

FUTURE MONEY LIMITED

ARTICLES OF ASSOCIATION

Adopted on 23 February 2018

THURSDAY



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COMPANIES HOUSE

Company No. 06546951

COMPANIES ACT 2006
COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
OF
FUTURE MONEY LIMITED
(adopted by Special Resolution of the Company
Passed on 23 February 2018)

1. MODEL ARTICLES

Except as excluded or varied in these Articles, the Model Articles (as defined below) will apply to the Company and will be deemed to form part of these Articles.

2. DEFINITIONS AND INTERPRETATION

2.1 In these Articles the following words and expressions will have the following meanings.

"2006 Act" means the Companies Act 2006 including any statutory modification or re-enactment thereof for the time being in force,

"Acting in Concert" has the meaning given to it in the City Code on Takeovers and Mergers,

"Approved Offer" has the meaning given in Article 11.2.1,

"Armstrong Watson" means the limited liability partnership known as Armstrong Watson LLP whose principal place of business is at 15 Victoria Place, Carlisle, Cumbria, CA1 1EW or any successor company, firm or practice,

"A Share" means the A ordinary shares of £0.01 each in the Company,

"A Shareholder" means a registered holder of any A Shares,

"Board" means the incumbent board of Directors,

"B Share" means the B ordinary shares of £0.01 each in the Company,

"B Shareholder" means a registered holder of any B Shares,

"Business Day" means a day (which for these purposes ends at 5.30 pm) on which banks are open for commercial business in the City of London other than a public holiday, Saturday or Sunday,

"Buyer" has the meaning given in Article 11.1.1,

"C Share" means the C ordinary shares of £0.01 each in the Company,

"C Shareholder" means a registered holder of any C Shares,

"Cessation Date" means the date on which a Relevant Individual

- a) in the case of an A Shareholder ceases to be a full equity partner or employee of Armstrong Watson or an Equity Member of Armstrong Watson LLP;

- b) in the case of a B Shareholder ceases to be an Equity Member or an employee, director or consultant of Armstrong Watson LLP or any Group Member for any reason (including death or bankruptcy); and
- c) in the case of a C Shareholder where the shareholders or members as the case may be resolve the wind up the business and affairs of the C Shareholder

“Commencement Date” means the date on which these Articles are adopted,

“Compulsory Sale Notice” means a notice served on a Compulsory Seller pursuant to Article 9.4,

“Compulsory Seller” and **“Compulsory Sellers”** have the meanings given in Article 9.4,

“Compulsory Transfer Date” has the meaning given in Article 9.6,

“Connected Person” has the meaning in section 839 of the Income and Corporation Taxes Act 1988,

“Controlling Interest” in relation to a person means the ownership by that person and his or its Connected Persons of Shares carrying on the right to 51 per cent or more of the total number of votes which may be cast on a poll at a general meeting of the Company;

“Directors” means the Company’s incumbent directors,

“Disposal” means the disposal by the Company of all or, or a substantial part of, its business and assets,

“Distributable Profits” has the same meaning as “profits available for distribution” as defined in section 830 of the 2006 Act, save that for the purposes of calculating the Distributable Profits, no account shall be taken of:

- a) all and any capital expenditure made by the Company which was not already approved or provided for in any business plan approved by the Board on the Cessation Date which gave rise to the right to serve the Compulsory Sale Notice in question arose,
- b) all and any dividends paid to Members after the Cessation Date which gave rise to the right to serve the Compulsory Sale Notice in question arose,

“Drag Along Right” has the meaning given in Article 12.1

“Electronic Communication” means any communication

- a) sent initially and received at its designation by means of electronic equipment for the processing (which expression includes digital compression) or storage of data and entirely transmitted, conveyed and received by wire, by radio, by optical or by other electromagnetic means, or
- b) sent or supplied by other means but while in electronic form,

“Excess Working Capital” means (i) working capital in excess of any amount required by the Company to finance the day to day running of its business, and (ii) being an amount sufficient to purchase Sale Shares subject to a Compulsory Sale

Notice (in all cases, as determined by the Board in its discretion acting reasonably) and for the purposes of calculating the Excess Working Capital, no account shall be taken of:

- a) all and any capital expenditure made by the Company which was not already approved or provided for in a business plan approved by the Board on the Cessation Date which gave rise to the right to serve the Compulsory Sale Notice in question arose, and
- b) all and any dividends paid to Members after the Cessation Date which gave rise to the right to serve the Compulsory Sale Notice in question arose,

