

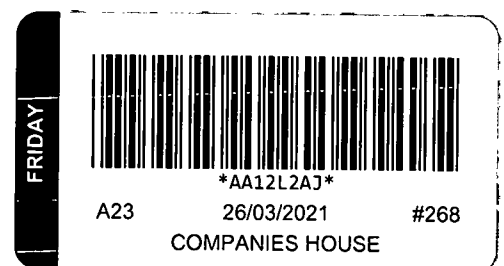
Schedule 1

Company No. **05602067**

**RUDE HEALTH FOODS LIMITED**

**ARTICLES OF ASSOCIATION**

(Adopted by special resolution passed on 16 March 2021)



## Part 1

### Interpretation, Objects and Limitation of Liability

#### 1 Exclusion of other regulations and defined terms

- (1) No regulations or model articles contained in any statute or subordinate legislation, including those contained in Table A or the Model Articles, apply to the company.

- (2) In the articles, unless the context requires otherwise:

**"Accepting Shareholders"** has the meaning given in article 31;

**"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;

**"Board"** means the board of directors of the company or any duly authorised committee of such board;

**"business day"** means a day (other than a Saturday or Sunday) on which banks are open for business (other than solely for trading and settlement in euro) in London;

**"capitalised sum"** has the meaning given in article 41;

**"chairman"** has the meaning given in article 12;

**"chairman of the meeting"** has the meaning given in article 44;

**"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;

**"company"** means Rude Health Foods Ltd, incorporated in England and Wales with company number 05602067;

**"Conflict"** has the meaning given in article 15;

**"conflicts of interest"** include a conflict of interest and duty and a conflict of duties and "interest" includes both direct and indirect interests;

**"connected person"** means, in relation to a person, any other person connected with that person within the meaning of sections 1122 (other than section 1122(4)) and 1123 of the Corporation Tax Act 2010, and references in these articles to a person being **"connected"** with another shall be construed accordingly;

**"contract"** in article 15 includes any transaction or arrangement (whether or not constituting a contract);

**"director"** means a director of the company, and includes any person occupying the position of director, by whatever name called;

**"Disposal"** has the meaning given in article 29;

**"distribution recipient"** has the meaning given in article 36;

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

**"Drag Along Notice"** has the meaning given in article 31;

**"Drag Along Option"** has the meaning given in article 31;

**"Drag Initiation Notice"** has the meaning given in article 31;

**"Drag Lapse Date"** has the meaning given in article 31;

**"Drag Sale"** has the meaning given in article 31;

**"Dragged Shareholders"** has the meaning given in article 31;

**"electronic form"** has the meaning given in section 1168 of the Companies Act 2006;

**"eligible directors"** or **"eligible director"** has the meaning given in article 8(3);

**"Encumbrance"** means any security interest (including any mortgage, charge (whether fixed or floating), pledge, lien, hypothecation, encumbrance, assignment, trust arrangement, title retention or other security interest or other arrangement of any kind having the effect of conferring security), any right to acquire (including any option or right of pre-emption) or any right to restrict dealings (including any trust or reservation of title);

**"Founders"** means Nicholas Barnard and Camilla Barnard;

**"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;

**"group company"** means a subsidiary undertaking or parent undertaking of the company or a subsidiary undertaking of any parent undertaking of the company;

**"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;

**"Model Articles"** means the model articles for private companies limited by shares contained in Schedule 1 of the Companies (Model Articles) Regulations 2008 (SI 2009/3229) as amended prior to the adoption of these articles;

**"Nominating Group"** has the meaning given in article 17;

**"Nomination"** has the meaning given in article 17;

**"Offeror"** has the meaning given in article 31;

**"Optionholders"** has the meaning given in article 31;

**"paid"** means paid or credited as paid;

**"participate"**, in relation to a directors' meeting, has the meaning given in article 10;

**"Permitted Situation"** has the meaning given in article 15;

**"persons entitled"** has the meaning given in article 41;

**"Proposed Buyer"** has the meaning given in article 30;

**"proxy notice"** has the meaning given in article 50;

**"Qualifying Offer"** has the meaning given in article 31;

**"Relevant Shares"** has the meaning given in article 31;

**"shareholder"** means a person who is the holder of a share;

**"shareholders agreement"** means any agreement for the time being in force between the holders of at least ninety per cent. in nominal value of the issued shares of the company regarding (amongst other things) the conduct of the affairs of the company and/or arrangements concerning the issue or transfer or other disposal or voting of any shares in the company and to which the company is also party or the terms of which have been notified in writing to the company;

**"Shareholder Consent"** means the prior written consent of the holders of at least 70 per cent. in nominal value of the issued shares at any one time (excluding for these purposes where any Shareholder Consent is required in relation to a breach or alleged breach of these articles by a shareholder or any connected person of that shareholder, any shares held by such shareholders).

