

Company No 05892768

**LEAN FORWARD LIMITED**  
(the "Company")

**Written resolution of the Company pursuant to s.281 and  
Part 13 Ch 2 Companies Act 2006 (the "Act")**

In accordance with Part 13 Ch 2 Companies Act 2006, the following resolution was duly adopted by special resolution of the Company in writing on 24<sup>TH</sup> JUNE 2016

**SPECIAL RESOLUTION**

That the articles of association of the Company be amended by article 13 2 of such articles of association being deleted and being replaced by the following new article 13 2

"13 2 Unless otherwise stated in these Articles, the quorum for directors' meetings shall be

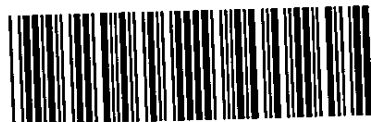
13 2 1 (for so long as at least one Investor Director is in office) two directors, one of whom shall be an Investor Director and another of whom shall be a Founder Director, or

13 2 2 (at any time when no Investor Director is in office) one director "



Director  
Lean Forward Limited

THURSDAY



A14      "A5A7CS2H"      #444  
30/06/2016  
COMPANIES HOUSE

**THE COMPANIES ACT 2006**

---

**PRIVATE COMPANY LIMITED BY SHARES**

---

**ARTICLES OF ASSOCIATION**

**- of -**

**LEANFORWARD LIMITED**

(Amended by special resolution passed  
on 24 June 2016)

**MACFARLANES**

Macfarlanes LLP  
20 Cursitor Street  
London EC4A 1LT

## CONTENTS

Article		Page
1	Disapplication of Table A	1
2	Definitions and interpretation	1
3	Liability of members	7
4	Company name	7
5	Directors' general authority	7
6	Members' reserve power	7
7	Directors may delegate	7
8	Committees	8
9	Directors to take decisions collectively	8
10	Unanimous decisions	8
11	Calling a directors' meeting	9
12	Participation in directors' meetings	9
13	Quorum for directors' meetings	9
14	Chairing of directors' meetings	10
15	Casting vote	10
16	Voting at directors' meetings	10
17	Exercise of directors' duties	11
18	Directors voting and counting in the quorum	12
19	Records of decisions to be kept	12
20	Directors' discretion to make further rules	12
21	Appointing and removing directors	12
22	Investor and Founder Directors	13
23	Termination of director's appointment	13
24	Directors' remuneration and other benefits	14
25	Directors' expenses	14
26	Appointment and removal of alternates and observers	15
27	Rights and responsibilities of alternate directors	15
28	Termination of alternate directorship	15
29	Share capital	16
30	Share rights	16
31	Powers to issue different classes of share	20
32	Issue of new shares	20
33	Variation of class rights	20
34	Payment of commissions on subscription for shares	20
35	Procedure for disposing of fractions of shares	21
36	Company not bound by less than absolute interests	21
37	Share certificates	21
38	Replacement share certificates	21
39	Consolidated share certificates	22
40	Share transfers	22
41	Transmission of shares	24
42	Exercise of transmittes' rights	24
43	Transmittes bound by prior notices	24
44	Permitted transfers	24
45	Compulsory transfers	27
46	Tag-along Rights	28
47	Drag Along Rights	28
48	Dividends and distributions	29
49	Procedure for declaring dividends	29
50	Calculation of dividends	29
51	Payment of dividends and other distributions	30
52	Deductions from distributions in respect of sums owed to the Company	30
53	No interest on distributions	31
54	Unclaimed distributions	31
55	Non-cash distributions	31
56	Waiver of distributions	31
57	Authority to capitalise and appropriation of capitalised sums	32

58	Members can call general meeting if not enough directors	32
59	Attendance and speaking at general meetings	33
60	Quorum for general meetings	33
61	Chairing general meetings	33
62	Attendance and speaking by directors and non-members	33
63	Adjournment	34
64	Voting general	34
65	No voting of shares on which money owed to Company	34
66	Errors and disputes	35
67	Poll votes	35
68	Content of proxy notices	35
69	Delivery of proxy notices	36
70	Amendments to resolutions	36
71	Class meetings	37
72	Company's lien over partly paid shares	37
73	Enforcement of the Company's lien	37
74	Call notices	38
75	Liability to pay calls	39
76	When call notice need not be issued	39
77	Failure to comply with call notice automatic consequences	39
78	Notice of intended forfeiture	40
79	Directors' power to forfeit shares	40
80	Effect of forfeiture	40
81	Procedure following forfeiture	41
82	Surrender of shares	42
83	Communications	42
84	Failure to notify contact details	43
85	Destruction of documents	43
86	Company seals	44
87	No right to inspect accounts and other records	44
88	Provision for employees on cessation or transfer of business	44
89	Indemnities and funding of defence proceedings	44
90	Insurance	45
<b>Schedule</b>		
1	Capital distribution worked example	1

# THE COMPANIES ACT 2006

---

## PRIVATE COMPANY LIMITED BY SHARES

---

### ARTICLES OF ASSOCIATION

(Adopted by special resolution passed

[        ] 2014)

- of -

### LEANFORWARD LIMITED

#### 1 Disapplication of Table A

The regulations contained in Table A in the Schedule to The Companies (Tables A to F) Regulations 1985 shall not apply to the Company

#### 2 Definitions and interpretation

2 1 In these Articles the following words and expressions shall have the following meanings

**acceptors:** as defined in Article 32 3 2,

the **Act:** the Companies Act 2006,

**Acting in Concert:** has the meaning given to it in The City Code on Takeovers and Mergers published by the Panel on Takeovers and Mergers (as amended from time to time),

**Adoption Date:** means the date on which these Articles were adopted by the Company,

**Affiliate:** any person to whom a member is entitled to transfer shares pursuant to Articles 44 1 1 to 44 1 5,

**alternate:** as defined in Article 26 and **alternate director** has a corresponding meaning,

**appointor:** as defined in Article 26,

**Articles:** the Company's articles of association,

**Asset Sale** means the disposal by the Company of all or substantially all of its undertaking and assets,

**Auditor:** means the auditor of the Company from time to time,

**Available Profits.** means profits available for distribution within the meaning of part 23 of the Act,

**Bankrupt:** a person who (i) petitions for his own bankruptcy or is declared bankrupt, or (ii) applies for an interim order under the Insolvency Act 1986, or (iii) makes a proposal for the adoption of a voluntary arrangement under the Insolvency Act 1986, or (iv) seeks a compromise of his debts with his creditors or any substantial part of his creditors, or (v) takes any action or proceeding in any jurisdiction that has an effect equivalent or similar to any of the actions mentioned in (i) to (iv),

**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,

**B Ordinary Shares:** B ordinary shares of £0 00025 each in the capital of the Company,

**B Ordinary Shareholders:** the members for the time being holding B Ordinary Shares,

**business day:** any day other than a Saturday, a Sunday or any other day which is a public holiday in England,

**call:** as defined in Article 74,

**call notice:** as defined in Article 74,

**certificate:** a paper certificate evidencing a person's title to specified shares or other securities,

**chairman:** as defined in Article 14,

**chairman of the meeting:** as defined in Article 61,

**clear days:** in relation to a period of a notice means that period excluding the day when the notice is deemed to be received (or, if earlier, received) and the day of the meeting,

**Companies Acts:** the Companies Acts (as defined in s 2 Companies Act 2006), in so far as they apply to the Company,

**company:** includes any body corporate,

**company's lien:** as defined in Article 72,

**Conflict Situation:** a situation in which a director has, or can have, a direct or indirect interest that conflicts, or may possibly conflict, with the interests of the Company, including in relation to the exploitation of any property, information or opportunity and regardless of whether the Company could take advantage of the property, information or opportunity itself, but excluding a situation which could not reasonably be regarded as likely to give rise to a conflict of interest,

**Controlling Interest:** a holding of shares having the right to exercise more than 50 per cent of the votes which may be cast on a poll at a general meeting of the Company on all, or substantially all, matters,

**CTA:** means the Corporation Tax Act 2010,

**Deferred Shares:** deferred shares of £0 01 each in the capital of the Company,

**Deferred Shareholders:** the members for the time being holding Deferred Shares,

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

**distribution recipient:** as defined in Article 51,

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

**electronic form:** as defined in s 1168 of the Act,

**employee benefit trust:** a trust established, with the prior written approval of a Shareholder Majority, for the purpose of enabling or facilitating transactions in shares between, and/or the acquisition of beneficial ownership of shares by, any of the following persons

- (a) the bona fide employees or former employees of the Company or of any subsidiary undertaking of the Company, or
- (b) the wives, husbands, civil partners, widows, widowers, surviving civil partners, children or stepchildren under the age of 18 of any such employees or former employees,

**Excess Shares:** as defined in Article 32 3 2,

**Excluded Transfer.** a transfer made under Articles 44 1 1 to 44 1 7, 44 1 9, 44 1 11, 44 2 1, 44 2 2 or 45,

**Family Members:** in relation to any person, the spouse or civil partner, parents and every child and remoter descendant of that person (including stepchildren and adopted children),

**Family Trust:** in relation to any person, trusts established by that person in relation to which only such person and/or Family Members of that person are capable of being beneficiaries thereof,

**financial year and financial period:** a financial year (as defined by the Act) of the Company,

**Founder:** Ashley Faull,

**Founder Affiliate:** an Affiliate of the Founder,

**Founder Director:** a director from time to time appointed by the Founder pursuant to Article 22 5,

**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 and hard copy form:** have the meaning given in s 1168 of the Act,

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

**holding company.** as defined in s 1159 of the Act,

**instrument:** a document in hard copy form,

**Investment Agreement:** the agreement dated [ ] 2014 made between the Company (1) Ashley Faull (2) and those persons described in it as the Investors (3), as amended, supplemented, adhered to or restated from time to time,

**Investment Date:** means, in relation to any Investor Ordinary Share, the later of

- (a) the Adoption Date, and
- (b) the date of allotment of such Investor Ordinary Share,

**Investor Ordinary Dividend Amount:** means, at a given date, in relation to any Investor Ordinary Share, an amount equal to  $A - B$ , where

- (a) A is an amount equal to 6 per cent per annum, calculated on the amount paid by way of subscription for such Investor Ordinary Share over the period from (and including) the Investment Date applicable to such Investor Ordinary Share down to (and including) such given date, and
- (b) B is an amount equal to all Investor Ordinary Receipts applicable to such Investor Ordinary Share prior to such given date,

provided that if, at a given date, the calculation A – B in relation to any Investor Ordinary Share results in a negative amount, then the Investor Ordinary Dividend Amount at that date in relation to such Investor Ordinary Share will be zero,

**Investor Ordinary Realisation Amount:** means, on a given date, in relation to any Investor Ordinary Share, an amount equal to

- (a) the Investor Ordinary Dividend Amount at that date in relation to such Investor Ordinary Share, plus
- (b) the amount paid by way of subscription for such Investor Ordinary Share,

**Investor Ordinary Receipts:** means, in relation to any Investor Ordinary Share (i) all dividends from time to time paid by the Company in respect of such Investor Ordinary Share, (ii) all return of capital thereon from time to time, and (iii) all amounts received from time to time by the holder thereof in respect of such Investor Ordinary Share on a Realisation,

**Investor Ordinary Shares.** means the investor ordinary shares of £0 00025 each in the capital of the Company,

**Investor Ordinary Shareholders:** the members for the time being holding Investor Ordinary Shares,

**Investor Affiliate:** an Affiliate of an Investor,

**Investor Director:** a director from time to time appointed by an Investor pursuant to Article 22 1,

**IPO:** means the admission of all or any of the Shares or securities representing those shares (including without limitation depositary interests, American depositary receipts, American depositary shares and/or other instruments) to or the grant of permission by any like authority for the same to be admitted to or traded or quoted on Nasdaq or the Official List of the United Kingdom Listing Authority or the AIM Market operated by the London Stock Exchange Plc or any other recognised investment exchange (as defined in section 285 of the Financial Services and Markets Act 2000),