"Group" means the Company and its subsidiaries (if any) (as defined by section 1159 of the 2006 Act) from time to time and references to a **"Member of the Group"** or a **"Group Member"** will be construed accordingly,

"Liquidation" means the passing of a resolution for the winding-up of the Company,

"Market Value" has the meaning given in Article 10,

"Member" means a registered holder of any Share as recorded in the Company's register of members,

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

"Other Shareholders" has the meaning given in Article 12.1,

"Proposed Transferee" means a person to whom a Seller proposes to transfer Sale Shares,

"PRs" means the legal person representative of a deceased Member,

"Relevant Individual" has the meaning given in Article 9.2,

"Sale Shares" means Shares which a Compulsory Seller is required to offer to Company to purchase pursuant to Article 9.4,

"Seller" means any Member who wishes to transfer any Shares,

"Share" means a share in the Company,

"Share Sale" means the completion of any transaction or series of transactions whereby any person or Connected Persons or group of persons Acting in Concert purchases or otherwise acquires or obtains all of the Shares,

"Transfer Notice" means a notice in writing by a person entitled to Shares as a consequence of the death, insolvency of a Member or otherwise by operation of law to transfer Shares to the Company.

2.2 Words and phrases which are defined or referred to in or for the purposes of the Act (excluding any statutory modification of that meaning not in force when these Articles become binding on the Company) or Table A have the same meanings in these Articles unless a contrary intention appears.

2.3 In these articles, unless a contrary intention appears

- 2.3.1 words which refer to the singular number include the plural number and vice versa, words which refer to one gender include all genders, and words which refer to persons include bodies corporate and unincorporated associations,
 - 2.3.2 reference to a statute or a statutory provision includes references to
 - 2.3.2.1 the statute or statutory provisions as modified or re-enacted or both from time to time, and
 - 2.3.2.2 any subordinate legislation made under the statutory provision (as modified or re-enacted as set out above,
 - 2.3.3 reference to a Regulation is to a regulation of the Model Articles, and reference to an Article is to a provision of these Articles,
 - 2.3.4 reference to a **“transfer”** of Shares or any similar expression will be deemed to include (without limitation)
 - 2.3.4.1 any sale or other disposition of the legal or equitable interest in a Share (including any voting right attached to a Share) (**“Interest”**),
 - 2.3.4.2 the creation of any mortgage, charge, pledge or other encumbrance over any Interest,
 - 2.3.4.3 any direction by a Member entitled to an allotment or issue of Shares that a Share be allotted or issued to some person other than himself; and
 - 2.3.4.4 any grant of an option to acquire either or both of the legal and equitable ownership of any Share by any Member entitled to any such Share,
 - 2.3.5 reference to a **“group undertaking”** means, in relation to any undertaking, its holding company (if any) and its subsidiaries (as such terms are defined by section 736 of the 1985 Act) and any other subsidiaries of its holding company,
 - 2.3.6 reference to **“written”** or **“in writing”** includes any method of representing or reproducing words in a legible form, and
 - 2.3.7 reference to any professional firm or company includes any firm or company effectively succeeding to the whole, or substantially the whole of its practice or business.
- 2.4 Unless it is specifically stated otherwise, any dispute as to value, or as to calculations or adjustments to be made, or as to amount, whether to or in respect of Market Value of Sale Shares under Article 9 or otherwise pursuant to these Articles, will be referred immediately for final determination to an independent firm of chartered accountants agreed for the purpose by the parties concerned or, in default of agreement, appointed by the incumbent president of the Institute of Chartered Accountants in

England and Wales. The independent accountants will act as expert and not as arbitrator and their costs will be borne as directed by the Article in question or, if the Article is silent on the point, as directed by the independent accountants. In the absence of any such direction, such costs will be borne between parties concerned. The written certificate of the independent accounts will be conclusive and binding on the Company and the Members (except in the case of fraud or manifest error).

- 2.5 The headings in these Articles are included for convenience only and do not affect the meaning of these Articles.
- 2.6 Where, for any purpose, an ordinary resolution of the Company is required, a special resolution is also effective for that purpose.

3. SHARE CAPITAL AND SHARE RIGHTS

- 3.1 The authorised share capital of the Company at the date of adoption of these articles is £1,500 divided into
 - 3.1.1 50,000 A Shares of £0.01
 - 3.1.2 50,000 B Shares of £0.01
 - 3.1.3 50,000 C Shares of £0.01
- 3.2 A Shares may only be issued to a person who is an Equity Member, employee, director or consultant of Armstrong Watson LLP
- 3.3 B Shares may only be issued to a person who is an equity member, employee, director or consultant of Armstrong Watson LLP or any member of the Group.
- 3.4 C Shares may be issued to any corporate member of the Group including but not limited to any limited company, partnership or limited liability partnership. The C shares carry no voting rights.

4 SHARES

- 4.1 The Directors are generally and unconditionally authorised to exercise all powers of the Company in accordance with section 551 of the 2006 Act 2006 to allot relevant securities provided that the aggregate nominal value of the relevant securities allotted pursuant to this authority shall not exceed the aggregate nominal value of the relevant securities of the Company at the date of the adoption of these Articles and this authority shall (unless previously revoked, varied or renewed) expire on the fifth anniversary of the adoption of these Articles.
- 4.2 The authority contained within article 4.1 is in substitution for all previous authorities conferred on the directors of the Company

5 VARIATION OF SHARE RIGHTS

- 5.1 The rights attached to the A Shares, B Shares and the C Shares may, in each case, be altered or abrogated (whether or not the Company is being wound up)

only with the prior consent of the holders of the issued Shares of that class given in accordance with Article 5.2.

5.2 The consent of the holders of a class of Shares may be given by:

5.2.2 a special resolution passed at a separate general meeting of the holders of that class, or

5.2.3 a written resolution in any form signed by or on behalf of the holders of not less than 75 per cent in nominal value of the issued Shares of that class.

6 SHARE RIGHTS – RETURN OF CAPITAL

6.1 On a return of capital of the Company, on a Liquidation or otherwise (other than a redemption of shares or the purchase by the Company of its own shares), the assets of the Company remaining after the payment of its liabilities shall be applied in the following order of priority:

6.1 first, in paying to the holders of the A Shares in respect of each A Share held, the sum of £1,780;

6.2 secondly, and subject to there being sufficient assets following the payment under Article 6.1 in paying to the holders of the A Shares and the holders of B Shares in respect of each A Share and/or B Share held, the sum per share as calculated by a third party as at 31 March 2017 (being £2,611) less £1,780;.

6.3 finally, in distributing the balance (if any) among the holders of all Shares (as if one and the same class) pro rata to the number of Shares respectively held by them provided always that where there are insufficient assets to make the distributions under article 6.1 or 6.2 the amount distributed shall be the amount available for such distribution to the relevant shareholders.

7 SHARE RIGHTS – SHARE SALE OR DISPOSAL

7.1 The proceeds of a Share Sale shall be distributed in the order of priority set out in Article 6.

7.2 On a Disposal, the assets of the Company remaining after the payment of its liabilities shall be distributed in the order of priority set out in Article 6.

8 TRANSFERS OF SHARES – GENERAL

Except as permitted by these Articles, no Member shall transfer any Shares. A Share may only be transferred if the whole of the Member's legal and beneficial interest in such Share is so transferred.

8A PERMITTED TRANSFER

A Relevant Individual (as defined in clause 9.2) shall be entitled with the consent of the Board, to transfer his Shares to any person (which for the purposes of this Article shall include a corporate entity or limited liability partnership) provided that the provisions of Article 9 shall apply to any transferee receiving shares under this Article.

9 COMPULSORY TRANSFERS

Circumstances which trigger compulsory transfer

- 9.1 This Article 9 applies when:
- 9.1.1 An A Shareholder ceases for any reason (including death or bankruptcy) to be an Equity Member of Armstrong Watson LPP, or
 - 9.1.2 A B Shareholder ceases for any reason (including death or bankruptcy) to be an employee and/or director or consultant of Armstrong Watson or any member of the Group
 - 9.1.3 The members, partners or shareholders of a C Shareholder pass a resolution for its winding up.
- 9.2 Members falling within the definition of either Articles 9.1.1 or 9.1.2 shall be treated as a **"Relevant Individual"** for the purposes of this Articles.
- 9.3 For the purposes of this Article, the Relevant Individual will cease to be a partner/employee and/or director or consultant of Armstrong Watson or a member of the Group on the Cessation Date.

Compulsory Company Share Buy Back Procedure

- 9.4 The Board may at any time after a Cessation Date and the Board must:
- 9.4.1 within two years of the Cessation Date if at any time within two years of the Cessation Date the Company has Excess Working Capital, or
 - 9.4.2 between the second anniversary and fifth anniversary of the Cessation date if at any time between such dates the Company has Distributable Profits which are in excess of the amount required to purchase the Sale Shares
- serve notice (**"Compulsory Sale Notice"**) on the Relevant Individual (or the PRs or the trustee in bankruptcy of any bankrupt Member) (each a **"Compulsory Seller"** and together **"Compulsory Sellers"** requiring each such person to offer all Shares registered in his or their name(s) or to which he is or they are or may become entitled whether as a result of his or their holding of Shares or otherwise for purchase by the Company (**"Sale Shares"**).
- 9.5 The Sale Shares which are the subject of the Compulsory Sale Notice will not be offered for sale to any other Member.