**"shareholder"** means any holder of shares;

**"shares"** means shares in the company;

**"special resolution"** has the meaning given in section 283 of the Companies Act 2006;

**"specified price"** has the meaning given in article 30;

**"Specified Shares"** has the meaning given in article 30;

**"subsidiary"** has the meaning given in section 1159 of the Companies Act 2006;

**"Table A"** means Table A in the schedule to the Companies (Tables A to F) Regulations 1985 (S.I. 1985 No. 805) (as amended by the Companies (Tables A to F) (Amendment) Regulations 1985 (S.I. 1985 No. 1052), the Companies (Tables A to F) (Amendment) Regulations 2007 (S.I. 2007 No. 2541) and the Companies (Tables A to F) (Amendment) (No.2) Regulations 2007 (S.I. 2007 No. 2826));

**"Tax"** or **"Taxation"** includes (without limitation) all taxes, levies, duties, imposts, charges and withholdings of any nature whatsoever, whether of the United Kingdom or elsewhere, together with all penalties, charges and interest relating to any of them or to any failure to comply with any obligation relating to Taxation;

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

**"Uncommitted Shares"** has the meaning given in article 30; 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.

- (3) 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.

## **2 Objects**

- (1) The objects of the company are to promote the success of the company;
- (a) for the benefit of its members as a whole; and
  - (b) through its business and operations, to have a material positive impact on (a) society and (b) the environment,
- taken as a whole.
- (2) A director must act in the way he or she considers, in good faith, most likely to promote the success of the company in achieving the objects set out in article 2(1) above, and in doing so shall have regard (amongst other matters) to:
- (a) the likely consequences of any decision of the directors in the long term and the impact any such decision may have on any affected stakeholders;
  - (b) the interests of the company's employees;
  - (c) the need to foster the company's business relationships with suppliers, customers and others;
  - (d) the impact of the company's operations on the community and the environment and on affected stakeholders;
  - (e) the desirability of the company maintaining a reputation for high standards of business conduct and the impact this has on affected stakeholders; and
  - (f) the need to act fairly as between members of the company,
- (together, the matters referred to above shall be defined for the purposes of this article as the "**Stakeholder Interests**" and each a "**Stakeholder Interest**").
- (3) For the purposes of a director's duty to act in the way he or she considers, in good faith, most likely to promote the success of the company, a director shall not be required to regard the benefit of any particular Stakeholder Interest or group of Stakeholder Interests as more important than any other.
- (4) Nothing in this article express or implied, is intended to or shall create or grant any right or any cause of action to, by or for any person (other than the Company).
- (5) The directors of the company shall, for each financial year of the company, prepare and circulate to its members an impact report. The impact report shall contain a balanced and comprehensive analysis of the impact the company's business has had, in a manner proportionate to the size and complexity of the business. The impact report shall contain such detail as is necessary to enable the members to have an understanding of the way in which the company has promoted its success for the benefit of its member as a whole and, through its business and operations, sought to have a material positive impact on society and the environment, taken as a whole. If the company is also required to prepare a strategic report under the Companies Acts, the company may choose to publish the impact report as part of its strategic report and in accordance with the requirements applying to the strategic report.

## **2A Liability of members**

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

## **Part 2**

### **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 and effect of altering the articles**

- (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.
- (3) No alteration of the articles invalidates anything which the directors have done before the alteration was made.

### **5 Directors may delegate**

- (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.
- (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) Where a provision in the articles refers to the exercise of a power, authority or discretion by the directors and that power, authority or discretion has been delegated by the directors to a committee, the provision shall be construed as permitting the exercise of the power, authority or discretion by the committee.
- (4) The directors may revoke any delegation in whole or part, or alter its terms and conditions.

## **6 Committees**

Committees to which the directors delegate any of their powers must follow procedures (including as to the quorum for meetings) which are based as far as they are applicable on those provisions of the articles and any shareholders agreement which govern the taking of decisions by directors.

### **Decision-Making by Directors**

## **7 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 8, where in each case, each director shall have one vote.
- (2) The general rule is subject to any shareholders agreement.

## **8 Unanimous decisions**

- (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) Such a decision may take the form of a resolution in writing, at least one copy of which has been signed by each eligible director or to which each eligible director has otherwise indicated agreement in writing.
- (3) References in this article to "**eligible directors**" are to directors who would have been entitled to vote on the matter and whose vote would have been counted had it been proposed as a resolution at a directors' meeting.
- (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.

## **9 Calling a directors' meeting**

- (1) Subject to relevant notice provisions contained in any shareholders agreement, any director or the secretary of the company may call a directors' meeting by giving notice of the meeting to the directors and any board observer appointed in accordance with any shareholders agreement 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) Notice of a directors' meeting must be given to each director and any board observer appointed in accordance with any shareholders agreement in writing. If a director does not receive written notice of a directors' meeting, but nevertheless does attend or participate in such a meeting, the fact that such a director has not received proper notice of the meeting shall not invalidate the proceedings of such meeting and:
  - (1) such director shall be counted as a director for the purpose of establishing the quorum at that directors' meeting; and

(2) such director's vote shall be valid at that meeting.

(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 either before or after the date on which the meeting is held. Where such notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it.

(5) The frequency and location of directors' meetings shall be subject to any shareholders agreement.

#### **10 Participation in directors' meetings**

(1) 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.

(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. In the absence of such agreement, the place at which such a meeting shall be deemed to occur shall be in the United Kingdom.

#### **11 Quorum for directors' and committee meetings**

(1) For so long as there is more than one director, a quorum shall exist at any directors' meeting or meeting of a committee of the directors if at least two directors are present.

(2) The rules regarding quorum at directors' and committee meetings shall, in addition, be subject to any shareholders agreement.

#### **12 Chairing of directors' meetings**

(1) The members may appoint a director to chair the meetings of the directors.

(2) The person so appointed for the time being is known as the "**chairman**".

(3) 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 may appoint one of themselves to chair it.

(4) The rules relating to the appointment and removal of the chairman shall be subject to any shareholders agreement.

#### **13 Casting vote**

(1) If the number of votes for and against a proposal are equal, the chairman or other director chairing the meeting shall have a casting vote.

#### **14 Transactions or arrangements with the company**

(1) Provided that he has disclosed to the directors the nature and extent of any interest of his in accordance with and to the extent required by the Companies Acts, a director notwithstanding his office:



(a) may be a party to, or otherwise interested in, any contract with the company or in which the company is otherwise interested;

(b) may be a director or other officer of, or employed by, or a party to any contract with, or otherwise interested in, any group company or in any body corporate promoted by the company or any group company or in which the company or any group company is interested; and

(c) may act by himself or his firm in a professional capacity for the company (otherwise than as auditor).

(2) For the purposes of this article:

(a) a director shall be deemed to have disclosed the nature and extent of an interest which consists of him being a director, officer, employee, member, partner or representative of any group company or of any shareholder or any other entity in the same group as, or which is otherwise associated with, such shareholder; and

(b) a general notice given to the directors that a director is to be regarded as having an interest of the nature and extent specified in the notice in any contract in which a specified person or class of persons is interested shall be deemed to be a disclosure that the director has an interest in any such contract of the nature and extent so specified.

(3) Where a director is a director or other officer of, or employed by, a group company, he:

(a) may in exercising his independent judgement take into account the success of other group companies as well as the success of the company; and

(b) shall in the exercise of his duties, where that other group company is a parent company, have a duty of confidentiality to the parent company in relation to confidential information of the parent company, but he shall not be restricted by any duty of confidentiality to the company from providing information to any parent company.

## 15 Conflicts of interest requiring Board authorisation

(1) The directors may, subject to the quorum and voting requirements set out in the articles and any shareholders agreement, authorise any matter which would otherwise involve a director breaching his duty under the Companies Acts to avoid conflicts of interest ("Conflict").

(2) Any director (including the relevant director) may propose that the relevant director be authorised in relation to any matter which is the subject of a Conflict. Such proposal and any authority given by the directors shall be effected in the same way that any other matter may be proposed to and decided upon by the directors under the provisions of the articles save that the relevant director shall not count towards the quorum nor vote on any resolution giving such authority.

(3) Where the directors give authority in relation to a Conflict:

(a) the terms of the authority shall be recorded in writing (but the authority shall be effective whether or not the terms are so recorded); and

(b) the directors may revoke or vary such authority at any time but this will not affect anything done by the relevant director prior to such revocation in accordance with the terms of such authority.