**IPO Shares.** means the issued equity share capital of the Company or a Parent Undertaking (excluding any equity share capital to be subscribed and issued on such IPO),

**IPO Value:** means, in the event of an IPO, the market value of the IPO Shares determined by reference to the price per share at which such shares are to be offered for sale, placed or otherwise marketed pursuant to the arrangements relating to the IPO, all as determined by the financial advisers to the Company or, if none, the broker appointed by the Board to advise in connection with the IPO,

**lien enforcement notice:** as defined in Article 73,

**member:** a person who is the holder of a share,

**member of the purchasing group** as defined in Article 46 1,



**member of the same group:** in relation to any company, a company which is for the time being a parent undertaking of that company or a subsidiary undertaking of that company or of any such parent undertaking,

**Minority Shareholders:** as defined in Article 47 1,

**Minority Shares:** as defined in Article 47 4 1,

**ordinary resolution:** as defined in s 282 of the Act,

**Ordinary Shares:** ordinary shares of £0 00025 each in the capital of the Company,

**Ordinary Shareholders:** the members for the time being holding Ordinary Shares,

**paid:** in relation to a share, means paid or credited as paid (as to its nominal value or any premium on it),

**parent undertaking:** as defined in s 1162 of the Act,

**participate:** in relation to a directors' meeting, as defined in Article 12,

**partly paid:** in relation to a share, means that part of that share's nominal value or any premium at which it was issued that has not been paid to the Company,

**Patient:** a person who lacks capacity as defined in s 2 Mental Capacity Act 2005,

**Prescribed Consideration** a consideration (whether in cash, securities or otherwise, or in any combination) per Ordinary Share, B Ordinary Share or Investor Ordinary Share equivalent to that offered by the proposed transferee or transferees for each Specified Share together with 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,

**Prescribed Price:** as determined pursuant to Article 46 2,

**Proceeds of Sale:** means the consideration payable (including any deferred consideration) whether in cash or otherwise to those Ordinary Shareholders, B Ordinary Shareholders and/or Investor Ordinary Shareholders selling shares under a Share Sale net of all expenses associated with such Share Sale,

**Prohibited Control:** means as defined by section 296 of Chapter 4, part 6 of ITA by reason of the operation of section 450 and 451 of CTA (but not on a Share Sale or IPO),

**proxy notice:** as defined in Article 68,

**Realisation:** means a Share Sale, Asset Sale, IPO or Winding Up,

**Realisation Date:**

- (a) in the case of an IPO, the date on which dealings commence in respect of the shares the subject of the IPO,
- (b) in the case of a Share Sale, the date of completion of the Share Sale,

**Related Party:** in respect of any person

- (a) any Family Member of that person,
- (b) the trustee(s) of a Family Trust of that person,

- (c) the personal representatives of that person, or of any Family Member of that person,
- (d) any nominee of any of the above,

**Relevant Shares:** the shares originally transferred or issued to a Family Member of an Employee or to the trustees of a Family Trust of an Employee, and any additional shares issued to such person or persons by way of capitalisation or acquired by such person or persons on the exercise of any right or option granted or arising by virtue of the holding of such shares or any of them,

**Sale Shares:** as defined in Article 46 1,

**shares:** shares of any class in the Company other than the Deferred Shares,

**Share Sale:** means the sale of (or the grant of a right to acquire or to dispose of) any of the Shares (in one transaction or as a series of transactions) which will result in the purchaser of those shares (or grantee of that right) and persons Acting in Concert with him together acquiring a Controlling Interest in the Company, except where following completion of the sale the shareholders and the proportion of shares held by each of them are the same as the shareholders and their shareholdings in the Company immediately prior to the sale,

**Shareholder Majority:** the holders of 66 per cent or more of the shares for the time being in issue in the capital of the Company,

**special resolution:** as defined in s 283 of the Act,

**Specified Shares:** as defined in Articles 46 1 and 47 1,

**Subscription Price:** in respect of any share, the amount paid on that share, including amounts paid by way of premium being, in the case of the Investor Ordinary Shares issued on completion of the Investment Agreement £1 00 in respect of each Investor Ordinary Share,

**subsidiary:** as defined in s 1159 of the Act,

**subsidiary undertaking:** as defined in s 1162 of the Act,

**transmittee:** a person entitled to a share by reason of the death or bankruptcy of a member or otherwise by operation of law,

**Winding Up:** means the passing of any resolution for the winding up of the Company, or any other return of capital (on liquidation, capital reduction or otherwise), and

**writing:** 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

## 2 2 In these Articles

2 2 1 the term "**transfer**" shall, unless the context otherwise requires, include

2 2 1 1 a sale or disposal of any legal or equitable interest in a share, whether or not by the member registered as the holder of that share, and

2 2 1 2 any renunciation or other direction by a member entitled to an allotment or transfer of shares that such shares be allotted, issued or transferred to another person,

2 2 2 any reference to an "**interest**" in the context of any transfer of shares shall include any interest in shares as defined by s 820 of the Act,

- 2 2 3 any notice, consent, approval or other document or information, including the appointment of a proxy, required to be given in writing may be given in writing in hard copy form or electronic form, save where expressly provided otherwise in these Articles,
- 2 2 4 any phrase introduced by the terms "including", "include", "in particular" or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms, and
- 2 2 5 save as expressly provided otherwise
- 2 2 5 1 words or expressions contained in these Articles bear the same meaning as in the Act as in force from time to time,
- 2 2 5 2 any reference to any statute or statutory provision includes any subordinate legislation made under that statute or statutory provision, whether before or after the date of adoption of these Articles,
- 2 2 5 3 any reference to any legislation including to any statute, statutory provision or subordinate legislation ("**Legislation**") includes a reference to that Legislation as from time to time amended or re-enacted, whether before or after the date of adoption of these Articles, and
- 2 2 5 4 any reference to re-enactment includes consolidation and rewriting, in each case whether with or without modification

### 3 **Liability of members**

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

### 4 **Company name**

The name of the Company may be changed by

- 4 1 special resolution of the members, or
- 4 2 a decision of the directors, or
- 4 3 otherwise in accordance with the Act

### 5 **Directors' general authority**

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

### 6 **Members' reserve power**

- 6 1 The members may, by special resolution, direct the directors to take, or refrain from taking, specified action
- 6 2 No such special resolution invalidates anything which the directors have done before the passing of the resolution

### 7 **Directors may delegate**

- 7 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

7 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

7 3 The directors may revoke any delegation in whole or part, or alter its terms and conditions

## **8 Committees**

8 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

8 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

## **9 Directors to take decisions collectively**

9 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

9 2 If

9 2 1 the Company only has one director, and

9 2 2 no provision of these Articles requires it to have more than one director,

the general rule does not apply, and the director may take decisions without regard to any of the provisions of these Articles relating to directors' decision-making including, for the avoidance of doubt, Article 13

## **10 Unanimous decisions**

10 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

10 2 Such a decision may take the form of a resolution in writing, of which each eligible director has signed one or more copies or to which each eligible director has otherwise indicated agreement in writing

10 3 References in this Article 10 to eligible directors are to directors who would have been entitled to vote on the matter had it been proposed as a resolution at a directors' meeting (but exclude in respect of the authorisation of a Conflict Situation, the director subject to that Conflict Situation)

10 4 Notwithstanding the requirements of Articles 10 1 to 10 3

10 4 1 if a person who is an alternate director indicates on behalf of his appointor whether or not he shares the common view his appointor is not also required to do so in order to satisfy those requirements,

10 4 2 if a director who has appointed an alternate indicates pursuant to Article 10 1 whether or not he shares the common view his alternate is not also required to do so in order to satisfy those requirements

10 5 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**

11 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

11 2 Notice of any directors' meeting must indicate

11 2 1 its proposed date and time,

11 2 2 where it is to take place, and

11 2 3 if it is anticipated that directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting

11 3 Notice of a directors' meeting must be given to each director in writing

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

## **12 Participation in directors' meetings**

12 1 Subject to these Articles, directors (or their alternates) participate in a directors' meeting, or part of a directors' meeting, when

12 1 1 the meeting has been called and takes place in accordance with these Articles, and

12 1 2 they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting

12 2 In determining whether directors (or their alternates) are participating in a directors' meeting, it is irrelevant where any director (or his alternate) is or how they communicate with each other

12 3 If all the directors (or their alternates) 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 default of such a decision, the meeting shall be treated as being held where the majority of the directors (or their alternates) are located or, if there is no such majority, where the chairman is located

## **13 Quorum for directors' meetings**

13 1 At a directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting

13 2 Unless otherwise stated in these Articles, the quorum for directors' meetings shall be

13 2 1 (for so long as at least one Investor Director is in office) two directors, one of whom shall be an Investor Director and another of whom shall be a Founder Director, or

13 2 2 (at any time when no Investor Director is in office) one director

13 3 For the purposes of any directors' meeting, (or part of a meeting) at which it is proposed to authorise a Conflict Situation in respect of one or more directors, if there is only one director in office other than the director or directors subject to the Conflict Situation, the quorum for

such meeting (or part of a meeting) shall, with the consent of an Investor Director and a Founder Director, be one director

13 4 At a directors' meeting

13 4 1 a director who is also an alternate director may be counted more than once for the purposes of determining whether a quorum is participating,

13 4 2 a person who is an alternate director, but is not otherwise a director, shall be counted as participating for the purposes of determining whether a quorum is participating,

but only, in each case, if that director's or other person's appointor is not participating. If on that basis there is a quorum the meeting may be held notwithstanding the fact (if it is the case) that only one director is participating

13 5 If the total number of directors for the time being in office is less than the quorum required, the directors must not take any decision other than a decision

13 5 1 to appoint further directors, or

13 5 2 to call a general meeting so as to enable the members to appoint further directors

14 **Chairing of directors' meetings**

14 1 The Investor Directors shall appoint an independent chairman of the Board (the "**chairman**") from time to time. Any such appointment shall be made by notice in writing to the Company. The Investor Directors must have regard to the reasonable representations of the Founder Director in the appointment of the chairman. At any time the Investor Directors can request that such person be removed from office as chairman and the directors shall remove him from such office on receipt of any such written request.

14 2 The chairman shall chair each directors' meeting at which he is present. If there is no director holding that office, or if the chairman is unwilling to chair the directors' meeting or is not participating in the meeting within ten minutes after the time at which it was to start, the participating directors must appoint one of themselves to chair it.

15 **Casting vote**

In the case of an equality of votes, the chairman shall have a second or casting vote.

16 **Voting at directors' meetings**

16 1 Subject to these Articles, each director participating in a directors' meeting has one vote.

16 2 If the Founder has a right to appoint more than one director under Article 22 5 but does not exercise that right or does exercise that right but the other directors appointed under Article 22 5 do not attend a meeting of directors, the Founder Director who does attend shall have the votes of the other directors who were not appointed under Article 22 5 or who were appointed but did not attend but only up to the number of votes that gives equality with the number of Investor Directors in attendance excluding the chairman for these purposes.

16 3 A director who is also an alternate director has an additional vote on behalf of his appointor provided

16 3 1 his appointor is not participating in the directors' meeting, and

16 3 2 in respect of a particular matter

- 16 3 2 1 his appointor would have been entitled to vote if he were participating in it, and
    - 16 3 2 2 the matter is not the authorisation of a Conflict Situation of the appointor
- 16 4 A person who is an alternate director, but is not otherwise a director, only has a vote if
  - 16 4 1 his appointor is not participating in the directors' meeting, and
  - 16 4 2 in respect of a particular matter
    - 16 4 2 1 his appointor would have been entitled to vote if he were participating in it, and
    - 16 4 2 2 the matter is not the authorisation of a Conflict Situation of the appointor
- 17 **Exercise of directors' duties**
  - 17 1 If a Conflict Situation arises, the directors may with the prior written consent of the Shareholder Majority authorise it for the purposes of s 175(4)(b) of the Act by a decision of the directors made in accordance with that section and these Articles. At the time of the authorisation, or at any time afterwards, the directors may impose any limitations or conditions or grant the authority subject to such terms which (in each case) they consider appropriate and reasonable in all the circumstances. Any authorisation may be revoked or varied at any time in the discretion of the directors
  - 17 2 It is recognised that an Investor Director or any alternate for an Investor Director and a Founder Director or any alternate for a Founder Director
    - 17 2 1 may be an employee, consultant, director, member or other officer of the Investor Ordinary Shareholder or the Founder (as applicable) who has appointed him or of an Investor Affiliate or Founder Affiliate,
    - 17 2 2 may be taken to have, through previous or existing dealings, a commercial relationship with, or an economic interest in, the Investor Ordinary Shareholder who has appointed him or with the Founder or with, or in, an Investor Affiliate or Founder Affiliate, and
    - 17 2 3 may be a director or other officer of, or be employed by, or otherwise be involved, or have an economic interest, in the business of other entities in which the Investor Ordinary Shareholder who has appointed him or the Founder or an Investor Affiliate or Founder Affiliate has or may have an interest from time to time
  - 17 3 An Investor Director and any alternate for an Investor Director or a Founder Director or any alternate for a Founder Director shall not, by reason of his office
    - 17 3 1 be in breach of the duties he owes to the Company, including his duties to exercise independent judgement and to avoid a Conflict Situation, as a result of matters arising from the relationships contemplated by Article 17 2, including in relation to proposals for financing or otherwise promoting the business of (whether in competition with the Company or not) any such other entity, nor
    - 17 3 2 (notwithstanding his duty not to accept benefits from third parties) be accountable to the Company for any benefit which he derives from any other directorship, membership, office, employment, relationship or his involvement with the Investor Ordinary Shareholder who has appointed him or the Founder, with an Investor Affiliate or Founder Affiliate or with any entity referred to in Article 17 2

17 4 In the circumstances contemplated by Article 17 2 and 17 3 and notwithstanding any other provision of these Articles, each director affected shall

17 4 1 be entitled to receive any papers or other documents in relation to, or concerning, matters to which the Conflict Situation relates,

17 4 2 not be excluded from those parts of directors' meetings or meetings of any committee of the directors at which matters to which the Conflict Situation relates are considered,

17 4 3 be entitled to vote (and form a part of the quorum) at any such meeting,

17 4 4 be entitled to give or withhold consent or give any approval required by these Articles or otherwise on behalf of the Investor Ordinary Shareholder who has appointed him, and

any information which he obtains, other than in his capacity as a director or employee of the Company, which is confidential in relation to an entity referred to in Article 17 2, need not be disclosed or used for the benefit of the Company where such disclosure or use would constitute a breach of confidence

## 18 **Directors voting and counting in the quorum**

Save as otherwise specified in these Articles or the Act and subject to any limitations, conditions or terms attaching to any authorisation given by the directors for the purposes of s 175(4)(b) of the Act, a director (or his alternate) may vote on, and be counted in the quorum in relation to any decision of the directors relating to a matter in which he (or, in the case of an alternate, he or his appointor) has, or can have, a direct or indirect interest or duty, including

18 1 an interest or duty which conflicts, or possibly may conflict, with the interests of the Company, and

18 2 an interest arising in relation to an existing or a proposed transaction or arrangement with the Company

## 19 **Records of decisions to be kept**

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

## 20 **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

## 21 **Appointing and removing directors**

21 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

21 1 1 by ordinary resolution, or

21 1 2 by a decision of the directors, or

21 1 3 by notice in writing from the holders from time to time of shares carrying a majority of the votes capable of being cast at a general meeting on all, or substantially all, matters (and any director so appointed may in like manner at any time and from time to time be removed from office)



21 2 In any case where, as a result of death, the Company has no members and no directors, the personal representatives of the last member to have died have the right, by notice in writing, to appoint a person to be a director

21 3 For the purposes of Article 21 2, where two or more members die in circumstances rendering it uncertain who was the last to die, a younger member is deemed to have survived an older member

## 22 **Investor and Founder Directors**

22 1 Subject to Article 22 4, each Investor Ordinary Shareholder shall have the right at any time and from time to time for every 16 per cent of the shares from time to time in issue held by him/it to appoint a director of the Company Any such appointment or nomination shall be made by notice in writing to the Company and Investor Ordinary Shareholders may in like manner at any time and from time to time remove from office any director appointed by them (or withdraw any such nomination) pursuant to this Article and appoint any person in place of any director so removed or dying or otherwise vacating office (or nominate any other director)

22 2 Subject always to Article 22 4, if a single Investor Ordinary Shareholder (i) does not hold over 16 per cent of the shares (a "**Small Holder**"), or (ii) holds over 16 per cent of the shares and, having appointed an Investor Director for every 16 per cent of the shares held by it, has a surplus of shares that have not been applied towards the appointment of a director pursuant to Article 22 1 ("**Surplus Shares**") (a "**Large Holder**"), that Investor Ordinary Shareholder may together with any other Small Holder(s) or Large Holder(s) appoint in accordance with Article 22 1 one director of the Company for every 16 per cent or more of the Investor Ordinary Shares held by such Small Holder(s) and/or the Surplus Shares held by such Large Holder(s)

22 3 The number of Investor Directors appointed from time to time pursuant to Article 22 1 and 22 2 shall at no time exceed three

22 4 Upon any resolution pursuant to s 168 of the Act or Article 23 2 for the removal of any Investor Director for the time being holding office pursuant to Article 22 1, the shares held by the person who appointed such director and in respect of which he made such appointment shall confer upon the holder of those shares (so long as they comprise at least 16 per cent of the shares then in issue) the right to an aggregate number of votes which is one vote greater than the number of votes capable of being cast on such resolution by all other members of the Company Such votes shall be divided between such holders, if more than one, as nearly as may be in proportion to the number of such shares held by them respectively

22 5 The Founder shall have the right at any time and from time to time for so long as he holds any shares to appoint a director of the Company and, for so long as he holds over 25 per cent of the shares from time to time in issue to appoint two further directors of the Company Any such appointments shall be made by notice in writing to the Company from the Founder and the Founder may in like manner at any time and from time to time remove from office any director appointed pursuant to this Article and appoint any person in place of any director so removed or dying or otherwise vacating office

22 6 Upon any resolution pursuant to s 168 of the Act or Article 23 2 for the removal of any Founder Director for the time being holding office pursuant to Article 22 5, the shares held by the Founder (so long as they comprise at least nine per cent of the shares from time to time in issue) shall confer the right to an aggregate number of votes which is one vote greater than the number of votes capable of being cast on such resolution by all other members of the Company

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

23 1 A person ceases to be a director as soon as

- 23 1 1 that person ceases to be a director by virtue of any provision of the Act or is prohibited from being a director by law,
  - 23 1 2 that person becomes a Bankrupt,
  - 23 1 3 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 or that person otherwise becomes a Patient,
  - 23 1 4 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,
  - 23 1 5 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,
  - 23 1 6 notification is received by the Company of the removal of the director from office in accordance with Articles 21 1 3, 22 or 23 2,
  - 23 1 7 the Investor Ordinary Shareholder or Founder who appointed him ceases to hold the requisite percentage of the shares from time to time in issue entitling him to appoint him under Article 22 ,
- 23 2 In addition and without prejudice to the provisions of s 168 of the Act, the Company may by ordinary resolution remove any director before the expiration of his period of office and may by ordinary resolution appoint another director in his place
- 24 Directors' remuneration and other benefits**
- 24 1 A director may undertake any services for the Company that the directors decide
- 24 2 Remuneration may, with the prior written approval of a Shareholder Majority, be paid to any other director
- 24 2 1 for his services to the Company as a director, and
  - 24 2 2 for any other service which he undertakes for the Company
- 24 3 Subject to these Articles, a director's remuneration may
- 24 3 1 take any form, and
  - 24 3 2 include any arrangements in connection with the payment of a pension, allowance or gratuity, or any death, sickness or disability benefits, to or in respect of that director
- 24 4 Unless the directors decide otherwise a director's remuneration accrues from day to day
- 24 5 Unless the directors decide otherwise no director is accountable to the Company for any remuneration or other benefit which he receives as a director or other officer or employee of any of the Company's subsidiary undertakings or of any parent undertaking of the Company from time to time or of any other body corporate in which the Company or any such parent undertaking is interested
- 25 Directors' expenses**
- The Company may pay any reasonable expenses which the directors properly incur in connection with their attendance at

- 25 1 meetings of directors or committees of directors,
- 25 2 general meetings, or
- 25 3 separate meetings of the holders of any class of shares or of debentures of the Company,  
or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the Company

## 26 **Appointment and removal of alternates and observers**

- 26 1 Any director (the “**appointor**”) may appoint as an alternate any other director, or, subject to Article 26 2, any other person approved by a decision of the directors, to

- 26 1 1 exercise that director’s powers, and

- 26 1 2 carry out that director’s responsibilities,

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

- 26 2 An Investor Director (the “**appointor**”) may appoint any person as an alternate. The appointment of the alternate should be approved by the Board (acting reasonably). Their alternate may attend any board meetings but if the appointor is in attendance they shall assume the role of an observer and may not vote.

- 26 3 Any appointment or removal of an alternate or observer must be effected by notice in writing to the Company signed by the appointor, or in any other manner approved by the directors.

- 26 4 The notice must

- 26 4 1 identify the proposed alternate or observer, and

- 26 4 2 confirm that the proposed alternate or observer is willing to act as the alternate or observer of the director giving the notice.

- 26 5 No person may be appointed as alternate to more than one director of the Company.

## 27 **Rights and responsibilities of alternate directors**

- 27 1 An alternate director has the same rights, in relation to any directors’ meeting or a decision taken in accordance with Article 10, as the alternate’s appointor.

- 27 2 Except as these Articles specify otherwise, alternate directors

- 27 2 1 are deemed for all purposes to be directors,

- 27 2 2 are liable for their own acts and omissions,

- 27 2 3 are subject to the same restrictions as their appointors, and

- 27 2 4 are not deemed to be agents of or for their appointors.

- 27 3 An alternate director is not entitled to receive any remuneration from the Company for serving as an alternate director except such part of the alternate’s appointor’s remuneration as the appointor may direct by notice in writing made to the Company.

## 28 **Termination of alternate directorship**

- An alternate director’s appointment as an alternate terminates

- 28 1 when the alternate's appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate,
- 28 2 on the occurrence in relation to the alternate of any event which, if it occurred in relation to the alternate's appointor, would result in the termination of the appointor's appointment as a director,
- 28 3 on the death of the alternate's appointor, or
- 28 4 when the alternate's appointor's appointment as a director terminates

29 **Share capital**

The share capital of the Company at the date of adoption of these Articles is divided into Ordinary Shares, B Ordinary Shares, Investor Ordinary Shares and Deferred Shares

30 **Share rights**

The Ordinary Shares, B Ordinary Shares and Investor Ordinary Shareholders shall have the following rights and be subject to the following restrictions

30 1 **Income**

30 1 1 All dividends paid by the Company in respect of the Company's Available Profits (other than a dividend representing the distribution of some or all of the proceeds of an Asset Sale) shall be applied

30 1 1 1 first as to

- (i) zero point zero five per cent thereof to the holders of the Ordinary Shares pro rata to the number of Ordinary Shares held by each of them respectively,
- (ii) zero point zero five per cent thereof to the holders of the B Ordinary Shares pro rata to the number of B Ordinary Shares held by each of them respectively (if there are no B Ordinary Shares in issue on date on which a given dividend is paid, the zero point zero five per cent shall be applied to the holders of the Ordinary Shares pro rata to the number of Ordinary Shares held by each of them respectively), and
- (iii) ninety nine point nine per cent thereof to the holders of the Investor Ordinary Shares pro rata to the number of Investor Ordinary Shares held by each of them respectively,

until each Investor shall have received in full the Investor Ordinary Dividend Amount in respect of each Investor Ordinary Share held by that Investor, and

30 1 1 2 thereafter in paying any remaining dividend to the holders of the Investor Ordinary Shares, Ordinary Shares and B Ordinary Shares pro rata to the number of Investor Ordinary Shares, Ordinary Shares and B Ordinary Shares held by each of them respectively

30 1 2 Any dividend referred to in Article 30 1 1 shall be paid by the Company no later than 8 weeks after the date on which the accounts for the relevant accounting period of the Company have been approved by the Board

30 1 3 All dividends paid by the Company which represent the distribution of some or all of the proceeds of an Asset Sale shall be applied

30 1 3 1 first as provided in Article 30 1 1 1(i), (ii) and (iii) until each Investor shall have received in full the Investor Ordinary Realisation Amount in respect of each Investor Ordinary Share held by that Investor,

30 1 3 2 thereafter in paying to the Ordinary Shareholders an amount (in proportion to the numbers of Ordinary Shares held by them respectively) until each Ordinary Shareholder shall have received £1 per Ordinary Share held, including any amounts paid pursuant to Article 30 1 3 1, and

30 1 3 3 thereafter in paying any remaining dividend to the holders of the Investor Ordinary Shares, Ordinary Shares and B Ordinary Shares pro rata to the number of Investor Ordinary Shares, Ordinary Shares and B Ordinary Shares held by each of them respectively

30 1 4 If the rights attributable to any shares held by any company would operate in such a manner as to result in any holder of such shares being in Prohibited Control of the Company payment of such part of the dividend due to any such holder as the Auditor determines is sufficient to procure that the Company does not fall under the Prohibited Control of any such holder shall be made and any balance shall not be paid

## 30 2 Capital

30 2 1 On a return of capital, which includes a Winding Up or any other return of capital, but not for the avoidance of doubt a repurchase or redemption of shares by the Company (the terms of which would be agreed at the time of such repurchase/redemption), the surplus assets of the Company remaining after payment of its liabilities shall be applied (to the extent that the Company is lawfully permitted so to do)

30 2 1 1 first as provided in Article 30 1 1 1(i), (ii) and (iii), until each Investor shall have received in full the Investor Ordinary Realisation Amount in respect of each Investor Ordinary Share held by that Investor,

30 2 1 2 thereafter in paying to the Ordinary Shareholders an amount (in proportion to the numbers of Ordinary Shares held by them respectively) until each Ordinary Shareholder shall have received £1 per Ordinary Share held, including any amounts paid pursuant to Article 30 2 1 1, and

30 2 1 3 thereafter in paying any remaining amount to the holders of the Investor Ordinary Shares, Ordinary Shares and B Ordinary Shares pro rata to the number of Investor Ordinary Shares, Ordinary Shares and B Ordinary Shares held by each of them respectively

30 2 2 If the rights attributable to the shares held by any company pursuant to Article 30 2 1 would operate in such a manner as to result in any holder of such shares (together with any persons connected with such holder (within the meaning of section 1122 of CTA)) being in Prohibited Control of the Company, such part of the rights of such shareholder to repayment of capital shall be waived so as to ensure that such shareholder does not have Prohibited Control of the Company, but shall not be waived in the case of a Share Sale or IPO

- 30 2 3      On a Share Sale, the Proceeds of Sale shall be paid
- 30 2 3 1      first to the holders of the Investor Ordinary Shares pro rata to the number of Investor Ordinary Shares held by each of them respectively, until each Investor shall have received in full the Investor Ordinary Realisation Amount in respect of each Investor Ordinary Share held by that Investor,
- 30 2 3 2      thereafter in paying to the Ordinary Shareholders an amount (in proportion to the numbers of Ordinary Shares held by them respectively) until each Ordinary Shareholder shall have received £1 per Ordinary Share held, including any amounts paid pursuant to Article 30 2 3 1, and
- 30 2 3 3      thereafter in paying any remaining amount to the holders of the Investor Ordinary Shares, Ordinary Shares and B Ordinary Shares pro rata to the number of Investor Ordinary Shares, Ordinary Shares and B Ordinary Shares held by each of them respectively
- 30 2 4      On a Share Sale
- 30 2 4 1      the Directors shall not register any transfer of shares if the Proceeds of Sale are not distributed in accordance with Article 30 2 1 save in respect of any shares not sold in connection with that Share Sale provided that if the Proceeds of Sale are not settled in their entirety upon completion of the Share Sale, and
- 30 2 4 2      the Directors shall not be prohibited from registering the transfer of the relevant shares so long as the Proceeds of Sale that are settled have been distributed in accordance with Article 30 2 1
- 30 2 5      Immediately prior to and conditionally upon an IPO the shareholders shall enter into such reorganisation of the share capital of the Company as they may agree or (in default of such agreement) as determined by the Auditor, to ensure that the IPO Value is allocated between the shareholders in the same proportions as the provisions of Article 30 2 3 and Article 30 2 4 would provide on a Share Sale at that IPO Value
- 30 2 6      A worked example of the operation of this Article is included as a Schedule to these Articles
- 30 3      **Voting**
- 30 3 1      On a vote
- 30 3 1 1      on a show of hands, every Ordinary Shareholder, B Ordinary Shareholder or Investor Ordinary Shareholder who (being an individual) is present in person or (being a company) is present by a representative shall have one vote and every proxy duly appointed by one or more Ordinary Shareholders, B Ordinary Shareholders or Investor Ordinary Shareholders (or, where more than one proxy has been duly appointed by the same member, all the proxies appointed by that member taken together) shall have one vote, save that a proxy shall have one vote for and one vote against the resolution if
- (i)      the proxy has been duly appointed by more than one Ordinary Shareholder, B Ordinary Shareholder or

- Investor Ordinary Shareholder entitled to vote on the resolution, and
- (ii) the proxy has been instructed by one or more of those Ordinary Shareholders, B Ordinary Shareholders or Investor Ordinary Shareholders to vote for the resolution and by one or more other of those Ordinary Shareholders, B Ordinary Shareholders or Investor Ordinary Shareholders to vote against it, and
- 30 3 1 2 on a poll, every Ordinary Shareholder, B Ordinary Shareholder or Investor Ordinary Shareholder who (being an individual) is present in person or by one or more duly appointed proxies or (being a company) by a representative or by one or more duly appointed proxies shall have one vote for every Ordinary Share, B Ordinary Share or Investor Ordinary Share of which he is the holder, and
- 30 3 1 3 on a written resolution every Ordinary Shareholder, B Ordinary Shareholder or Investor Ordinary Shareholder shall have one vote for every Ordinary Share, B Ordinary Share or Investor Ordinary Share of which he is the holder
- 30 3 2 Notwithstanding Article 30 3 1, to the extent that the shares held in the Company by the Founder, or any connected person with the Founder, exceed more than 50 per cent, the voting rights of the Founder and his connected persons shall be capped at 50 per cent
- 30 4 The Deferred Shares shall have the following rights and be subject to the following restrictions
- 30 4 1 Income
- The Deferred Shares shall not be entitled to any dividend or distribution, whether pursuant to the Articles or otherwise nor to participate in any offer of new shares or shares being transferred
- 30 4 2 Capital
- On a return of capital on liquidation or otherwise, or on a Share Sale, after the sum of £1million has been paid in respect of each Ordinary Share, B Ordinary Share and Investor Ordinary Share, the next £100 of any remaining balance shall be distributed among the holders of the Deferred Shares in proportion to the numbers of Deferred Shares held by them in full satisfaction of their rights in respect of such surplus
- 30 4 3 Voting
- The Deferred Shares shall not entitle the holders of such shares to receive notice of or to attend or vote at any general meeting of the Company by virtue of their holdings of any such Deferred Shares
- 30 4 4 Transfer
- The Deferred Shares are not transferable other than with the consent of the Company

31      **Powers to issue different classes of share**

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

32      **Issue of new shares**

32 1      The Company has the power to allot and issue shares and to grant rights to subscribe for, or to convert any security into, shares pursuant to those rights

32 2      In the event that the Company has at any time only one class of shares, the directors may only exercise the power of the Company to allot and issue shares or to grant rights to subscribe for, or to convert any security into, shares in accordance with s 551 of the Act. The powers of the directors pursuant to s 550 of the Act shall be limited accordingly

32 3      The provisions of ss 561 and 562 of the Act shall apply to the Company, subject always to the provisions of ss 570 and 571 of the Act, with the following modifications

32 3 1      the Ordinary Shares, B Ordinary Shares and Investor Ordinary Shares shall be deemed to be shares of the same class,

32 3 2      the holders of equity securities (as defined in s 560 of the Act) who accept all the equity securities offered to them ("acceptors") shall be entitled to indicate whether they would accept equity securities not accepted by other offerees ("Excess Shares"), and any such Excess Shares shall be allotted to such acceptors in the numbers in which they have been accepted by such acceptors or, if the number of Excess Shares is insufficient for all such acceptors to be allocated all the Excess Shares they have indicated they would accept, then the Excess Shares shall be allocated as nearly as practicable in the proportion that the number of Excess Shares each such acceptor has indicated he would accept bears to the aggregate number of Excess Shares applied for by all such acceptors. Fractional entitlements to equity securities shall be ignored

33      **Variation of class rights**

33 1      Whenever the capital of the Company is divided into different classes of shares, the rights attached to any class may be varied or abrogated either whilst the Company is a going concern, or during or in contemplation of a winding up, with the consent in writing of the holders of three fourths of the issued shares of the class or with the sanction of a special resolution passed at a separate meeting of the holders of that class

33 2      The rights attached to any class of shares shall not (unless otherwise provided by the rights attached to the shares of that class) be deemed to be varied by the creation or issue of further shares ranking in some or all respects *pari passu* with or in priority to those shares or by the purchase or redemption by the Company of any of its own shares

34      **Payment of commissions on subscription for shares**

34 1      The Company may pay any person a commission in consideration for that person

34 1 1      subscribing, or agreeing to subscribe, for shares, or

34 1 2      procuring, or agreeing to procure, subscriptions for shares

34 2      Any such commission may be paid

34 2 1      in cash, or in fully paid or partly paid shares or other securities, or partly in one way and partly in the other, and

34 2 2      in respect of a conditional or an absolute subscription



**35 Procedure for disposing of fractions of shares**

35 1 This Article applies where

35 1 1 there has been a consolidation or division of shares, and

35 1 2 as a result, members are entitled to fractions of shares

35 2 The directors may

35 2 1 sell the shares representing the fractions to any person including the Company for the best price reasonably obtainable,

35 2 2 authorise any person to execute an instrument of transfer of the shares to the purchaser or a person nominated by the purchaser, and

35 2 3 distribute the net proceeds of sale in due proportion among the holders of the shares

35 3 Where any holder's entitlement to a portion of the proceeds of sale amounts to less than a minimum figure determined by the directors, that member's portion may be distributed to an organisation which is a charity for the purposes of the law of England and Wales, Scotland or Northern Ireland

35 4 The person to whom the shares are transferred is not obliged to ensure that any purchase money is received by the person entitled to the relevant fractions

35 5 The transferee's title to the shares is not affected by any irregularity in or invalidity of the process leading to their sale

**36 Company not bound by less than absolute interests**

36 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 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

**37 Share certificates**

37 1 The Company must issue each member, free of charge, with one or more certificates in respect of the shares which that member holds

37 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) the amount paid up on them, and (d) any distinguishing numbers assigned to them

37 3 No certificate may be issued in respect of shares of more than one class

37 4 If more than one person holds a share, only one certificate may be issued in respect of it

37 5 Certificates must

37 5 1 have affixed to them the Company's common seal, or

37 5 2 be otherwise executed in accordance with the Companies Acts

**38 Replacement share certificates**

38 1 If a certificate issued in respect of a member's shares is

38 1 1 damaged or defaced, or

- 38 1 2        said to be lost, stolen or destroyed,
- that member is entitled to be issued with a replacement certificate in respect of the same shares
- 38 2        A member exercising the right to be issued with such a replacement certificate
- 38 2 1        may at the same time exercise the right to be issued with a single certificate or separate certificates,
- 38 2 2        must return the certificate which is to be replaced to the Company if it is damaged or defaced, and
- 38 2 3        must comply with such conditions as to evidence, indemnity and the payment of a reasonable fee as the directors decide
- 39        **Consolidated share certificates**
- 39 1        When a member's holding of shares of a particular class increases, the Company may issue that member with
- 39 1 1        a single, consolidated certificate in respect of all the shares of a particular class which that member holds, or
- 39 1 2        a separate certificate in respect of only those shares by which that member's holding has increased
- 39 2        When a member's holding of shares of a particular class is reduced, the Company must ensure that the member is issued with one or more certificates in respect of the number of shares held by the member after that reduction. But the Company need not (in the absence of a request from the member) issue any new certificate if
- 39 2 1        all the shares which the member no longer holds as a result of the reduction, and
- 39 2 2        none of the shares which the member retains following the reduction, were, immediately before the reduction, represented by the same certificate
- 39 3        A member may request the Company, in writing, to replace
- 39 3 1        the member's separate certificates with a consolidated certificate, or
- 39 3 2        the member's consolidated certificate with two or more separate certificates representing such proportion of the shares as the member may specify
- 39 4        When the Company complies with such a request it may charge such reasonable fee as the directors may decide for doing so
- 39 5        A consolidated certificate must not be issued unless any certificates which it is to replace have first been returned to the Company for cancellation
- 40        **Share transfers**
- 40 1        Shares may be transferred only in accordance with the provisions of Articles 44-47 (to the extent applicable), any other transfer shall be void
- 40 2        Shares may be transferred by means of an instrument of transfer in any usual form or any other form approved by the directors, which is executed by or on behalf of (a) the transferor, and (b) (if any of the shares is partly paid) the transferee

- 40 3 No fee may be charged for registering any instrument of transfer or other document relating to or affecting the title to any share
- 40 4 The Company may retain any instrument of transfer which is registered
- 40 5 The transferor remains the holder of a share until the transferee's name is entered in the register of members as holder of it
- 40 6 Subject only to Article 40 7, the directors shall register any transfer of shares made in accordance with the provisions of Articles 44-47 (to the extent applicable) within 21 days of the following being lodged at the Company's registered office or such other place as the directors have appointed
- 40 6 1 the duly stamped instrument of transfer, and
- 40 6 2 the certificate for the shares to which the transfer relates or an indemnity in lieu of the certificate in a form reasonably satisfactory to the directors
- 40 7 The directors may refuse to register the transfer of a share if
- 40 7 1 the share is not fully paid,
- 40 7 2 the transfer is not lodged at the Company's registered office or such other place as the directors have appointed,
- 40 7 3 the transfer is not accompanied by the certificate for the shares to which it relates, or such other evidence as the directors may reasonably require to show the transferor's right to make the transfer, or evidence of the right of someone other than the transferor to make the transfer on the transferor's behalf,
- 40 7 4 the transfer is in respect of more than one class of share,
- 40 7 5 the transfer is in favour of more than four transferees, or
- 40 7 6 the transfer is in favour of a person under the age of 18, a Bankrupt or a Patient
- 40 8 If the directors refuse to register the transfer of a share, they shall
- 40 8 1 send to the transferee notice of refusal, together with the reasons for the refusal, as soon as practicable and in any event within two months of the date on which the instrument of transfer was lodged with the Company,
- 40 8 2 return the instrument of transfer to the transferee with the notice of refusal unless they suspect that the proposed transfer may be fraudulent
- 40 9 For the purpose of ensuring that a transfer of shares is authorised under these Articles or that no circumstances have arisen by reason of which shares should have been offered under Article 46, the directors may from time to time require any member or past member or any person named as transferee in any instrument of transfer lodged for registration to provide to the Company such information as the directors reasonably think fit regarding any matter which they consider relevant Unless that information is supplied within 30 days of the date of the request, the directors may declare the shares in question to be subject to the restrictions set out in section 454 Companies Act 1985 until such time as that information is supplied or (as the case may be) may refuse to register the relevant transfer
- 40 10 Reference in Article 40 9 to a member or past member includes the personal representatives, trustee in bankruptcy, receiver or liquidator of any member and any deputy or other person authorised by the Court of Protection to act on behalf of a Patient

#### **41 Transmission of shares**

- 41 1 If title to a share passes to a transmittee, the Company may only recognise the transmittee as having any title to that share
- 41 2 Nothing in these Articles releases the estate of a deceased member from any liability in respect of a share solely or jointly held by that member
- 41 3 A transmittee who produces such evidence of entitlement to shares as the directors may properly require
- 41 3 1 may, subject to these Articles, choose either to become the holder of those shares or to have them transferred to another person, and
- 41 3 2 subject to these Articles, and pending any transfer of the shares to another person, has the same rights as the holder had
- 41 4 But transmittees do not have the right to attend or vote at a general meeting, or agree to a proposed written resolution, in respect of shares to which they are entitled, by reason of the holder's death or bankruptcy or otherwise, unless they become the holders of those shares

#### **42 Exercise of transmittees' rights**

- 42 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
- 42 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
- 42 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

#### **43 Transmittees bound by prior notices**

If a notice is given to a member in respect of shares and a transmittee is entitled to those shares, the transmittee is bound by the notice if it was given to the member before the transmittee's name or the name of any person named as the transferee in an instrument of transfer executed pursuant to Article 42 2 has been entered in the register of members

#### **44 Permitted transfers**

##### **44 1 Permitted transfers**

Subject to the provisions of Article 40, any share, other than one which in accordance with these Articles is declared to be subject to the restrictions set out in s 454 Companies Act 1985, may at any time be transferred

- 44 1 1 by any member being a natural person (not being a holder of such shares as a trustee) during his lifetime to a Family Member of that member aged 18 or more and to whom the member is transferring the entire legal and beneficial interest in such shares, or
- 44 1 2 by a member being a natural person to trustees of a Family Trust of that member to whom the member is transferring the entire legal and beneficial interest in such shares, or
- 44 1 3 by any member not being a natural person to
- 44 1 3 1 a member of the same group as that member,

44 1 3 2 where the member is, or holds shares as trustee or nominee for, or otherwise on behalf of, a partnership, unit trust or other fund (however constituted)

- (i) in the event of (a) the dissolution of such partnership, unit trust, or fund or (b) any distribution of assets of the unit trust, fund or partnership in the normal course of its business, to the holders of units in, or partners in or members of or investors in such partnership, unit trust or fund in connection with such dissolution or distribution,
- (ii) a partnership, unit trust or fund which has the same general partner, manager or adviser as such partnership, unit trust or fund, or whose general partner, manager or adviser is a member of the same group as the general partner, manager or adviser of such partnership, unit trust or fund,
- (iii) a trustee or nominee for any such partnership, unit trust or fund as is referred to in paragraph (ii) above, or

44 1 4 by any member, with the prior written consent of a Shareholder Majority, to the trustee(s) or nominee for the time being of an employee benefit trust, or

44 1 5 by the trustee(s) or nominee for the time being of an employee benefit trust, with the prior written consent of a Shareholder Majority, to any beneficiary of such employee benefit trust, or

44 1 6 by a member in pursuance of a transfer of Relevant Shares (whether alone or in combination with other sales of shares) as described in Article 45, or

44 1 7 by any member in consequence of acceptance of an offer made to that member pursuant to Article 46 or pursuant to a notice given under Article 47, or

44 1 8 by a member in pursuance of a sale of Specified Shares (whether alone or in combination with other sales of shares) as described in Article 46 or 47, or

44 1 9 by any member in consequence of a repurchase of shares by the Company approved in accordance with the procedures in the Act, or

44 1 10 from the fourth anniversary of the date of the Investment Agreement by a member in pursuance of a sale of Offered Shares (whether alone or in a combination with other sales of shares) as described in Article 44 3, or

44 1 11 by any member with the prior written consent of all the other members

## 44 2 Transfers by trustees of Family Trusts

Where shares have been transferred under Article 44 1 2 or under Article 44 2 1 or 44 2 2 to trustees of a Family Trust of a member, or have been issued to trustees of a Family Trust of a member, the trustees and their successors may transfer all or any of the Relevant Shares as follows

44 2 1 on any change of trustees, the Relevant Shares may be transferred to the trustees for the time being of the Family Trust concerned,

44 2 2 pursuant to the terms of such Family Trust or in consequence of the exercise of any power or discretion vested in the trustees or any other person, all or any of the Relevant Shares may be transferred to the trustees for the time being of any other Family Trust of the same member or to any Family Member of the

relevant member or deceased member who has become entitled to the shares proposed to be transferred and is aged 18 or more

**44 3 Pre-emptive offers**

- 44 3 1 Any member (the "**Offeror**") proposing to transfer any shares other than pursuant to Articles 44 1 1 to 44 1 9 or 44 2 shall, before effecting, or purporting to effect, the transfer give a notice in writing (a "**Transfer Notice**") to the Company that they intend to transfer shares, stating
- 44 3 1 1 the number and class of shares and interests or rights to which it relates (the "**Offered Shares**"),
- 44 3 1 2 the identity of the third party (the "**Third Party**") to whom the Offered Shares would be transferred,
- 44 3 1 3 the proposed consideration for the purchase of the Offered Shares and, where the whole of such consideration is not to be satisfied by the payment of a monetary amount, a figure which is equal to the monetary value of such consideration (the "**Sale Price**"), and
- 44 3 1 4 all other material terms of the proposed sale (the "**Terms**")
- 44 3 2 Once given, a Transfer Notice shall not be revocable except with the written consent of the Board
- 44 3 3 The Transfer Notice shall offer the other members the Offered Shares at the Sale Price and upon the Terms and set out a time (not being less than 30 days) within which the offer must be accepted in respect of all the Offered Shares or in default will automatically lapse. Such notice shall state that, in case of competition, the Offered Shares shall be transferred to the other members accepting the offer in proportion (as nearly as may be) to their existing holdings of shares. The Company shall notify the other members of such offer.
- 44 3 4 The other members (the "**Offerees**") shall give notice to the Offeror of their acceptance or otherwise of the Offered Shares and the number of Offered Shares which they are willing to purchase.
- 44 3 5 Completion of any sale of Offered Shares to the Offerees shall take place no later than 10 days after the date on which the Offerees responded to the Transfer Notice at which the following business shall be so transacted
- 44 3 5 1 the Offeror shall be bound upon payment to the Offeror (or as the Offeror may direct) for the Offered Shares by or on behalf of the Offerees of their respective portions of the Sale Price to transfer those Offered Shares to the Offerees, such transfer to be upon the Terms, and
- 44 3 5 2 the Offeror shall deliver to the Offerees transfers in respect of the Offered Shares duly completed in favour of the Offerees (as specified) or as the Offerees may direct together (where appropriate) with the certificates for such Offered Shares and shall sign all such documents and take any actions as may be necessary or requisite to enable the Offerees as appropriate (or such person as the Offerees may direct) to become the registered and beneficial owner of such Offered Shares
- 44 3 6 If in any instance any member elects not to exercise their rights under this Article 44 3 or to waive such rights, such election shall not constitute a waiver

of such member's rights to a Transfer Notice in the case of any subsequent transfer

44 3 7 The Offeror may transfer any Offered Shares not taken up under the preceding provisions of this Article 44 3 to the Third Party named in the Transfer Notice by way of bona fide sale (the "**Transfer**") provided that

44 3 7 1 the price is not less than the Sale Price (after deduction of any dividend or other distribution declared or made after the date of the Notice and to be retained by the Offeror),

44 3 7 2 the terms are not materially more favourable to the Third Party than the Terms,

44 3 7 3 the Transfer takes place within three months after the offer in the Transfer Notice expires, and

44 3 7 4 the Directors may require to be satisfied that such shares are being transferred in pursuance of a bona fide sale for the Sale Price and upon the Terms stated and pursuant to these provisions and if not so satisfied may refuse to register the instrument of transfer

#### 45 **Compulsory transfers**

45 1 If

45 1 1 any Relevant Shares held by trustees cease to be held on a Family Trust of the member from whom shares were originally acquired by such trustees (otherwise than where a transfer of those shares has been made pursuant to Article 44 2 2), or

45 1 2 a person holding Relevant Shares ceases by reason of death, divorce or dissolution of civil partnership to be a Family Member of the member from whom shares were originally acquired by such person, whether directly or indirectly through a series of two or more transfers, or

45 1 3 a person holding Relevant Shares who is a Family Member of the member from whom shares were originally acquired by such person, whether directly or indirectly through a series of two or more transfers, becomes a Bankrupt or a Patient,

the member holding the Relevant Shares shall forthwith notify the Company in writing that that event has occurred and the member shall, if required to do so by a Shareholder Majority by notice in writing, procure the transfer of all Relevant Shares to the member from whom shares were originally acquired by the relevant Family Member or the relevant trustees of a Family Trust (as the case may be) and provide evidence of such transfer to the Company not later than 28 days after the date of such Investor Director's notice

45 2 If a member, having become bound to procure the transfer of any shares under the provisions of this Article 45 shall fail to do so, the directors may authorise any individual to execute on behalf of and as agent or attorney for the relevant member any necessary instruments of transfer and shall register the relevant member as the holder of the shares. After the name of the transferee has been entered in the register of members in purported exercise of these powers, the validity of the proceedings shall not be questioned by any person

45 3 In this Article 45, reference to a member includes that member's personal representatives in the case of that member's death, that member's trustee in bankruptcy in the case of that member being adjudicated bankrupt and, in the case of a member who is a Patient in

respect of whom an order has been made by the Court of Protection, any deputy or other person authorised to act on his behalf by that court

#### 46 **Tag-along Rights**

46 1 Subject to Article 46 5, Article 46 applies when a transfer (other than an Excluded Transfer) of shares (the "**Specified Shares**") would, if registered, result in a person, or such person and any other person(s)

46 1 1 who in relation to him is a connected person, as defined in the Corporation Tax Act 2010 ss 1122-1123, or

46 1 2 with whom he is acting in concert, as defined in The City Code on Takeovers and Mergers

(each a "**member of the purchasing group**") acquiring (but not increasing) a Controlling Interest in the Company

46 2 No transfer to which Article 46 applies may be registered unless the proposed transferee has made an offer to buy a proportion of the issued shares (including or excluding the Specified Shares, and including any shares issuable on the exercise of any then outstanding subscription or conversion rights) held by each member (being a proportion equal to the proportion which the number Specified Shares bears to the number of shares held by the members holding the Specified Shares) on the terms set out in Articles 46 3 and 46 4 (unless, in the case of a particular member, less favourable terms are agreed to in writing by that member) and the offer is or becomes wholly unconditional,

46 3 The terms of the proposed transferee's offer shall be as follows

46 3 1 the offer shall be open for acceptance for at least 30 days,

46 3 2 the consideration for each share shall be the Prescribed Consideration

46 4 The offer may be subject to one or more conditions, including a condition the satisfaction of which is dependent upon the number and/or percentage of Ordinary Shares, B Ordinary Shares and/or Investor Ordinary Shares in respect of which the offer is accepted

46 5 At the option of the holders of the Specified Shares the provisions of this Article 46 shall not apply where the provisions of Article 47 are proposed to be operated

#### 47 **Drag Along Rights**

47 1 If a proposed transfer (other than an Excluded Transfer) of shares (also the "**Specified Shares**") would, if registered, result in members of the purchasing group (defined as in Article 46) holding or increasing a holding of shares having the right to exercise 75 per cent or more of the votes which may be cast on a poll at a general meeting of the Company on all, or substantially all, matters in the Company, the proposed transferee of the Specified Shares may give notice in writing to each holder of shares, other than

47 1 1 the holders of the Specified Shares, and

47 1 2 members of the purchasing group,

(the "**Minority Shareholders**") requiring them within seven days of the date of the notice to sell and transfer all (but not some of) of their holdings of shares to the proposed transferee. The transfer shall be for the Prescribed Consideration and otherwise on terms no less favourable to the Minority Shareholders than those agreed between the holders of the Specified Shares and the proposed transferee, provided that



- 47 1 3 a Minority Shareholder shall not be required to give any warranties or indemnities in the context of the transaction other than warranties that such Minority Shareholder has (i) title to the shares to be sold and transferred by him and (ii) capacity to enter into the transaction contemplated, and
- 47 1 4 a Minority Shareholder shall not be required to sell and transfer his holding of shares prior to the date on which the Specified Shares are transferred to the proposed transferee
- 47 2 If within a period of six months following the date of a notice given under Article 47 1, shares are issued to any person (whether on exercise of any subscription or conversion rights or otherwise) the transferee of the Specified Shares may serve a further notice on each holder of such shares (also a "**Minority Shareholder**") requiring him to sell and transfer all his shares to a person specified in the notice on the same terms as are provided for in Article 47 1
- 47 3 A notice given under Article 47 1 or 47 2 shall be accompanied by all documents required to be executed by the relevant Minority Shareholder to give effect to the required sale and transfer
- 47 4 If any Minority Shareholder shall fail to
- 47 4 1 transfer his shares (for the purposes of this Article 47 4, "**Minority Shares**") as required by Article 47 1 or 47 2, or
- 47 4 2 execute any document required to be executed in order to give effect to the provisions of Article 47 1 or 47 2,
- the directors may authorise any individual to execute on behalf of and as attorney or agent for the Minority Shareholder any necessary transfer or other document and shall register the proposed transferee as the holder of the Minority Shares The Company's receipt of the Prescribed Consideration for the Minority Shares shall be a good discharge to the proposed transferee, and the Company shall after that time hold the Prescribed Consideration on trust for the Minority Shareholder After the name of the proposed transferee has been entered in the register of members in purported exercise of these powers, the validity of the proceedings shall not be questioned by any person
- 47 5 While this Article 47 applies to a Minority Shareholder's shares, those shares may not be transferred other than under this Article
- 48 **Dividends and distributions**
- The provisions of Articles 49, 50 and 55 are subject to Article 30 1
- 49 **Procedure for declaring dividends**
- 49 1 The Company may by ordinary resolution declare dividends, and the directors may decide to pay interim dividends No dividend may exceed the amount recommended by the directors
- 49 2 No dividend may be declared or paid unless it is in accordance with members' respective rights
- 49 3 Unless the members' resolution to declare or directors' decision to pay a dividend, or the rights attached to the shares, specify otherwise, it must be paid by reference to each member's holding of shares on the date of the resolution or decision to declare or pay it
- 50 **Calculation of dividends**
- 50 1 Except as otherwise provided by these Articles or the rights attached to shares, all dividends must be

- 50 1 1 declared and paid according to the amounts paid up (as to nominal value) on the shares on which the dividend is paid, and
- 50 1 2 apportioned and paid proportionately to the amounts paid up (as to nominal value) on the shares during any portion or portions of the period in respect of which the dividend is paid
- 50 2 If any share is issued on terms providing that it ranks for dividend as from a particular date, that share ranks for dividend accordingly
- 50 3 For the purposes of calculating dividends, no account is to be taken of any amount which has been paid up on a share in advance of the due date for payment of that amount
- 51 **Payment of dividends and other distributions**
- 51 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
  - 51 1 1 transfer to a bank or building society account specified by the distribution recipient either in writing or as the directors may otherwise decide,
  - 51 1 2 sending a cheque made payable to the distribution recipient by post to the distribution recipient at the distribution recipient's registered address (if the distribution recipient is a holder of the share), or (in any other case) to an address specified by the distribution recipient either in writing or as the directors may otherwise decide,
  - 51 1 3 sending a cheque made payable to such person by post to such person at such address as the distribution recipient has specified either in writing or as the directors may otherwise decide, or
  - 51 1 4 any other means of payment as the directors agree with the distribution recipient either in writing or by such other means as the directors decide
- 51 2 In these Articles, the "**distribution recipient**" means, in respect of a share in respect of which a dividend or other sum is payable
  - 51 2 1 the holder of the share, or
  - 51 2 2 if the share has two or more joint holders, whichever of them is named first in the register of members, or
  - 51 2 3 if the holder is no longer entitled to the share by reason of death or bankruptcy, or otherwise by operation of law, the transmittee
- 52 **Deductions from distributions in respect of sums owed to the Company**
- 52 1 If
  - 52 1 1 a share is subject to the Company's lien, and
  - 52 1 2 the directors are entitled to issue a lien enforcement notice in respect of it,
    - they may, instead of issuing a lien enforcement notice, deduct from any dividend or other sum payable in respect of the share any sum of money which is payable to the Company in respect of that share to the extent that they are entitled to require payment under a lien enforcement notice
- 52 2 Money so deducted must be used to pay any of the sums payable in respect of that share
- 52 3 The Company must notify the distribution recipient in writing of

- 52 3 1 the fact and amount of any such deduction,
- 52 3 2 any non-payment of a dividend or other sum payable in respect of a share resulting from any such deduction, and
- 52 3 3 how the money deducted has been applied
- 53 **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 the rights attached to the share
- 54 **Unclaimed distributions**
- 54 1 All dividends or other sums which are
  - 54 1 1 payable in respect of shares, and
  - 54 1 2 unclaimed after having been declared or become payable,

may be invested or otherwise made use of by the directors for the benefit of the Company until claimed
- 54 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
- 54 3 If
  - 54 3 1 twelve years have passed from the date on which a dividend or other sum became due for payment, and
  - 54 3 2 the distribution recipient has not claimed it,

the distribution recipient is no longer entitled to that dividend or other sum and it ceases to remain owing by the Company
- 55 **Non-cash distributions**
- 55 1 Subject to the rights attaching to 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 shares or other securities in any company)
- 55 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
  - 55 2 1 fixing the value of any assets,
  - 55 2 2 paying cash to any distribution recipient on the basis of that value in order to adjust the rights of recipients, and
  - 55 2 3 vesting any assets in trustees
- 56 **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
- 56 1 the share has more than one holder, or

56 2 more than one person is entitled to the share, whether by reason of the death or bankruptcy of one or more joint holders, or otherwise,

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

## 57 **Authority to capitalise and appropriation of capitalised sums**

57 1 Subject to these Articles, the directors may, if they are so authorised by an ordinary resolution

57 1 1 decide to capitalise any profits of the Company (whether or not they are available for distribution) which are not required for paying a dividend, or any sum standing to the credit of the Company's share premium account or capital redemption reserve, and

57 1 2 appropriate any sum which they so decide to capitalise (a "**capitalised sum**") to the persons who would have been entitled to it if it were distributed by way of dividend (the "**persons entitled**") and in the same proportions

57 2 Capitalised sums must be applied

57 2 1 on behalf of the persons entitled, and

57 2 2 in the same proportions as a dividend would have been distributed to them

57 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

57 4 A capitalised sum which was appropriated from profits available for distribution may be applied

57 4 1 in or towards paying up any amounts unpaid on existing shares held by the persons entitled, or

57 4 2 in paying up new debentures of the Company which are then allotted credited as fully paid to the persons entitled or as they may direct

57 5 Subject to these Articles the directors may

57 5 1 apply capitalised sums in accordance with Article 57 3 and 57 4 partly in one way and partly in another,

57 5 2 make such arrangements as they think fit to deal with shares or debentures becoming distributable in fractions under this Article (including the issuing of fractional certificates or the making of cash payments or the ignoring of fractions altogether), and

57 5 3 authorise any person to enter into an agreement with the Company on behalf of all the persons entitled which is binding on them in respect of the allotment of shares and debentures to them under this Article

## 58 **Members can call general meeting if not enough directors**

If

58 1 the Company has only one director or no directors, and

58 2 the director (if any) is not an Investor Director, and

58 3 the director (if any) is unable or unwilling to appoint sufficient directors to make up a quorum or to call a general meeting to do so,

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

## 59 **Attendance and speaking at general meetings**

59 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

59 2 A person is able to exercise the right to vote at a general meeting when

59 2 1 that person is able to vote, during the meeting, on resolutions put to the vote at the meeting, and

59 2 2 that person's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting

59 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

59 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

59 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

## 60 **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

## 61 **Chairing general meetings**

61 1 If the directors have appointed a chairman, the chairman shall chair general meetings if present and willing to do so

61 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 after the time at which a meeting was due to start

61 2 1 the directors present, or

61 2 2 (if no directors are present), the meeting,

must appoint a director or member to chair the meeting, and the appointment of the chairman of the meeting must be the first business of the meeting

61 3 The person chairing a meeting in accordance with this Article is referred to as "**the chairman of the meeting**"

## 62 **Attendance and speaking by directors and non-members**

62 1 Directors may attend and speak at general meetings, whether or not they are members

62 2 The chairman of the meeting may permit other persons who are not

- 62 2 1 members of the Company, or
- 62 2 2 otherwise entitled to exercise the rights of members in relation to general meetings,
- to attend and speak at a general meeting

### 63 **Adjournment**

- 63 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
- 63 2 The chairman of the meeting may adjourn a general meeting at which a quorum is present if
  - 63 2 1 the meeting consents to an adjournment, or
  - 63 2 2 it appears to the chairman of the meeting that an adjournment is necessary to protect the safety of any person attending the meeting or ensure that the business of the meeting is conducted in an orderly manner
- 63 3 The chairman of the meeting must adjourn a general meeting if directed to do so by the meeting
- 63 4 When adjourning a general meeting, the chairman of the meeting must
  - 63 4 1 either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the directors, and
  - 63 4 2 have regard to any directions as to the time and place of any adjournment which have been given by the meeting
- 63 5 If the continuation of an adjourned meeting is to take place more than 14 days after it was adjourned, the Company must give at least seven clear days' notice of it
  - 63 5 1 to the same persons to whom notice of the Company's general meetings is required to be given, and
  - 63 5 2 containing the same information which such notice is required to contain
- 63 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

### 64 **Voting: general**

- 64 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 these Articles
- 64 2 In the event of an equality of shareholder votes, the chairman of the Board shall have a casting vote

### 65 **No voting of shares on which money owed to Company**

Unless all amounts payable to the Company in respect of a particular share have been paid

- 65 1 no voting rights attached to that share may be exercised at any general meeting, at any adjournment of it, or on any poll called at or in relation to it, and
- 65 2 the holder of that share does not constitute an eligible member in relation to any written resolution proposed to the holders of such shares

**66 Errors and disputes**

66 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

66 2 Any such objection must be referred to the chairman of the meeting, whose decision is final

**67 Poll votes**

67 1 A poll on a resolution may be demanded 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

67 2 A poll may be demanded by

67 2 1 the chairman of the meeting,

67 2 2 two or more persons having the right to vote on the resolution, or

67 2 3 a person or persons representing not less than one tenth of the total voting rights of all the members having the right to vote on the resolution

67 3 A demand for a poll may be withdrawn if

67 3 1 the poll has not yet been taken, and

67 3 2 the chairman of the meeting consents to the withdrawal

67 4 Polls must be taken when, where and in such manner as the chairman of the meeting directs

**68 Content of proxy notices**

68 1 Proxies may only validly be appointed by a notice in writing (a "**proxy notice**") which

68 1 1 states the name and address of the member appointing the proxy,

68 1 2 identifies the person appointed to be that member's proxy and the general meeting in relation to which that person is appointed,

68 1 3 is signed by or on behalf of the member appointing the proxy, or is authenticated in such manner as the directors may determine, and

68 1 4 is delivered to the Company in accordance with these Articles and any instructions contained in the notice of the general meeting to which they relate

68 2 The Company may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes

68 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

68 4 Unless a proxy notice indicates otherwise, it must be treated as

68 4 1 allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting, and

68 4 2 appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself

## 69      **Delivery of proxy notices**

69 1      Any notice of a general meeting must specify the address or addresses ("**proxy notification address**") at which the Company or its agents will receive proxy notices relating to that meeting, or any adjournment of it, delivered in hard copy or electronic form

69 2      A person who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a general meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid proxy notice has been delivered to the Company by or on behalf of that person

69 3      Subject to Articles 69 4 and 69 5, a proxy notice must be delivered to a proxy notification address not less than 24 hours before the general meeting or adjourned meeting to which it relates

69 4      In the case of a poll taken more than 48 hours after it is demanded, the notice must be delivered to a proxy notification address not less than 24 hours before the time appointed for the taking of the poll

69 5      In the case of a poll not taken during the meeting but taken not more than 48 hours after it was demanded, the proxy notice must be delivered

69 5 1      in accordance with Article 69 3, or

69 5 2      at the meeting at which the poll was demanded to the chairman of the meeting, company secretary (if any) or any director

69 6      The directors may, in their sole discretion, determine from time to time that in calculating the periods referred to in Articles 69 3 and 69 4 no account shall be taken of any part of a day that is not a working day

69 7      A proxy notice which is not delivered in accordance with Articles 69 3, 69 4 or 69 5 shall be invalid unless the directors, in their sole discretion, accept the proxy notice at any time before the meeting

69 8      An appointment under a proxy notice may be revoked by delivering to a proxy notification address a notice in writing given by or on behalf of the person by whom or on whose behalf the proxy notice was given

69 9      A notice revoking a proxy appointment only takes effect if it is delivered before

69 9 1      the start of the meeting or adjourned meeting to which it relates, or

69 9 2      (in the case of a poll not taken on the same day as the meeting or adjourned meeting) the time appointed for taking the poll to which it relates

69 10      If a proxy notice is not signed by the person appointing the proxy, it must be accompanied by written evidence, satisfactory to the directors, of the authority of the person who signed it to do so on the appointor's behalf

69 11      If more than one proxy notice relating to the same share is delivered for the purposes of the same meeting, the proxy notice last delivered shall prevail in conferring authority on the person named in the notice to attend the meeting and vote. A proxy notice in electronic form found by the Company to contain a computer virus shall not be accepted by the Company and shall be invalid

## 70      **Amendments to resolutions**

70 1      An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if



- 70 1 1 notice of the proposed amendment is given to the Company in writing by a person entitled to vote at the general meeting at which it 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
- 70 1 2 the proposed amendment does not, in the reasonable opinion of the chairman of the meeting, materially alter the scope of the resolution
- 70 2 A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if
  - 70 2 1 the chairman of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed, and
  - 70 2 2 the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution
- 70 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
- 71 **Class meetings**

Section 334 of the Act and the provisions of these Articles relating to general meetings shall, with necessary modifications, apply to separate meetings of the holders of any class of shares, but so that any holder of shares of the class in question present in person or by proxy may demand a poll
- 72 **Company's lien over partly paid shares**
  - 72 1 The Company has a lien (the "**Company's lien**") over every share which is partly paid for any part of
    - 72 1 1 that share's nominal value, and
    - 72 1 2 any premium at which it was issued,

which has not been paid to the Company, and which is payable immediately or at some time in the future, whether or not a call notice has been sent in respect of it
  - 72 2 The Company's lien over a share
    - 72 2 1 takes priority over any third party's interest in that share, and
    - 72 2 2 extends to any dividend or other money payable by the Company in respect of that share and (if the lien is enforced and the share is sold by the Company) the proceeds of sale of that share
  - 72 3 The directors may at any time decide, with the consent of a Shareholder Majority, that a share which is or would otherwise be subject to the Company's lien shall not be subject to it, either wholly or in part
- 73 **Enforcement of the Company's lien**
  - 73 1 Subject to the provisions of this Article, if
    - 73 1 1 a lien enforcement notice (a "**lien enforcement notice**") has been given in respect of a share, and
    - 73 1 2 the person to whom the notice was given has failed to comply with it,

the Company may sell that share in such manner as the directors decide

73 2 A lien enforcement notice

- 73 2 1 may only be given in respect of a share which is subject to the Company's lien, in respect of which a sum is payable and the due date for payment of that sum has passed,
- 73 2 2 must specify the share concerned,
- 73 2 3 must require payment of the sum payable within 14 days of the notice,
- 73 2 4 must be addressed either to the holder of the share or to a person entitled to it by reason of the holder's death, bankruptcy or otherwise, and
- 73 2 5 must state the Company's intention to sell the share if the notice is not complied with

73 3 Where shares are sold under this Article

- 73 3 1 the directors may authorise any person to execute an instrument of transfer of the shares to the purchaser or a person nominated by the purchaser, and
- 73 3 2 the transferee is not bound to see to the application of the consideration, and the transferee's title is not affected by any irregularity in or invalidity of the process leading to the sale

73 4 The net proceeds of any such sale (after payment of the costs of sale and any other costs of enforcing the lien) must be applied

- 73 4 1 first, in payment of so much of the sum for which the lien exists as was payable at the date of the lien enforcement notice,
- 73 4 2 second, to the person entitled to the shares at the date of the sale, but only after the certificate for the shares sold has been surrendered to the Company for cancellation or an indemnity in lieu of the certificate in a form reasonably satisfactory to the directors has been given for any lost certificates, and subject to a lien equivalent to the Company's lien over the shares before the sale for any money payable in respect of the shares after the date of the lien enforcement notice

73 5 A statutory declaration by a director or the company secretary (if any) that the declarant is a director or the company secretary and that a share has been sold to satisfy the Company's lien on a specified date

- 73 5 1 is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share, and
- 73 5 2 subject to compliance with any other formalities of transfer required by these Articles or by law, constitutes a good title to the share

74 **Call notices**

74 1 Subject to these Articles and the terms on which shares are allotted, the directors may send a notice (a "**call notice**") to a member requiring the member to pay the Company a specified sum of money (a "**call**") which is payable in respect of shares which that member holds at the date when the directors decide to send the call notice

74 2 A call notice

- 74 2 1 may not require a member to pay a call which exceeds the total sum unpaid on that member's shares (whether as to the share's nominal value or any amount payable to the Company by way of premium),
  - 74 2 2 must state when and how any call to which it relates it is to be paid, and
  - 74 2 3 may permit or require the call to be paid by instalments
- 74 3 A member must comply with the requirements of a call notice, but no member is obliged to pay any call before 14 days have passed since the notice was sent
- 74 4 Before the Company has received any call due under a call notice the directors may
  - 74 4 1 revoke it wholly or in part, or
  - 74 4 2 specify a later time for payment than is specified in the notice,
    - by a further notice in writing to the member in respect of whose shares the call is made
- 75 **Liability to pay calls**
- 75 1 Liability to pay a call is not extinguished or transferred by transferring the shares in respect of which it is required to be paid
- 75 2 Joint holders of a share are jointly and severally liable to pay all calls in respect of that share
- 75 3 Subject to the terms on which shares are allotted, the directors may, when issuing shares, provide that call notices sent to the holders of those shares may require them
  - 75 3 1 to pay calls which are not the same, or
  - 75 3 2 to pay calls at different times
- 76 **When call notice need not be issued**
- 76 1 A call notice need not be issued in respect of sums which are specified, in the terms on which a share is allotted, as being payable to the Company in respect of that share (whether in respect of nominal value or premium)
  - 76 1 1 on allotment,
  - 76 1 2 on the occurrence of a particular event, or
  - 76 1 3 on a date fixed by or in accordance with the terms of allotment
- 76 2 But if the due date for payment of such a sum has passed and it has not been paid, the holder of the share concerned is treated in all respects as having failed to comply with a call notice in respect of that sum, and is liable to the same consequences as regards the payment of interest and forfeiture
- 77 **Failure to comply with call notice: automatic consequences**
- 77 1 If a person is liable to pay a call and fails to do so by the call payment date
  - 77 1 1 the directors may issue a notice of intended forfeiture to that person, and
  - 77 1 2 until the call is paid, that person must pay the Company interest on the call from the call payment date at the relevant rate

77 2 For the purposes of this Article

77 2 1 the "call payment date" is the time when the call notice states that a call is payable, unless the directors give a notice specifying a later date, in which case the "call payment date" is that later date,

77 2 2 the "relevant rate" is

77 2 2 1 the rate fixed by the terms on which the share in respect of which the call is due was allotted,

77 2 2 2 such other rate as was fixed in the call notice which required payment of the call, or has otherwise been determined by the directors, or

77 2 2 3 if no rate is fixed in either of these ways, 5 per cent per annum

77 3 The relevant rate must not exceed by more than 5 percentage points the base lending rate most recently set by the Monetary Policy Committee of the Bank of England in connection with its responsibilities under Part 2 of the Bank of England Act 1998

77 4 The directors may waive any obligation to pay interest on a call wholly or in part

## 78 **Notice of intended forfeiture**

A notice of intended forfeiture

78 1 may be sent in respect of any share in respect of which a call has not been paid as required by a call notice,

78 2 must be sent to the holder of that share or to a person entitled to it by reason of the holder's death, bankruptcy or otherwise,

78 3 must require payment of the call and any accrued interest by a date which is not less than 14 days after the date of the notice,

78 4 may require payment of all costs and expenses that may have been incurred by the Company by reason of such non-payment by a date which is not less than 14 days after the date of the notice,

78 5 must state how the payment is to be made, and

78 6 must state that if the notice is not complied with, the shares in respect of which the call is payable will be liable to be forfeited

## 79 **Directors' power to forfeit shares**

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

## 80 **Effect of forfeiture**

80 1 Subject to these Articles, the forfeiture of a share extinguishes

80 1 1 all interests in that share, and all claims and demands against the Company in respect of it, and

- 80 1 2 all other rights and liabilities incidental to the share as between the person whose share it was prior to the forfeiture and the Company
- 80 2 Any share which is forfeited in accordance with these Articles
- 80 2 1 is deemed to have been forfeited when the directors decide that it is forfeited,
- 80 2 2 is deemed to be the property of the Company, and
- 80 2 3 may be sold, re-allotted or otherwise disposed of as the directors think fit
- 80 3 If a person's shares have been forfeited
- 80 3 1 the Company must send that person notice that forfeiture has occurred and record it in the register of members,
- 80 3 2 that person ceases to be a member in respect of those shares,
- 80 3 3 that person must surrender the certificate for the shares forfeited to the Company for cancellation,
- 80 3 4 that person remains liable to the Company for all sums payable by that person under these Articles at the date of forfeiture in respect of those shares, including any interest (whether accrued before or after the date of forfeiture) and any costs and expenses required by the Company to be paid pursuant to Article 78 4, and
- 80 3 5 the directors may waive payment of such sums wholly or in part or enforce payment without any allowance for the value of the shares at the time of forfeiture or for any consideration received on their disposal
- 80 4 At any time before the Company disposes of a forfeited share, the directors may decide to cancel the forfeiture on payment of all calls, interest and costs and expenses (if any) due in respect of it and on such other terms as they think fit
- 81 Procedure following forfeiture**
- 81 1 If a forfeited share is to be disposed of by being transferred, the Company may receive the consideration for the transfer and the directors may authorise any person to execute the instrument of transfer
- 81 2 A statutory declaration by a director or the company secretary (if any) that the declarant is a director or the company secretary and that a share has been forfeited on a specified date
- 81 2 1 is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share, and
- 81 2 2 subject to compliance with any other formalities of transfer required by these Articles or by law, constitutes a good title to the share
- 81 3 A person to whom a forfeited share is transferred is not bound to see to the application of the consideration (if any) nor is that person's title to the share affected by any irregularity in or invalidity of the process leading to the forfeiture or transfer of the share
- 81 4 If the Company sells a forfeited share, the person who held it prior to its forfeiture is entitled to receive from the Company the proceeds of such sale, net of any commission, and excluding any amount which
- 81 4 1 was, or would have become, payable, and

81 4 2 had not, when that share was forfeited, been paid by that person in respect of that share,

but no interest is payable to such a person in respect of such proceeds and the Company is not required to account for any money earned on them

## 82 Surrender of shares

82 1 A member may surrender any share

82 1 1 in respect of which the directors may issue a notice of intended forfeiture,

82 1 2 which the directors may forfeit, or

82 1 3 which has been forfeited

82 2 The directors may accept the surrender of any such share

82 3 The effect of surrender on a share is the same as the effect of forfeiture on that share

82 4 A share which has been surrendered may be dealt with in the same way as a share which has been forfeited

## 83 Communications

83 1 The company communications provisions (as defined in the Act) shall also apply to any document or information not otherwise authorised or required to be sent or supplied by or to a company under the Companies Acts but to be sent or supplied pursuant to these Articles

83 1 1 by or to the Company, or

83 1 2 by or to the directors acting on behalf of the Company

83 2 The provisions of s 1168 of the Act (hard copy and electronic form and related expressions) shall apply to the Company as if the words "and the Articles" were inserted after the words "the Companies Acts" in ss 1168(1) and 1168(7)

83 3 Section 1147 of the Act shall apply to any document or information to be sent or supplied by the Company to its members under the Companies Acts or pursuant to these Articles as if

83 3 1 in s 1147(2) the words "or by airmail (whether in hard copy or electronic form) to an address outside the United Kingdom" were inserted after the words "in the United Kingdom",

83 3 2 in s 1147(3) the words "48 hours after it was sent" were deleted and replaced with the words "when sent, notwithstanding that the Company may be aware of the failure in delivery of such document or information",

83 3 3 a new s 1147(4)(A) were inserted as follows

"Where the document or information is sent or supplied by hand (whether in hard copy or electronic form) and the Company is able to show that it was properly addressed and sent at the cost of the Company, it is deemed to have been received by the intended recipient when delivered",

83 3 4 s 1147(5) were deleted

83 4 Proof that a document or information sent by electronic means was sent in accordance with guidance issued by the Institute of Chartered Secretaries and Administrators shall be conclusive evidence that the document or information was properly addressed as required by section 1147(3) of the Act and that the document or information was sent or supplied

83 5 In the case of members who are joint holders of shares, anything to be agreed or specified by the holder may be agreed or specified by the holder whose name appears first in the register of members Sched 5, Part 6, para 16(2) of the Act shall apply accordingly

#### **84 Failure to notify contact details**

84 1 If the Company sends two consecutive documents or pieces of information to a member over a period of not less than 12 months and

84 1 1 each of them is returned undelivered, or

84 1 2 the Company receives notification that neither of them has been delivered,

that member ceases to be entitled to receive documents or information from the Company

84 2 A member who has ceased to be entitled to receive documents or information from the Company shall become entitled to receive documents or information again by sending the Company

84 2 1 a new address to be recorded in the register of members, or

84 2 2 if the member has agreed that the Company should use a means of communication other than sending things to such an address, the information that the Company needs to use that means of communication effectively

#### **85 Destruction of documents**

85 1 The Company is entitled to destroy

85 1 1 all instruments of transfer of shares which have been registered, and all other documents on the basis of which any entries are made in the register of members, from six years after the date of registration,

85 1 2 all notifications of change of address, from two years after they have been recorded, and

85 1 3 all share certificates which have been cancelled from one year after the date of the cancellation

85 2 If the Company destroys a document in good faith, in accordance with these Articles, and without notice of any claim to which that document may be relevant, it is conclusively presumed in favour of the Company that

85 2 1 entries in the register purporting to have been made on the basis of an instrument of transfer or other document so destroyed were duly and properly made,

85 2 2 any instrument of transfer so destroyed was a valid and effective instrument duly and properly registered,

85 2 3 any share certificate so destroyed was a valid and effective certificate duly and properly cancelled, and

85 2 4 any other document so destroyed was a valid and effective document in accordance with its recorded particulars in the books or records of the Company

85 3 This Article does not impose on the Company any liability which it would not otherwise have if it destroys any document before the time at which this Article permits it to do so

85 4 In this Article, references to the destruction of any document include a reference to its being disposed of in any manner

## 86 **Company seals**

86 1 Any common seal may only be used by the authority of the directors

86 2 The directors may decide by what means and in what form any common seal is to be used

86 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

86 4 For the purposes of this Article, an authorised person is

86 4 1 any director of the Company, or

86 4 2 any person authorised by the directors for the purpose of signing documents to which the common seal is applied

## 87 **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 pursuant to any shareholders' agreement or other legally binding obligation entered into by the Company with that member from time to time, no person is entitled to inspect any of the Company's accounting or other records or documents merely by virtue of being a member

## 88 **Provision for employees on cessation or transfer of business**

88 1 The directors may, with the consent of a Shareholder Majority and subject to Article 88 2, exercise the power to make provision for the benefit of persons employed or formerly employed by the Company or any of its subsidiaries in connection with the cessation or the transfer to any person of the whole or part of the undertaking of the Company or that subsidiary

88 2 Any exercise by the directors of the power to make provision of the kind referred to in Article 88 1 (including, without prejudice to the provisions of Article 24, remuneration) for the benefit of directors, former directors or shadow directors employed or formerly employed by the Company or any of its subsidiaries must be approved by an ordinary resolution of the Company before any payment to or for the benefit of such persons is made

## 89 **Indemnities and funding of defence proceedings**

89 1 This Article 89 shall have effect, and any indemnity provided by or pursuant to it shall apply, only to the extent permitted by, and subject to the restrictions of, the Act It does not allow for or provide (to any extent) an indemnity which is more extensive than is permitted by the Act and any such indemnity is limited accordingly This Article 89 is also without prejudice to any indemnity to which any person may otherwise be entitled

89 2 The Company

89 2 1 shall indemnify every person who is a director or other officer (other than an auditor) of the Company, and

89 2 2 may indemnify any person who is a director or other officer (other than an auditor) of any associated company of the Company

in each case out of the assets of the Company from and against any loss, liability or expense incurred by him or them in relation to the Company or any associated company of



the Company, provided that nothing in this Article shall limit or reduce the liability of the Founder Director under the terms of the Investment Agreement

89 3 The Company may indemnify any person who is a director of a company that is a trustee of an occupational pension scheme (as defined in s 235(6) of the Act) out of the assets of the Company from and against any loss, liability or expense incurred by him or them in connection with such company's activities as trustee of the scheme

89 4 The directors may, subject to the provisions of the Act, exercise the powers conferred on them by ss 205 and 206 of the Act to

89 4 1 provide funds to meet expenditure incurred or to be incurred in defending any proceedings, investigation or action referred to in those sections or in connection with an application for relief referred to in s 205, or

89 4 2 take any action to enable such expenditure not to be incurred

## 90 **Insurance**

The directors may purchase and maintain insurance at the expense of the Company for the benefit of any person who is or was at any time a director or other officer (other than an auditor) of the Company or of any associated company (as defined in s 256 of the Act) of the Company or a trustee of any pension fund or employee benefits trust for the benefit of any employee of the Company

