it, acting reasonably, deems appropriate

- (3) The cash payment per share to be paid, and the number of Class II CVRs to be issued to a new member pursuant to article 30(3) may be adjusted by the directors, in such manner as the auditors of the company may determine to be fair and reasonable, on any reorganisation of or material alteration to the share capital of either the company or USL (including, without limitation, any subdivision and/or consolidation) effected on or after the Effective Date. References in this article 30 to shares shall, following such adjustment, be construed accordingly
- (4) To give effect to any transfer of Post-Scheme Shares, the company may appoint (and, separately, to the extent necessary, each new member shall therefore also appoint) any person as the company may determine as attorney (and such appointment shall be irrevocable for a period of one year from the time of appointment) for the new member to transfer the Post-Scheme Shares to USL and/or its nominee(s) and do all such other things and execute and deliver all such documents as may in the opinion of the attorney be necessary or desirable to vest the Post-Scheme Shares in USL or its nominee(s) and pending such vesting to exercise all such rights attaching to the Post-Scheme Shares as USL may direct. If an attorney is so appointed, the new member shall not thereafter (except to the extent that the attorney fails to act in accordance with the directions of USL to give effect to such directions) be entitled to exercise any rights attaching to the Post-Scheme Shares unless so agreed by USL. The attorney shall be empowered to execute and deliver as transferor a form of transfer or other instrument or instruction of transfer on behalf of the new member (or any subsequent holder) in favour of USL and/or its nominee(s) and the company may give a good receipt for the consideration for the Post-Scheme Shares and may register USL and/or its nominee(s) as holder thereof and issue to it certificates for the same. The company shall not be obliged to issue a certificate to the new member for the Post-Scheme Shares. The new member shall indemnify the attorney for any loss, cost, expense or liability arising in respect of the exercise of their authority under this article 30
- (5) Upsher-Smith and USL shall settle the consideration due under article 30(3) within 14 days of the transfer of the Post-Scheme Shares to USL and/or its nominee(s)

31 Transmission of shares

- (1) If title to a share passes to a transferee, the company may only recognise the transferee as having any title to that share
- (2) A transferee who produces such evidence of entitlement to shares as the directors may properly require--

- (a) may, subject to these articles, choose either to become the holder of those shares or to have them transferred to another person, and
- (b) subject to these articles, and pending any transfer of the shares to another person, has the same rights as the holder had
- (3) But transmittes 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

32 Exercise of transmittes' rights

- (1) Transmittes who wish to become the holders of shares to which they have become entitled must notify the company in writing of that wish
- (2) If the transmittes wishes to have a share transferred to another person, the transmittes must execute an instrument of transfer in respect of it
- (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 transmittes has derived rights in respect of the share, and as if the event which gave rise to the transmission had not occurred

33 Transmittes bound by prior notices

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

Dividends and Other Distributions

34 Procedure for declaring dividends

- (1) The company may by ordinary resolution declare dividends, and the directors may decide to pay interim dividends
- (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
- (3) No dividend may be declared or paid unless it is in accordance with shareholders' respective rights
- (4) Unless the shareholders' 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 shareholder's holding of shares on the date of the resolution or decision to declare or pay it
- (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
- (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

- (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

35 Payment of dividends and other distributions

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

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

36 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--

- (a) the terms on which the share was issued, or
- (b) the provisions of another agreement between the holder of that share and the company

37 Unclaimed distributions

- (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

- (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

- (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

38 Non-cash distributions

- (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)

- (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

39 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--

- (a) the share has more than one holder, or

- (b) 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 is signed, by all the holders or persons otherwise entitled to the share

Capitalisation of Profits

40 Authority to capitalise and appropriation of capitalised sums

- (1) Subject to these 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
- (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
- (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
- (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
- (5) Subject to these articles the directors may--
 - (a) apply capitalised sums in accordance with paragraphs (3) and (4) partly in one way and partly in another,
 - (b) make such arrangements as they think fit to deal with shares and 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

Part 4

Decision-Making by Shareholders

Organisation of General Meetings

41 Attendance and speaking at general meetings

- (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
- (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
- (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
- (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
- (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

42 Quorum for general meetings

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

43 Chairing general meetings

- (1) If the directors have appointed a chairman, the chairman shall chair general meetings if present and willing to do so
- (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 shareholder to chair the meeting, and the appointment of the chairman of the meeting must be the first business of the meeting
- (3) The person chairing a meeting in accordance with this article is referred to as "the chairman of the meeting"

44 Attendance and speaking by directors and non-shareholders

- (1) Directors may attend and speak at general meetings, whether or not they are shareholders
- (2) The chairman of the meeting may permit other persons who are not--
 - (a) shareholders of the company, or
 - (b) otherwise entitled to exercise the rights of shareholders in relation to general meetings,

to attend and speak at a general meeting

45 Adjournment

- (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 and if at the adjourned general meeting a quorum is not present within half an hour from the time appointed therefor such adjourned general meeting shall be dissolved
- (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
- (3) The chairman of the meeting must adjourn a general meeting if directed to do so by the meeting
- (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
- (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
- (6) No business may be transacted at an adjourned general meeting which could not properly have been transacted at the meeting if the adjournment had not taken place