- (4) Where the directors give authority in relation to a Conflict or where any of the situations referred to in article 14(1) ("**Permitted Situation**") applies:
- (a) the directors may (whether at the relevant time or subsequently) (i) require that the relevant director is excluded from the receipt of information, the participation in discussion and/or the making of decisions (whether at meetings of the directors or otherwise) related to the Conflict or Permitted Situation; and (ii) impose upon the relevant director such other terms for the purpose of dealing with the Conflict 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 Conflict or Permitted Situation; and
  - (c) where the relevant director obtains (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, where to do so would amount to a breach of that confidence.
- (5) A director shall not, by reason of his office or of the fiduciary relationship thereby established, be liable to account to the company or the members for any remuneration, profit or other benefit realised by reason of his having any type of interest in a Conflict authorised under this article or in any Permitted Situation and no contract shall be liable to be avoided on the grounds of a director having any such interest.

#### **16 Directors may vote when interested**

- (1) Subject where applicable to disclosure in accordance with the Companies Acts or the articles and subject to any terms imposed by the directors in relation to any Conflict or Permitted Situation, a director shall be entitled to vote in respect of any matter in which he is interested directly or indirectly and if he shall do so his vote shall be counted and, whether or not he does, if he is present at the meeting he shall be taken into account in ascertaining whether a quorum is present.
- (2) If a question arises at a meeting of directors or of a committee of directors as to the right of a director to participate in the meeting (or part of the meeting) for voting or quorum purposes, the question may, before the conclusion of the meeting, be decided by a decision of the directors in attendance at that meeting, for which purpose the relevant director is not to be counted as participating in the meeting (or that part of the meeting) for voting or quorum purposes.
- (3) The directors' ability to vote and be counted in the quorum present at a meeting is subject to any shareholders agreement.

#### **17 Conflicts of interest arising out of nomination by shareholder**

- (1) Where a director is appointed pursuant to a nomination as such by one or more shareholders (a "**Nomination**"):
- (a) any actual or possible conflict with the interests of the company which that director has or may have as a consequence of such Nomination (or which derives from such nomination or his relationship with the nominating shareholder or any other entity in the same group as such shareholder or with which such shareholder is otherwise associated (together, the "**Nominating Group**")) and which would otherwise involve that director breaching his duty under the Companies Acts to avoid conflicts of interest; and

- (b) any consideration of, and taking into account by, the director of the interests of any member of the Nominating Group which would otherwise involve that director breaching his duty under the Companies Acts to exercise independent judgment,

shall hereby be authorised by the company in accordance with section 180(4)(a) of the Companies Act 2006.

- (2) In the circumstances set out in article 17(1):

- (a) where the relevant director obtains (as a consequence of, or deriving from, any position or office he holds with, or his relationship with, a member of the Nominating Group) information that is confidential to any person (other than the company or any of its subsidiaries), 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, where to do so would amount to a breach of that confidence; and
- (b) the relevant director shall not be in breach of his duty of confidentiality to the company by providing information relating to the company to a person to the extent that he is expressly permitted to do so under the terms of any shareholders agreement.

#### **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 any shareholders agreement, 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 by a notice of his appointment given in accordance with article 22.
- (2) In any case where, as a result of death, bankruptcy or other events, the company has no shareholders and no directors, the transmittee(s) of the last shareholder have the right, by notice in writing, to appoint one or more persons to be a director.
- (3) For the purposes of article 20(2), where 2 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.

#### **21 Termination of director's appointment**

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 Acts or is prohibited from being a director by law; or
- (b) a bankruptcy order is made against that person; or

- (c) a composition is made with that person's creditors generally in satisfaction of that person's debts; or
- (d) he is admitted to hospital in pursuance of an application for admission for treatment under mental health legislation for the time being in force in any part of the United Kingdom; or
- (e) an order is made by a court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder for his detention or which wholly or partly prevents that person from personally exercising any powers or rights which that person otherwise would 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; or
- (g) that person has for more than six consecutive months been absent without permission of the directors from meetings of directors held during that period and the directors resolve that that person should cease to be director; or
- (h) notice of his removal is given in accordance with article 22.

**22 Appointment and removal of directors in accordance with any agreements between shareholders**

Any person who is willing to act as a director, and is permitted by law to do so, may be appointed to be, or may cease to be, a director or alternate director (as the case may be) in accordance with the provisions relating to the appointment and removal of directors contained in any shareholders agreement.

**23 Directors' remuneration and expenses**

The directors shall not be entitled to any remuneration or fee from the company for the performance of their duties unless otherwise agreed in writing by all of the shareholders of the company.