Sale Price

- 9.6 The price for the Sale Shares will be the Market Value of the Sale Shares as determined by the Board on the date nominated by the Board to be the date on which the Sale Shares are to be bought back by the Company (**"Compulsory Transfer Date"**) or, in the event the Compulsory Sellers disagree with the Market Value of the Sale Shares determined by the Board, as determined by the

independent accountants pursuant to Article 2.4 in each case in accordance with the principles set out in Article 10.

Suspension of voting rights during compulsory transfer procedure

9.7 Any Shares held by a Compulsory Seller on the Cessation Date (and any Shares issued to a Compulsory Seller after such date by virtue of the exercise of any right or option granted or arising by virtue of his holding of the Sale Shares) will cease to confer the right to be entitled to receive notice of, attend and vote at any general meeting of the Company, or any meeting of the holders of any class of Shares with effect from the Cessation Date (or, where appropriate, the date of issue of such Shares, if later) and such Shares will not be counted in determining the total number of votes which may be cast at any such meeting, or for the purposes of a written resolution of any Members or class of Members.

9.7b) Any Share held by a Compulsory Seller (or where relevant and Transferee who has become a shareholder by virtue of Article 8A) on the Cessation Date (and any Shares issued to a Compulsory Seller after such date by virtue of the exercise of any right or option granted or arising by virtue of his holding of the Sale Shares) will cease to confer the right to receive a dividend declared by the Company as from the Cessation Date or any other date where relevant.

Completion of sale and purchase of Sale Shares

9.8 Completion of the sale and purchase of Sale Shares will take place on the date nominated by the Board, or if later 15 Business Days following determination of their Market Value, in accordance with Articles 9.6 and 2.4 at a place and time notified to the Compulsory Seller by the Board when the Compulsory Seller will, upon payment of the due price, transfer the Sale Shares and deliver the relevant Share certificates to the Board.

Default by Seller

9.9 If the Compulsory Seller fails by the due completion date to transfer and/or to deliver the certificates (or a suitable indemnity) in respect of any Sale Shares, the Board may authorise any Director to execute, complete and deliver the necessary transfer and indemnity to the Company on the Compulsory Seller's behalf. When that instrument has been duly stamped, the Company will ensure that such share capital is cancelled in accordance with the Act, and will hold the purchase monies on trust (without interest) for the Compulsory Seller.

10 VALUATION

Determination of "Market Value"

If the Board (or, by virtue of Article 2.4, independent accountants) are required to determine Market Value pursuant to Article 9.6, the provisions set out below will apply.

10.1 Market Value will be determined by the Board or, as the case may be, independent accountants, first valuing the Company as a whole.

- 10.1.1 on the basis of the financial information contained in the statutory accounts prepared for the most recent year end date of the Company (and disregarding the financial performance of the Company since the date of such accounts),
 - 10.1.2 assuming, if the Company is then carrying on business as a going concern, that it will continue to do so for at least a period of 12 months,
 - 10.1.3 assuming that the entire issued share capital of the Company is being sold as between a willing buyer and a willing seller by arm's-length private treaty for cash payable in full on completion.
 - 10.1.4 taking account of any Shares which may be allotted pursuant to options which have been issued by the company and which are still outstanding, and
 - 10.1.5 recognising that in any other circumstances the Shares are not freely marketable.
- 10.6 Having valued the Company as a whole, the Board or, as the case may be, independent accountants will determine the Market Value of the Shares concerned.
- 10.6.1 disregarding whether the Shares concerned represent a majority or a minority interest, and
 - 10.6.2 disregarding the rights and restrictions attached to the Shares concerned in respect of income, capital and transfer.

11 CHANGE OF CONTROL –TAG ALONG RIGHTS

- 11.1 No transfer of Shares which would result, if made and registered, in a person or persons Acting in Concert obtaining a Controlling Interest, will be made or registered unless
 - 11.1.1 an Approved Offer is made by the proposed transferee(s) ("**Buyer**"), and
 - 11.1.2 the Buyer complies in all respects with the terms of the Approved Offer at the time of completion of the sale and purchase of Shares pursuant to it.
- 11.2 For the purpose of this Article 11 and Article 12
 - 11.2.1 "**Approved Offer**" means an offer in writing served on all Members holding Shares (including the proposing transferor), offering to purchase all the Shares held by such Members (including any Shares which may be allotted pursuant to the exercise or conversion of options, rights to subscribe for or securities convertible into Shares in existence at the date of such offer) which
 - 11.2.1.1 is stipulated to be open for acceptance for at least 15 Business Days;
 - 11.2.1.2 offers the same consideration for each Share

- 11.2.1.3 includes an undertaking by or on behalf of the Buyer that no other consideration, (whether in cash or otherwise) is to be received or receivable by any Member 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 Shares to be sold by such Member, and that neither the Buyer nor any person acting by agreement or understanding with it has otherwise entered into more favourable terms or has agreed more favourable terms with any other Member for the purchase of Shares, and
- 11.2.1.4 is on terms that the sale and purchase of Shares in respect of which the offer is accepted will be completed at the same time.

12 CHANGE OF CONTROL – DRAG ALONG RIGHTS

- 12.1 Whenever an Approved Offer is made, the holders of 50 per cent or more of the A Shares shall the right ("**Drag Along Right**") to require (in the manner set out in Article 13.2) all of the other holders of Shares including persons who acquire Shares following the making of the Approved Offer pursuant to the exercise of options or conversion of securities ("**Other Shareholders**") to accept the Approved Offer in full.
- 12.2 The Drag Along Right may be exercised by the service of notice to that effect on the Other Shareholders at the same time as, or within five Business Days following the making of the Approved Offer (or, if later, within five Business Days following the acquisition by the relevant Other Shareholder of any Shares). Such notice will be accompanied by all documents required to be executed by the Other Shareholders to give effect to the relevant transfer.
- 12.3 On the exercise of the Drag Along Right, each of the Other Shareholders will be bound to accept the Approved Offer in respect of its entire holding of Shares and to comply with the obligations assumed by virtue of such acceptance.
- 12.4 If any of the Other Shareholders fails to accept the Approved Offer or, having accepted such offer, fails to complete the sale of any of its Shares pursuant to the Approved Offer, or otherwise fails to take any action required of it under the terms of the Approved Offer, any person(s) so authorised by the Board may accept the offer on behalf of the Other Shareholder in question, or undertake any action required under the terms of the Approved Offer on the part of the Other Shareholder in requisition. In particular, such person may execute the necessary transfer(s) on that Other Shareholder's behalf, and against.
- 12.4.1 Receipt by the Company (on trust for such Other Shareholder) of the consideration payable for the relevant Shares (the receipt being a good discharge to the Buyer, who will not be bound to see to the application of it), and
- 12.4.2 Compliance by the Buyer and, where relevant, the Company with all other terms of the Approved Offer

deliver such transfer(s) to the Buyer (or its nominee). The Board will then authorise registration of the transfer(s) and of the Buyer (or its nominee) as the holder of the Shares so transferred. After registration, the title of the Buyer (or its nominee) as registered holder of such Shares will not be affected by any irregularity in, or invalidity of such proceedings, which will not be questioned by any person. The Other Shareholder will in such a case be bound to deliver up its certificate for its Shares to the Company, or a statutory declaration of loss (as appropriate) whereupon the Other Shareholder will be entitled to receive the purchase price for such Shares.

13 SHARE CERTIFICATES

Every certificate shall be sealed with the seal or executed in such other manner as the Directors authorise, having regard to the 2006 Act.

14 GENERAL MEETINGS

14.1 A general meeting may consist of a conference between Members, some or all of whom are in different places if each Member who participates is able.

14.1.1 to hear each of the other participating Members addressing the meeting, and

14.1.2 if he so wishes, to address all of the other participating Members simultaneously,

whether directly, by conference telephone or by any other form of communications equipment (whether in use when these Articles are adopted or not) or by a combination of those methods.

14.2 A quorum is deemed to be present if those conditions are satisfied in respect of at least the number of Members required to form a quorum. A meeting held in this way is deemed to take place at the place where the largest group of participating members is assembled or, if no such group is readily identifiable, at the place from where the chairman of the meeting participates. A resolution put to the vote of a meeting will be decided by each Member indicating to the chairman (in such manner as the chairman may direct) whether the Member votes in favour of or against the resolution or abstains. References in this Article 17 to Members includes their duly appointed proxies and, in the case of corporate members, their duly authorised representatives.