Voting at General Meetings

46 Voting: general

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

47 Errors and disputes

- (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
- (2) Any such objection must be referred to the chairman of the meeting, whose decision is final

48 Poll votes

- (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
- (2) A poll may be demanded by--
 - (a) the chairman of the meeting,
 - (b) the directors,
 - (c) two or more persons having the right to vote on the resolution, or
 - (d) a person or persons representing not less than one tenth of the total voting rights of all the shareholders having the right to vote on the resolution
- (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
- (4) Polls must be taken immediately and in such manner as the chairman of the meeting directs

49 Content of proxy notices

- (1) Proxies may only validly be appointed by a notice in writing (a "proxy notice") which--
 - (a) states the name and address of the shareholder appointing the proxy,
 - (b) identifies the person appointed to be that shareholder's proxy and the general meeting in relation to which that person is appointed,
 - (c) is signed by or on behalf of the shareholder appointing the proxy, or is authenticated in such manner as the directors may determine, and

- (d) is delivered to the company in accordance with these articles and any instructions contained in the notice of the general meeting to which they relate
- (2) The company may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes
- (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
- (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

50 Delivery of proxy notices

- (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
- (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
- (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
- (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

51 Amendments to resolutions

- (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
- (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
- (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

Part 5

Administrative Arrangements

52 Means of communication to be used

- (1) Subject to these articles, anything sent or supplied by or to the company under these articles may be sent or supplied in any way in which the Companies Act 2006 provides for documents or information which are authorised or required by any provision of that Act to be sent or supplied by or to the company, save that
 - (a) where the document or other information is delivered by hand, and the sender of the document or other information is able to show that it was properly addressed, it is deemed to have been received by the intended recipient when it was given or left at the appropriate address, and
 - (b) where the document or other information is sent or supplied by electronic means and the sender of the document or other information is able to show that it was properly addressed, it is deemed to have been received by the intended recipient one hour after it was sent or supplied,

provided that for the purposes of this article 52,

- (i) no account shall be taken of any part of a day that is not a working day, and if any document or information is delivered (in the case of paragraph (1) (a) above) or sent (in the case of paragraph (1)(b) above) after 6 p.m. on any working day, it shall be deemed to be received by the intended recipient at 9 a.m. on the following working day, and
 - (ii) in respect of any document or information which is received outside the United Kingdom, "working day" shall mean a day that is not a Saturday or Sunday and is not a public holiday in the place where the document or information is received
- (2) Subject to these articles, any notice or document to be sent or supplied to a director in connection with the taking of decisions by directors may also be sent or supplied by the means by which that director has asked to be sent or supplied with such notices or documents for the time being
- (3) Subject to paragraph (1), 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

53 Company seals

- (1) Any common seal may only be used by the authority of the directors
- (2) The directors may decide by what means and in what form any common seal is to be used
- (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
- (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

54 No right to inspect accounts and other records

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

55 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

Directors' Indemnity and Insurance

56 Indemnity

Subject to the provisions of, and so far as may be permitted by and consistent with, any statute for the time being in force concerning companies and affecting the company and subject as mentioned below, every director of the company shall be and is hereby indemnified by the company out of its own funds against (a) any liability incurred by or attaching to him in connection with any negligence, default, breach of duty or breach of trust by him in relation to the company or an associated company (as defined in article 57(2)(c)) of which he is a director to the extent permitted by any of sections 233, 234 or 235 of the Companies Act 2006 and (b) any other liability incurred by or attaching to him in the actual or purported execution and/or discharge of his duties and/or the exercise or purported exercise of his powers and/or otherwise in relation to or in connection with his duties, powers or office in relation to the company or an associated company (defined as aforesaid), whenever arising whether during office as a director or after he ceased to be a director in respect of acts or omissions while he was a director. Such indemnity shall not, however, extend to any liability incurred by or attaching to a director as a result of his own fraud or wilful default. Where a director is indemnified against any liability in accordance with this article 56, such indemnity shall extend to all costs, charges, losses, expenses and liabilities incurred by him in relation thereto.

57 Insurance

- (1) The directors may decide to purchase and maintain insurance, at the expense of the company, for the benefit of any relevant director in respect of any relevant loss
- (2) In this article--
 - (a) a “relevant director” means any director or former director of the company or an associated company,
 - (b) a “relevant loss” means any loss or liability which has been or may be incurred by a relevant director in connection with that director’s duties or powers in relation to the company, any associated company or any pension fund or employees’ share scheme of the company or any associated company (and all costs, charges, losses, expenses and liabilities incurred by him in relation thereto), and
 - (c) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate