

Company number: 06887937

The Companies Act 2006
Private company limited by shares
Written resolutions

of

Bow & Arrow Limited (the "Company")

6th NOVEMBER 2017 (the "Circulation Date")



Pursuant to Chapter 2 of Part 13 of the Companies Act 2006 (the "**2006 Act**"), the directors of the Company propose that:

- (a) resolution 1 below is passed as an ordinary resolution; and
- (b) resolution 2 below is passed as a special resolution,

(together, the "**Written Resolutions**");

Ordinary resolution:

1. **Sub-division of issued share capital**

That, in accordance with section 618 of the 2006 Act, the 95 ordinary shares of £1 each in the capital of the Company be and they are sub-divided into 950 ordinary shares of £0.10 each in the capital of the Company.

Special resolution:

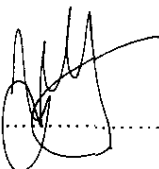
2. **Adoption of new articles of association**

That, subject to the passing of resolution 1 above, the draft articles of association attached to this resolution be and they are adopted by the Company in substitution for, and to the exclusion of, its existing articles of association.

Important:

Please read the notes at the end of this document before signifying your agreement to the Written Resolutions.

The undersigned, being persons entitled to vote on the Written Resolutions on the Circulation Date, hereby irrevocably agree to the Written Resolutions.

Signed: 

Name: **Ben Slater**

Date: 6.11.17 2017

Signed: 

Name: **Natasha Chetiyawardana**

Date: 6/11/17 2017

Signed: 

Name: **Richard Jolly**

Date: 6.11.17 2017

Bow & Arrow Limited
(company number 06887937)
(the "Company")

Written consent relating to the adoption of new articles and variation of class rights

- (1) In accordance with section 630 of the Companies Act 2006 we, being the holders of not less than three quarters in nominal value of the issued ordinary shares of £1 each in the capital of the Company who at the date of this consent would be entitled to attend and vote at a separate general meeting of the class of holders of such shares, hereby irrevocably consent to and sanction the passing of the resolution numbered **2** set out in the attached draft written resolution and every variation, modification or abrogation of the rights, privileges and restrictions attaching to the ordinary shares of £1 each as a class of shares that will or may be effected thereby.
- (2) We, being the holders of 100% of the issued share capital of the Company, hereby irrevocably consent to and sanction the passing of the resolutions numbered **1** and **2** set out in the attached draft written resolution and every variation, modification or abrogation of the rights, privileges and restrictions attaching to the ordinary shares of £1 each as a class of shares that will or may be effected thereby for all purposes including, but not limited to, the articles of association of the Company and the shareholders' agreement.
- (3) Subject to the passing of the resolutions numbered **1** and **2**, we, being the holders of 100% of the issued share capital of the Company, hereby irrevocably consent to and sanction: (i) the adoption by the Company of the Bow & Arrow Limited EMI Option Plan ("**EMI Plan**"); (ii) the Company granting options ("**Options**") under the EMI Plan over no more than 210 A Ordinary shares of £0.05 each in the capital of the Company ("**Option Shares**") in aggregate, provided that if an Option lapses prior to being exercised, the same number of Option Shares that have lapsed may be re-granted; and (iii) upon each of the Options granted vesting and being exercised in accordance with their terms and the terms of the EMI Scheme, the issue and allotment of the Option Shares, and we hereby irrevocably and unconditionally waive all current and future rights conferred on us by the articles of association of the Company and the shareholders' agreement, or in any other way whatsoever, in respect of the Option Shares.
- (4) For the avoidance of doubt, the shareholders confirm that their rights as set out in the shareholders agreement dated 20 April 2016 are observed and that the Articles are subject at all time to the rights of the shareholders as set out in the shareholders agreement.

Signed: 

Name: **Ben Slater**

Number of shares: 79 ordinary shares of £1 each

Date: 6/11/17

Signed: 

Name: **Natasha Chetiyawardana**

Number of shares: 15 ordinary shares of £1 each

Date: 6/11/17

Signed: 

Name: **Richard Jolly**

Number of shares: 1 ordinary share of £1 each

Date: **6.11.17**

**Articles of Association
of**

Bow & Arrow Limited

Company number: 06887937

(Private company limited by shares)

as adopted by written special resolution passed on

6th November 2017

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Company number: 06887937

The Companies Act 2006

Private company limited by shares

Articles of Association

of

Bow & Arrow Limited

(as adopted by written special resolution passed on 6th November 2017)

Part 1

Interpretation, Limitation of Liability and Other Miscellaneous Provisions

It is agreed as follows:

1. Defined terms

In these articles, unless the context requires otherwise:

"A Ordinary Shares" means the 'A' ordinary shares of £0.05 each in the capital of the company.

"Acts" means the Companies Acts and every other statute, order, regulation, or other subordinate legislation from time to time in force concerning companies and affecting the company.

"articles" means the company's articles of association as altered or varied from time to time (and **"article"** means a provision of the articles).

"associated company" has the meaning set out in Section 256, CA2006.

"CA2006" means the Companies Act 2006.

"call" has the meaning set out in article 23.1 (*Call notices*).

"call notice" has the meaning set out in article 23.1 (*Call notices*).

"call payment date" has the meaning set out in article 26 (*Failure to comply with call notice: automatic consequences*).

"Companies Acts" has the meaning set out in Section 2, CA2006.

"company's lien" has the meaning set out in article 21 (*Company's lien*).

"conflicted director" has the meaning set out in article 13.1 (*Authorisation of conflicts of interest*).

"conflict situation" has the meaning set out in article 13.1 (*Authorisation of conflicts of interest*).

"distribution recipient" has the meaning set out in article 42 (*Payment of dividends and other distributions*).

"document" includes, unless otherwise specified, any summons, notice, order, register, certificate or other legal process and includes any such document sent or supplied in electronic form.

"electronic form" has the meaning set out in Section 1168, CA2006.

"eligible director" means a director who would have been entitled to vote on the matter had it been proposed as a resolution at a directors' meeting (but excluding any director whose vote is not to be counted in respect of the resolution in question).

"Exit Proceeds" means the capital and assets of the company available for distribution to its shareholders.

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

"hard copy form" has the meaning set out in Section 1168, CA2006.

"holding company" has the meaning set out in Section 1159, CA2006.

"lien enforcement notice" has the meaning set out in article 22 (*Enforcement of the company's lien*).

"Model Articles" means the model articles for private companies limited by shares as set out in Schedule 1 to The Companies (Model Articles) Regulations 2008 (SI 2008/3229).

"nil paid" in relation to a share, means that none of that share's nominal value or any premium at which it was issued has been paid to the company.

"occupational pension scheme" has the meaning set out in Section 235(6), CA2006.

"Ordinary Shares" means the ordinary shares of £0.10 each in the capital of the company.

"parent undertaking" has the meaning set out in Section 1162, CA2006.

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

"Proceeds of Sale" means the total consideration payable (including any deferred or contingent consideration) whether in cash or otherwise to those holders selling shares pursuant to a Share Sale.

"relevant director" means any director or former director.

"relevant loss" means any costs, charges, losses, expenses and liabilities which have been or may be incurred by a relevant director secretary or other officer in the actual or purported execution or discharge of his duties or in the actual or purported exercise of his powers in relation to the affairs of the company, any associated company or any pension fund (including any occupational pension scheme) or employees' share scheme of the company or associated company.

"relevant rate" has the meaning set out in article 26.2 (*Failure to comply with call notice: automatic consequences*).

"Sale Threshold Amount" means the sum of £10,000,000.

"Share Sale" means the disposal by the shareholders of the company (whether in one transaction or a series of transactions) of the entire issued share capital of the company to a third party or parties on an arms' length basis and not for the purposes of a reorganisation, amalgamation or scheme of reconstruction including the company, any holding company or any other subsidiary of any such holding company.

"Shares" or **'shares'** means the Ordinary shares and the A Ordinary Shares.

"subsidiary" save as provided otherwise in these articles, has the meaning set out in Section 1159, CA2006.

"subsidiary undertaking" has the meaning set out in Section 1162, CA2006.

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

"Valuers" means the auditors for the time being of the company if any appointed, unless the auditors give notice to the company that they decline an instruction to report on the matter in question, or if no auditors shall have been appointed the Valuers shall be a firm of chartered accountants agreed between the Seller and the directors or, in default of such agreement within 10 working days following the notice from the auditors declining to report if appropriate, as appointed by the President of the Institute of Chartered Accountants in England and Wales on the application of any such party.