15 PROCEEDINGS AT GENERAL MEETINGS

15.1 The quorum for any general meeting (other than a separate class meeting) will include at least two holders of A Shares present in person or by proxy.

15.2 If any meeting is adjourned because a quorum is not present, and at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the shareholders present will form a quorum.

15.3 A poll may be demanded by the chairman or by any Member present in person or by proxy and entitled to vote at the meeting.

15.4 A corporation which is a member of the Company may, by resolution of its directors or other governing body, authorise such a person or persons as it thinks fit to act as its representative or representatives at any meeting of the Company or at any meeting of any class of Members. The provisions of the Act shall apply to determine the powers that may be exercised at any such meeting by any person so authorised. The corporation shall, for the purposes of these Articles, be deemed to be present in person at any such meeting if any person so authorised is present at

it, and all references to attendance and voting in person shall be construed accordingly.

- 15.5 A poll demanded will be taken immediately. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll was demanded. If a poll is demanded before the declaration of the result of a show of hands and the demand is duly withdrawn, the meeting shall continue as if the demand had not been made.

16 VOTES OF MEMBERS

- 16.1 On a poll and on a show of hands votes may be given either in person or by proxy provided that each proxy is appointed to exercise the rights attached to a different share or shares held by him. When two or more valid but different forms of proxy or appointments of proxy by electronic means are delivered or received in respect of the same share for use at the same meeting, the one which is last validly delivered or received (regardless of its date or the date of its execution) shall be treated as replacing and revoking the other(s) as regards that share. If the Company is unable to determine which was last delivered or received, none of them shall be treated as valid in respect of that share. Deposit or delivery of an appointment of proxy will not preclude a Member from attending and voting at the meeting or any adjournment of the meeting after the words "to attend on the same occasion."
- 16.2 Subject to Article 16.6 a form appointing a proxy shall be in writing in the usual form, or in such other form which the directors may approve, and shall be executed by or on behalf of the appointor
- 16.3 Subject to the 2006 Act, the directors may resolve to allow a proxy to be appointed by an Electronic Communication subject to such limitations, restrictions or conditions as the Directors think fit (including, without limitation, the ability to require such evidence as they consider appropriate to decide whether the appointment of a proxy in such a manner is effective).
- 16.4 In order for the appointment of proxy to be valid:
- 16.4.1 (in the case of an appointment of proxy by hard copy) the form of the proxy, together with the relevant documents, if any, must be
- 16.4.1.1 left at or sent by post to the office (or such other place within the United Kingdom as is specified in the notice convening the meeting and/or in any form of proxy or other accompanying document sent out by the Company in relation to the meeting) by the relevant time, or
- 16.4.1.2 duly delivered in accordance with Article 16.6.
- 16.4.2 (in case of an appointment of proxy by Electronic Communication) the communication appointing the proxy, together with the relevant evidence, must be received at the address by the relevant time.
- 16.5 For the purposes of Article 16.3 and 16.4:

16.5.1 For the purposes of appointing a proxy by Electronic Communication the **"address"** means the number or address which has been specified by the Company for the purpose of receiving Electronic Communications appointing proxies,

16.5.2 **"relevant documents"** means either (i) the power of attorney or other authority relied on to sign the form of proxy, or (ii) a copy of such document certified as a true copy of the original by a notary or solicitor or certified in some other way approved by the Directors.

16.5.3 **"relevant evidence"** means any evidence required by the Directors in accordance with the provisions of Article 16.3, and

16.5.4 **"relevant time"** means 48 hours before the time appointed for the commencement of the meeting or adjourned meeting to which the proxy appointment relates.

16.6 If a meeting is adjourned for less than 48 hours, a form of proxy may also be delivered in hard copy form at the adjourned meeting to the chairman or to the secretary to any Director.

17 NUMBER OF DIRECTORS

Unless and until otherwise determined by ordinary resolution of the Company, the number of Directors (other than alternate directors) will be not less than 2 and is not subject to any maximum.

18 ALTERNATE DIRECTORS

18.1 The Directors may each appoint any person willing to act, whether or not he is a director of the Company, to be an alternate director, any such appointment to be approved by resolution of the Directors provided always that such appointment as an alternate director shall cease where the appointing Director ceases to be a Director.

18.2 Any alternate director who is absent from the United Kingdom is entitled to receive notice of all meetings of Directors and of committees of Directors of which his appointor is a member. An alternate director may waive the requirement that notice be given to him of a meeting of Directors or of a committee of Directors of which his appointor is a member, either prospectively or retrospectively.

18.3 An alternate director will not be entitled as such to receive any remuneration from the Company although he may be paid by the Company such part (if any) of the remuneration otherwise payable to his appointor as to his appointor may direct by notice in writing to the Company.

18.4 An alternate director will be entitled to be reimbursed by the Company such expenses as might properly be reimbursed to him if he were a Director.

18.5 An alternate director's appointment will determine if he resigns by written notice left at or sent to the registered office of the Company.

- 18.6 A director, or any other person approved by a resolution of the directors, may act as an alternate director to represent more than one Director, and an alternate director will be entitled at any meeting of the Board to one vote for every Director whom he represents in addition to his own vote (if any) as a Director, but he will count as only one person for the purpose of determining whether a quorum is present.

19 DELEGATION OF DIRECTOR'S POWERS

Where a provision of these articles refers to the exercise of a power, authority or discretion by the Directors and that power, authority or discretion has been delegated by the Directors to a committee, the provision must be construed as permitting the exercise of the power, authority or discretion by the committee.

20 APPOINTMENT AND RETIREMENT OF DIRECTORS

- 20.1 The Board may from time to time, by a majority resolution, appoint additional Directors.
- 20.2 All Directors (including alternate directors) are required to be holders of A Shares.
- 20.3 A Director will not retire by rotation.
- 20.4 The holder or holders of such number of Shares as give the right to a majority of votes at general meetings of the Company may, by giving notice on the Company, remove any Director from office and/or appoint any person (provided that person is a holder of A Shares) to be a Director. The notice must be signed by or on behalf of such holder or holders (and may consist of several documents in similar form each signed by or on behalf of one or more holders) and must be left at or sent by post or fax to the registered office or such other place designated by the Directors for the purpose. Such removal or appointment will take effect when the notice is received by the Company or on such later date (if any) as may be specified in the notice.

21 DISQUALIFICATION AND REMOVAL OF DIRECTORS

The office of a Director will be vacated if:

- 21.1 he ceases to be a Director by virtue of any provision of the Act or he becomes prohibited by law from being a director;
- 21.2 he becomes bankrupt or makes any arrangement or composition with his creditors generally;
- 21.3 he becomes, in the opinion of all his co-Directors, incapable by reason of mental disorder or discharging his duties as Director;
- 21.4 he resigns his office by notice in writing to the Company;
- 21.5 he has for more than six consecutive months been absent without permission of the Directors from meetings of Directors held during that period and his alternate director (if any) has not during that period attended any such meetings instead of him, and the Directors resolve that his office be vacated.

- 21.6 he is removed from office by notice addressed to him at his last-known address and signed by a majority of his co-Directors.
- 21.7 he is removed from office by notice given by a Member or Members under Article 20.4, or
- 21.8 being an executive Director he ceases, for whatever reason, to be employed by any member of the Group.

22 PROCEEDINGS OF DIRECTORS

- 22.1 In the case of an equality of votes, the chairman will not have a second or casting vote.
- 22.2 Every Director will receive notice of a meeting, whether or not he is absent from the United Kingdom. A Director may waive the requirement that notice be given to him of a meeting of Directors or a committee of Directors, either prospectively or retrospectively.
- 22.3 The quorum necessary for the transaction of business at any meeting of Directors will be two of the Directors appointed to the Board from time to time. If any meeting of the Directors is inquorate then it will be adjourned for the consideration of the same business until the same time and place the next following week when those Directors present will constitute a quorum.
- 22.4 Any Director or alternate may participate in a meeting of the Board or a committee of the Directors by means of conference telephone or similar communications equipment if all persons participating in the meeting can hear and speak to each other throughout the meeting, and any Director or member of a committee participating in a meeting in this manner is deemed to be present in person at such meeting and will be counted when reckoning a quorum.
- 22.5 Without prejudice to the obligation of any Director to disclose his interest in accordance with the 2006 Act, a Director may vote at a meeting of Directors or of a committee of Directors on any resolution concerning a matter in which he has, directly or indirectly, an interest or duty. The Director will be counted in the quorum present when any such resolution is under consideration and if he votes, his vote will be counted.