**Part 3**

**Shares and Distributions**

**Shares**

**24 All shares to be fully paid**

- (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 any shareholders agreement, and without prejudice to the rights attached to any existing share, the company may issue further classes of shares with such rights or restrictions as may be determined by ordinary resolution.

- (2) Subject to any shareholders agreement, 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.
- (3) The rights, restrictions, terms and conditions attached to any shares issued pursuant to paragraph (1) or (2) of this article shall apply as if the same were set out in the articles.

## **26 Company not bound by less than absolute interests and adherence requirements**

- (1) 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.
- (2) If so required by any shareholder agreement, no person who is not already party to that agreement may acquire any shares or interest in shares (by subscription, transfer or otherwise) unless he has first adhered to, and agreed to be bound by, that agreement in accordance with its terms.

## **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) Subject to any shareholders agreement, 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.
- (6) Share transfers shall be subject to such restrictions on transfer and other provisions as may be contained in any shareholders agreement.
- (7) No holder of any share or any interest in a share shall, without Shareholder Consent (such consent being valid for 30 business days) sell, assign, transfer, give, donate, or otherwise dispose of or grant an Encumbrance over any of its shares or any portion thereof or any right or interest therein now held or hereafter acquired (each a "**Disposal**" and "**Disposing**" shall be construed accordingly) except in accordance with the provisions of Articles 29, 30 and 31 or otherwise in accordance with the provisions of any shareholders agreement.
- (8) It is a condition precedent to any Disposal that (if so required by any shareholders agreement) the person making the Disposal and (if not already party to such shareholders agreement) the transferee under the Disposal agrees in writing by deed to be bound by the terms of such shareholders agreement or to such of the terms of such shareholders agreement as the company and parties to such shareholders agreement shall require prior to such transfer becoming effective.
- (9) Any Disposal or purported Disposal made otherwise than in accordance with the provisions of the articles and any shareholders agreement shall be void and of no effect whatsoever and the Board shall not, and the shareholders shall procure that the Board shall not, register the same.
- (10) If any shareholder proposes or is required by any shareholders agreement or the articles to undertake a Disposal of all or any of his shares, he shall first deliver a written notice to the company of his intention to sell the relevant shares. Any such written notice shall name the proposed transferees (if any), specify the price (if any) offered by a third party per relevant share or the price (if any) sought by the Disposing shareholder per relevant share, the terms of payment, and other relevant terms and conditions, and shall have attached thereto, if relevant, a copy of any bona fide arm's length offer made by a third party in respect of the relevant shares.

### 30 Tag along

- (1) Except in the case of transfers pursuant to article 31 or as otherwise specified in any shareholders agreement, no sale or transfer or other disposition of any interest in any shares (the "**Specified Shares**") shall have any effect if it would result in the sale of more than 50 per cent. of the issued shares (whether via a single transfer or in a series of related transfers) unless before the transfer(s) is/are lodged for registration the proposed acquirer of the Specified Shares (the "**Proposed Buyer**") has made a bona fide offer to purchase at the specified price (defined in article 30(3) below) the shares held by shareholders who are not acting in concert or otherwise connected with the Proposed Buyer (the "**Uncommitted Shares**").
- (2) An offer made pursuant to article 30(1) in respect of the Uncommitted Shares must be in writing, state the identity of the Proposed Buyer and the specified price, be open for acceptance (in case of each holder of Uncommitted Shares, as regards all or any of those Uncommitted Shares) for at least 15 business days, and shall be deemed to be rejected by any shareholder who has not accepted it in accordance with its terms within the time period prescribed for acceptance therein (provided such time period is at least 15 business days after the date of the offer) and the consideration thereunder shall be settled in full on completion of the purchase and within 30 business days after the date of the offer.
- (3) For the purposes of this article 30, the expression "**specified price**" means a price per share at least equal to the highest price paid or payable by the Proposed Buyer or persons acting in concert with him or connected with him for any shares within the last six months (including the Specified Shares) 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 an addition to the price paid or payable for the Specified Shares, provided always that an equal value shall be attributed to all shares.
- (4) If a shareholder is not given the rights accorded him by this article 30 and the Proposed Buyer has not made and completed the purchase of all assented shares under a bona fide offer in accordance with article 30(1) (other than due to a default by the relevant selling shareholder), the holder(s) of the Specified Shares will not be entitled to complete their sale (unless such sale will be completed simultaneously with the sale of the assented shares) and the company will not register any transfer intended to carry that sale into effect.
- (5) Except in the case of transfers pursuant to article 31, the proposed transfer of the Specified Shares is subject to any applicable pre-emption provisions contained in any shareholders agreement.