"working day" has the meaning set out in Section 1173, CA2006.

"writing" means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods (including by email) and **"written"** shall be construed accordingly.

- 1.1 Unless the context otherwise requires (or unless otherwise defined or stated in these articles), words or expressions defined in the Model Articles shall have the same meaning in these articles. Any other words and expressions contained in these articles and/or the Model Articles shall have the same meaning as in the CA2006 as in force on the date when these articles become binding on the company.
- 1.2 The Model Articles shall apply to the company save insofar as they are excluded or modified by or are inconsistent with these articles, and the Model Articles (except insofar as so excluded, modified or inconsistent) together with these articles shall be the articles of association of the company (to the exclusion of any other regulations set out in any statute, statutory instrument or other subordinate legislation from time to time in force).
- 1.3 The following articles of the Model Articles shall be excluded in their entirety from applying to the company:
 - (a) article 14 (*Conflicts of interest*);
 - (b) article 21 (*All shares to be fully paid up*);
 - (c) article 48 (*Means of communication to be used*);
 - (d) article 52 (*Indemnity*); and
 - (e) article 53 (*Insurance*).
- 1.4 References in the articles to a document or information being sent or supplied by or to a company (including the company) shall be construed in accordance with the provisions of

Section 1148(3), CA2006 and any reference to "**sent**" or "**supplied**" (or other similar term) shall be construed in accordance with the provisions of Section 1148(2), CA2006.

2. Company's name

The company may change its name by means of a decision of the directors made in accordance with the provisions of these articles. The provisions of Section 79, CA2006 shall be complied with on any change of company name made pursuant to this article.

3. Domicile

The company's registered office is to be situated in England and Wales.

Part 2

Directors and Secretary

Directors' powers and responsibilities

4. Directors may delegate

Article 5(1) of the Model Articles is modified by the addition, at the end of that article, of the words:

"(including whether any such delegation shall be made either collaterally with or to the exclusion of the powers otherwise conferred on the directors under the articles)".

5. Committees

- 5.1 Committees to whom the directors delegate any of their powers may consist of one or more co-opted persons other than directors on whom voting rights may be conferred as members of the committee, provided that the number of co-opted members of the committee shall be less than one-half of the total number of members of the committee and so that no resolution of the committee shall be effective unless a majority of the members of the committee voting on the resolution are directors.

Article 5(1) and article 6 of the Model Articles are modified accordingly.

Decision-making by Directors

6. Directors to take decisions collectively

6.1 If:

- (a) the company has only one director for the time being; and
- (b) no provision of the articles requires it to have more than one director,

save as provided otherwise in the articles, the general rule does not apply, and the director may (only for so long as he remains the sole director) take decisions without regard to any of the provisions of the articles relating to directors' decision-making.

Article 7(2) of the Model Articles is modified accordingly.

7. Unanimous decisions

- 7.1 A decision of the directors is taken in accordance with this article when all eligible directors indicate to each other by any means excluding the means of text messaging and excluding instant messaging that they share a common view on a matter.

Article 8(1) of the Model Articles is modified accordingly.

- 7.2 Such a decision may take the form of a resolution in writing, where each eligible director has signed one or more copies of it or to which each eligible director has otherwise indicated agreement in writing.

Article 8(2) of the Model Articles is modified accordingly.

- 7.3 A decision may not be taken in accordance with this article 7 if the eligible directors would not have formed a quorum at a directors' meeting held to discuss the matter in question.

Article 8(4) of the Model Articles is modified accordingly.

8. **Calling a directors' meeting**

Save as otherwise provided in the articles, notice of a directors' meeting must be given to each director and must be given in writing.

Article 9(3) of the Model Articles is modified accordingly.

9. **Participation in directors' meetings**

- 9.1 Article 10(1)(b) of the Model Articles is modified by the addition, after the word "communicate", of the words:

"orally, including by means of telephone, video conference or other audio or audio-visual link or any other form of telecommunication".

- 9.2 Article 10(2) of the Model Articles is modified by the addition, at the end of that article, of the words:

"provided that all persons participating in the meeting can hear each other."

10. **Quorum for directors' meetings**

- 10.1 Subject to Section 175(6), CA2006 the quorum for the transaction of the business of the directors may be fixed from time to time by a decision of the directors, and unless otherwise so fixed it shall (save as provided in article 10.2 or any other provision of the articles) be two.