23 NOTICES

- 23.1 Any notice or other document to be given to or by any person pursuant to these Articles (other than a notice calling a meeting of the Directors) shall be in writing and shall be delivered in accordance with Article 26.2.
- 23.2 Any notice or other document may only be served on, or delivered to, any Member by the Company or by any other Member:
 - 23.2.1 personally,

- 23.2.2 by sending it through the post in a prepaid envelope addressed to the Member at his registered address,
 - 23.2.3 by delivery of it by hand to or leaving it at that address in an envelope addressed to the Member, or
 - 23.2.4 except in the case of a share certificate and only if an electronic address has been specified by the Member for such purpose, by Electronic Communication.
- 23.3 Nothing in Article 23.2 shall affect any provision of the 2006 Act requiring offers, notices or documents to be served on or delivered to a Member in a particular way.
- 23.4 In the case of joint holders of a Share
 - 23.4.1 all notices and other documents shall be given to the person named first in the register in respect of the joint holding, and notice so given shall be sufficient notice to all joint holders, and
 - 23.4.2 any request for consent to the receipt of Electronic Communications shall be sent to the person named first in the register in respect of the joint holding and any express consent given by such holder to the receipt of communications in such manner shall bind all joint holders.
- 23.5 Any notice or other document may only be served on, or delivered to, the Company by anyone:
 - 23.5.1 by sending it through the post in a prepaid envelope addressed to the Company or any officer of the Company at its registered office or such other place in the United Kingdom as may from time to time be specified by the Company,
 - 23.5.2 by delivering it by hand to its registered office or such other place in the United Kingdom as may from time to time be specified by the Company, or
 - 23.5.3 if an address has been specified by the Company for such purpose by Electronic Communication.
- 23.6 Any notice or other document (other than any notice or other document given to the Company including, for the avoidance of doubt, the appointment of a proxy);
 - 23.6.1 Addressed to the recipient in the manner prescribed by these Articles shall, if sent by post, be deemed to have been served or delivered.
 - 23.6.1.1 (if prepaid as first class) 24 hours after it was posted, and
 - 23.6.1.2 (if prepaid as second class) 48 hours after it was posted,
 - 23.6.1.3 (if prepaid as airmail) 72 hours after it was posted,

and in proving such service, it shall be sufficient to prove that the envelope containing such notice or document was properly addressed, prepaid and posted,

23.6.2 not sent by post, but delivered by hand to or left at an address in accordance with these Articles, shall be deemed to have been served or delivered on the day it was so delivered or left,

23.6.3 sent by Electronic Communication shall be deemed to have been served or delivered.

23.6.3.1 in the case of a notice or other document sent in an electronic form but by a manner authorised by Articles 23.2.2 or 23.2.3, in accordance with the provisions of Articles 23.6.1 or 23.6.2, as appropriate,

23.6.3.2 otherwise 24 hours after the Electronic Communication it was sent, and in proving such service, it shall be sufficient to produce (in the case of a fax) a transaction report or log generated by a fax machine which evidences the fax transmission and (in any other case) a confirmation setting out either the total number of recipients to whom or each recipient to whom the message was sent.

24 INDEMNITIES

Subject to the provisions of the Act but without prejudice to any indemnity to which he may otherwise be entitled every Director alternate director secretary and other officer or employee of the Company will be indemnified out of the assets of the Company against any liability sustained or incurred by him in defending any proceedings whether civil or criminal relating to his conduct as an officer or employee of the Company in which judgment is given in his favour or in which he is acquitted or in connection with any application under section 144 or section 727 of the 1985 Act in which relief is granted to him by the Court.

25 CONFLICTS OF INTEREST

25.1 The following provisions of this article apply to any authorisation of a matter by the directors for the purposes of section 175 of the 2006 Act

25.1.1 an authorisation may extend to any actual or potential conflict of interest (including a conflict of interest and duty and a conflict of duties) which may reasonably be expected to arise out of the matter so authorised,

25.1.2 an authorisation shall be subject to such conditions or limitations as the directors may determine, whether at the time such authorisation is given or subsequently, and may be terminated by the directors at any time,

25.1.3 a director shall comply with any obligations imposed on him by the directors pursuant to any authorisation, and

25.1.4 a director shall not, save as otherwise agreed by him, be accountable to the Company for any benefit which he (or a person connected with him within the meaning of the 2006 Act) derives from any matter authorised by the directors and any contract, transaction or arrangement relating thereto shall not be liable to be avoided on the grounds of any such benefit.

25.2 If a matter or office, or employment or position has been authorised by the directors for the purposes of section 175 of the 2006 Act, then the director in question shall not be required to disclose any confidential information relating to such matter, or such office, employment or position, to the Company or use such confidential information in relation to the Company's affairs if to do so would result in a breach of a duty or obligation of confidence owed by him in relation to or in connection with that matter, or that office, employment or position.

26 DIVIDENDS

Dividends shall be paid to the holders of all of the Shares (as if one and the same class) pro rata to the number of Shares respectively held by them.