### 31 Drag along

- (1) In this article 31, a "**Qualifying Offer**" means a bona fide arm's length offer in writing which is made by or on behalf of a bona fide third party (the "**Offeror**"), is communicated to any one or more of the shareholders and by written notice setting out its terms to the company (a "**Drag Initiation Notice**") and is for all of the issued shares.
- (2) Notwithstanding any other provisions of the articles, if the Founders and shareholders who, along with the Founders, hold more than 70 per cent. in nominal value of the issued shares (the "**Accepting Shareholders**") wish to accept a Qualifying Offer in respect of all of the shares held by them (the "**Relevant Shares**"), then the Accepting Shareholders shall have the option (the "**Drag Along Option**") to require all the other holders of shares (the "**Dragged Shareholders**") to transfer all their shares (the "**Dragged Shares**") to the Offeror (the "**Drag Sale**") in accordance with this article 31, on the same terms and conditions (subject always to article 31.3(c)) on which the Accepting Shareholders sell the Relevant Shares to the Offeror (being those set out in the Drag Initiation Notice).

- (3) Notwithstanding the foregoing, no Dragged Shareholder will be required to comply with article 31(2) above in connection with any Qualifying Offer unless:
- (a) the terms and conditions (including the price per share and form of consideration) for such sale will be no less favourable to the Dragged Shareholder than to the Accepting Shareholders;
  - (b) any representations and warranties to be made by the Dragged Shareholder in connection with the Drag Sale are limited to representations and warranties related to authority, enforceability, approvals, litigation and the ability to convey title to the his Dragged Shares, including, but not limited to, representations and warranties that (i) the Dragged Shareholder holds all right, title and interest in and to the Dragged Shares the Dragged Shareholder purports to hold, free and clear of all liens and encumbrances, (ii) the obligations of the Dragged Shareholder in connection with the transaction have been duly authorised, if applicable, (iii) the documents to be entered into by the Dragged Shareholder have been duly executed by the Dragged Shareholder and delivered to the acquirer and are enforceable against the Dragged Shareholder in accordance with their respective terms, (iv) neither the execution and delivery of documents to be entered into in connection with the transaction, nor the performance of the Dragged Shareholder's obligations thereunder, will cause a breach or violation of the terms of any agreement, law or judgment, order or decree of any court or governmental agency by which the Dragged Shareholder is subject or bound, (v) there are no pending or threatened proceedings or suits against the Dragged Shareholder affecting its business or against the transactions contemplated therein, at law or in equity or before or by any court or other governmental authority, domestic or foreign, or any arbitral body and (vi) no consent, approval or authorisation of or declaration or filing with any person is required for the valid execution, delivery and performance by such Dragged Shareholder in connection with the Drag Sale;
  - (c) the Dragged Shareholder shall not be liable for the inaccuracy of any representation or warranty made by any other person in connection with the Drag Sale, other than the company (except to the extent that funds may be paid out of an escrow established to cover breach of representations, warranties and covenants of the company as well as breach by any shareholder of any identical representations, warranties and covenants provided by all shareholders);
  - (d) the liability for indemnification, if any, of the Dragged Shareholder in the Drag Sale and for the inaccuracy of any representations and warranties made by the company in connection with such Drag Sale, is several and not joint with any other person (except to the extent that funds may be paid out of an escrow established to cover breach of representations, warranties and covenants of the company as well as breach by any shareholder of any identical representations, warranties and covenants provided by all shareholders), and is pro rata in proportion to, and does not exceed, the amount of consideration paid or payable to the Dragged Shareholder in connection with such Drag Sale (in accordance with the provisions of the articles and including escrowed amounts);
  - (e) liability shall be limited to the Dragged Shareholder's applicable share (determined based on the respective proceeds payable to each shareholder in connection with such Drag Sale in accordance with the provisions of any shareholders agreement and the articles) of a negotiated aggregate warranty or indemnification amount that applies equally to all Shareholders but that in no event exceeds the amount of consideration otherwise payable to the Dragged Shareholder in connection with such Drag Sale (including escrowed amounts), except with respect to claims related to fraud by the Dragged Shareholder, the liability for which need not be limited as to such Dragged Shareholder;