- 10.2 In relation to any meeting (or part of any meeting) held pursuant to article 13 (*Authorisation of conflicts of interest*), if, at the relevant time, the company has only one director other than the conflicted director, the quorum for such meeting (or the part thereof dealing with the authorisation pursuant to article 13 (*Authorisation of conflicts of interest*)) shall be one eligible director.

Article 11(2) of the Model Articles is modified accordingly.

11. **Chairing of directors' meetings**

If the chairman is unwilling to chair a directors' meeting or is not participating in a directors' meeting within ten minutes of the time at which it was to start or, if at any time during the meeting, the chairman ceases to be a participating director, the participating directors must appoint one of themselves to chair it (or chair such part of it in relation to which the chairman ceases to be a participating director, as the case may be).

Article 12(4) of the Model Articles is modified accordingly.

12. **Casting vote**

- 12.1 Subject to article 12.3, if, at a meeting of the directors, the numbers of votes for and against a proposal are equal, the chairman or other director appointed to chair the meeting pursuant to these articles shall have a casting vote.
- 12.2 Unless otherwise agreed by a majority of the shareholders, the chairman shall be the holder of such number Shares as represents 50% or more of the voting rights attached to the Shares.
- 12.3 At a meeting of the directors (or any part thereof), the chairman or other director appointed to chair the meeting pursuant to article 12 shall not have a casting vote in respect of any proposal where the numbers of votes for and against are equal if, in relation to such proposal, such chairman or other director appointed to chair the meeting is not an eligible director.

Article 13 of the Model Articles is modified accordingly.

13. **Authorisation of conflicts of interest**

- 13.1 Subject to and in accordance with the CA2006:
- (a) the directors may authorise any matter or situation arising on or after 1 October 2008 in which a director (the **"conflicted director"**) has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the company (including, without limitation, in relation to the exploitation of any property, information or opportunity, whether or not the company could take advantage of it) and for this purpose a conflict of interest includes a conflict of interest and duty and a conflict of duties (the **"conflict situation"**);
 - (b) any authorisation given in accordance with this article 13:
 - (i) may be made on such terms and subject to such conditions and/or limitations as the directors may, in their absolute discretion, determine (including, without limitation, excluding the conflicted director and any other interested director from certain directors' meetings, withholding from him or them certain board or other papers and/or denying him or them access to certain confidential company information) and such terms, conditions and/or limitations may be imposed at the time of or after the authorisation and may be subsequently varied or terminated; and shall be effective only if:
 - (A) any requirement as to the quorum at any meeting of the directors at which the matter is considered is met without counting either the conflicted director or any other interested director; and
 - (B) the matter or situation was agreed to and any relevant resolution was passed without counting the votes of the conflicted director and without counting the votes of any other interested director (or such matter or situation would have been so agreed and such relevant resolution would have been so passed if their votes had not been counted); and
 - (c) in considering any request for authorisation in respect of a conflict situation, the directors shall be entitled to exclude the conflicted director from any meeting or other discussion (whether oral or written) concerning the authorisation of such conflict situation and they shall also be entitled to withhold from such conflicted director any board papers or other papers concerning the authorisation of such conflict situation.
- 13.2 If any conflict situation is authorised or otherwise permitted under the articles, the conflicted director (for as long as he reasonably believes such conflict situation subsists):

- (a) shall not be required to disclose to the company (including the directors or any committee) any confidential information relating to such conflict situation which he obtains or has obtained otherwise than in his capacity as a director of the company, if to make such disclosure would give rise to a breach of duty or breach of obligation of confidence owed by him to another person in relation to such matter, office, employment or position;
- (b) shall be entitled to attend or absent himself from all or any meetings of the directors (or any committee) at which anything relating to such conflict situation will or may be discussed; and
- (c) shall be entitled to make such arrangements as he thinks fit to receive or not to receive documents or information (including, without limitation, board papers (or those of any committee of it)) relating to any such conflict situation and/or for such documents or information to be received and read by a professional adviser on his behalf,

and in so doing, such conflicted director shall not be in breach of any general duty he owes to the company pursuant to Sections 171 to 177 (inclusive), CA2006 and the provisions of this article 13 shall be without prejudice to any equitable principle or rule of law which may excuse the conflicted director from disclosing information or attending meetings or receiving documents or information, in circumstances where such disclosure, attendance or receipt would otherwise be required under the articles.