- (f) upon the consummation of the Drag Sale, (i) each holder of each class of shares will receive the same form of consideration for their shares of such class as is received by other holders in respect of their shares of such same class, (ii) each holder of preferred shares (if any) will receive the same amount of consideration per share of such class of preferred shares (if any) as is received by other holders in respect of their shares of such same class, (iii) each holder of ordinary shares will receive the same amount of consideration per ordinary share as is received by other holders in respect of their ordinary shares and (iv) the aggregate consideration receivable by all holders of the preferred shares (if any) and ordinary shares shall be allocated among the holders of preferred shares (if any) and ordinary shares on the basis of the relative liquidation preferences to which the holders of each respective class of preferred shares and the holders of ordinary shares would be entitled on a winding up of the company, in accordance with the articles in effect immediately prior to the Drag Sale; and
  - (g) subject to article 31(3)(f) above, requiring the same form of consideration to be available to the holders of any single class of shares, if any holders of a class of share are given an option as to the form and amount of consideration to be received as a result of the Drag Sale, all holders of such class of share will be given the same option; provided, however, that nothing in this article 31(3)(g) shall entitle any holder to receive any form of consideration that such holder would be ineligible to receive as a result of such holder's failure to satisfy any condition, requirement or limitation that is generally applicable to the shareholders.
- (4) The Accepting Shareholders may exercise the Drag Along Option by giving or procuring the company on their behalf to give notice to that effect (copied to the company contemporaneously if it does not itself issue the same) (a "**Drag Along Notice**") to the Dragged Shareholders at any time before the transfer of the Relevant Shares provided that such notice is issued and the transfer completed within 20 business days after the date of the Drag Initiation Notice (the "**Drag Lapse Date**"). A Drag Along Notice shall specify:
- (a) that the Dragged Shareholders are required to transfer to the Offeror all of the Dragged Shares pursuant to this article;
  - (b) the price at which the Dragged Shares are to be transferred, being the price stated in the relevant Drag Initiation Notice issued pursuant to article 31(2); and
  - (c) the proposed date of transfer, such proposed date of transfer not being less than 10 business days (or such alternative period as the company may specify in the Drag Along Notice) after the date of service of the Drag Along Notice.
- (5) The company shall, as soon as reasonably practicable and in any event within 5 business days after the date the Drag Along Notice is given to the Dragged Shareholders, serve a copy of the Drag Along Notice on any person holding options over shares or any convertible security of the company (the "**Optionholders**"). Any Optionholder who exercises a pre-existing option to acquire shares or converts any convertible security of the company on or at any time after the service of the Drag Along Notice by the Accepting Shareholders shall be deemed to have received the Drag Along Notice in his capacity as a shareholder in addition to his capacity as an Optionholder in respect of any shares which would be issued to him pursuant to such exercise and such person shall also thereafter be a Dragged Shareholder. The provisions of this article 31 shall therefore apply to such Optionholder except that completion of the sale of the shares shall take place immediately on the later of (i) the second business day after the date of exercise of the Option and (ii) completion the sale of the Relevant Shares.
- (6) A Drag Along Notice is irrevocable but the Drag Along Notice and all obligations thereunder will lapse if for any reason there has not been a transfer of Relevant Shares by the Accepting Shareholders to the Offeror within 20 business days after the Drag Lapse Date.

- (7) Completion of the sale of the Dragged Shares shall take place on the same date as the date proposed for completion of the sale of the Relevant Shares unless:
  - (a) all of the Dragged Shareholders and the Accepting Shareholders agree otherwise; or
  - (b) that date is less than 10 business days after the date of service of the Drag Along Notice, where it shall be deferred until the tenth business day after the date of service of the Drag Along Notice.
- (8) On or before completion of the sale of the Dragged Shares, each Dragged Shareholder shall deliver duly executed stock transfer form(s) in respect of his Dragged Shares, together with the relevant share certificate(s) (or an indemnity in a form satisfactory to the Board) to the company.
- (9) As security for the due performance of his obligations under this article 30, each of the Dragged Shareholders shall, on receipt of the Drag Along Notice, be deemed to have irrevocably appointed each of the Accepting Shareholders to be his attorney and agent to execute any stock transfer and/or any indemnity in respect of any lost share certificate and to do such other things as may be necessary to accept, transfer and complete the sale of the Dragged Shares pursuant to this article. Subject to stamping of the stock transfer form(s) in respect of the Dragged Shares, the Board shall without delay register the Offeror as the holder of those Dragged Shares. After the Offeror or his appointee has been registered as the holder of the Dragged Shares, the validity of the proceedings shall not be questioned by any person. It shall be no impediment to registration of a transfer of shares under this article that no share certificate has been produced.

### **32 Transmission of shares**

- (1) If title to a share passes to a transmittee, the company may only recognise the transmittee as having any title to that share.
- (2) Subject to article 32(3), a transmittee who produces such evidence of entitlement to shares as the directors may properly require;
  - (a) may choose either to become the holder of those shares or to have them transferred to another person; and
  - (b) pending any transfer of the shares to another person, has the same rights as the holder from whom the transmittee derived such entitlement had.
- (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 event which gave rise to the transmission, unless they become the holders of those shares.
- (4) Transmission of shares and the related provisions of these articles shall be subject to such restrictions on share transfers as may be contained in any shareholders agreement.

### **33 Exercise of transmittees' rights**

- (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.
- (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.
- (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.

### **34 Transmittees bound by prior notices**

If a notice is given to a shareholder in respect of shares and a transmittee (or any person nominated under article 32(2)) is entitled to those shares, the transmittee (and any person nominated under article 32(2)) is bound by the notice if it was given to the shareholder before the transmittee's name has been entered in the register of members.

### **Dividends and Other Distributions**

### **35 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: (i) shareholders' respective rights; and (ii) any shareholders agreement.
- (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.

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

- (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 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 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;
- (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.

### **37 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.

### **38 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.

### **39 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.

#### 40 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 signed, by all the holders or persons otherwise entitled to the share.

#### Capitalisation of Profits

#### 41 Authority to capitalise and appropriation of capitalised sums

- (1) The directors may, if they are so authorised by an ordinary resolution (and subject to the terms of any shareholders agreement):
  - (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 any of the company's reserves or funds, including but not limited to the share premium account, capital redemption reserve, merger reserve or revaluation 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) 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 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.

## **Part 4**

### **Decision-Making by Shareholders**

#### **Organisation of General Meetings**

##### **42 Calling, attendance and speaking at general meetings**

- (1) The directors may call a general meeting and, on the requisition of shareholders pursuant to the Companies Acts, shall convene a general meeting.
- (2) 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.
- (3) 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.
- (4) 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.
- (5) 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.
- (6) 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.

##### **43 Quorum for general meetings**

- (1) 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.
- (2) A quorum shall exist at any general meeting if at least two qualifying persons are present.

##### **44 Chairing general meetings**

- (1) If a chairman has been appointed in accordance with article 12, the chairman shall chair general meetings if present and willing to do so.
- (2) If no such chairman has been appointed, 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**".

#### **45 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.

#### **46 Adjournment**

- (1) Subject to article 43(2), 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
- (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**

### **47 General**

- (1) A resolution put to the vote of a general meeting must be decided on a show of hands unless a poll is duly demanded in accordance with the articles.
- (2) Decision making by shareholders is subject to any shareholders agreement.

### **48 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.

### **49 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 by a proxy counts, for the purposes of article 49(2)(1) above, as a demand by a member and for the purposes of article 49(2)(3) or article 49(2)(4) above, as a demand by a member representing the voting rights that the proxy is authorised to exercise.
  - (4) 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,and a demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made.
  - (5) Polls must be taken immediately and in such manner as the chairman of the meeting directs.
- ### **50 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 the articles and any instructions contained in the notice of the general meeting (or adjourned 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.

## **51 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) The directors may require the production of any evidence which they consider necessary to determine the validity of any proxy notice.

## **52 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**

#### **53 Means of communication to be used**

- (1) Anything sent or supplied by or to the company under the articles may be sent or supplied in any way in which the Companies Acts 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.
- (2) 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) 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.

#### **54 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.

#### **55 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, or in accordance with any shareholders agreement, no person is entitled to inspect any of the company's accounting or other records or documents merely by virtue of being a shareholder.

#### **56 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

### 57 Indemnity

- (1) Subject to article 57(2), a relevant director shall be indemnified out of the company's assets against:
- (a) any liability incurred by that director in connection with any negligence, default, breach of duty or breach of trust in relation to the company or an associated company; and
  - (b) any liability incurred by that director in connection with the activities of the company or an associated company in its capacity as a trustee of an occupational pension scheme; and
  - (c) any other liability incurred by that director as an officer of the company or an associated company.
- (2) This article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law.

### 58 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.

### 59 Definitions

- (1) In articles 57 and 58:
- (a) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate;
  - (b) a "**relevant director**" means any director or former director of the company or an associated company; and
  - (c) 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 associated company.