- 13.3 For the purposes of this article 13, an interest of a person who is, for any purpose of the CA2006 (excluding any statutory modification thereof not in force when this regulation becomes binding on the company), connected with a director shall be treated as an interest of the director.

14. Directors may have interests and vote and count for quorum

- 14.1 Provided permitted by the Acts, and provided he has disclosed to the other directors the nature and extent of his interest pursuant to Section 177 or 182, CA2006 or otherwise pursuant to the articles (as the case may be), a director, notwithstanding his office:

- (a) may be a party to, or otherwise directly or indirectly interested in any contract, arrangement, transaction or proposal with the company or in which the company is otherwise interested and may hold any other office or position of profit under the company (except that of auditor or of auditor of a subsidiary of the company) in addition to the office of director and may act by himself or through his firm in a professional capacity for the company and in any such case on such terms as to remuneration and otherwise as the directors may agree either in addition to or in lieu of any remuneration provided for by any other article;
- (b) may be a member, director or other officer of, or employed by, or hold any other office or position with, or be directly or indirectly interested in any contract, arrangement, transaction or proposal with or a party to or otherwise directly or indirectly interested in, any subsidiary and subsidiary undertaking of the company or any parent undertaking of the company and any of such parent undertaking's subsidiaries or subsidiary undertakings or any other body corporate promoted by the company or in which the company is otherwise interested;
- (c) shall not, by reason of his office, be liable to account to the company for any dividend, profit, remuneration, superannuation payment or other benefit which he derives from:
 - (i) any matter, office, employment or position which relates to a conflict situation authorised in accordance with article 13 (*Authorisation of conflicts of interest*); or

- (ii) any office, employment, contract, arrangement, transaction or proposal or other interest permitted pursuant to paragraphs (a) and (b) of this article,

and no contract, arrangement, transaction or proposal shall be avoided on the grounds of any director having any such interest or receiving any such dividend, profit, remuneration, superannuation, payment or other benefit authorised in accordance with article 13 (*Authorisation of conflicts of interest*) or permitted pursuant to paragraphs (a) or (b) of this article and the receipt of any such dividend, profit, remuneration, superannuation, payment or other benefit so authorised or permitted shall not constitute a breach of the duty not to accept benefits from third parties as set out in Section 176, CA2006.

- 14.2 For the avoidance of doubt, a director may be or become subject to one or more conflict situations as a result of any matter referred to in paragraph (b) of article 14.1 (*Directors may have interests and vote and count for quorum*) without requiring authorisation under the provisions of article 13 (*Authorisation of conflicts of interest*) provided he has declared, as soon as reasonably practicable, the nature and extent of his interest in the conflict situation. The provisions of Section 177(2), Section 177(3), Section 177(5), Section 177(6), Section 184 and Section 185, CA2006 shall be applied (with any necessary modifications) in respect of any such declaration.
- 14.3 Subject to Section 175(6), CA2006 and save as otherwise provided in the articles, a director may vote at any meeting of the directors or any meeting of any committee of which he is a member on any resolution and a director may participate in the transaction of the business of the directors and count in the quorum at any such meeting of the directors or meeting of any committee of which he is a member notwithstanding that it concerns or relates in any way to a matter in which he has directly or indirectly any kind of interest or duty. This article does not affect any obligation of a director to disclose any such interest, whether pursuant to Section 177, CA2006, Section 182, CA2006 or otherwise.
- 14.4 Subject to article 14.5, if a question arises at a meeting of directors or of a committee of directors as to the right of a director to participate in the meeting (or part of the meeting) for voting or quorum purposes, the question may, before the conclusion of the meeting, be referred to the chairman whose ruling in relation to any director other than the chairman is to be final and conclusive (except in a case where the nature or extent of any interest of the director has not been fairly disclosed).
- 14.5 If any question as to the right to participate in the meeting (or part of the meeting) should arise in respect of the chairman, the question is to be decided by a decision of the directors at that meeting, for which purpose the chairman is not to be counted as participating in the meeting (or that part of the meeting) for voting or quorum purposes.
- 14.6 For the purposes of this article 14, an interest of a person who is, for any purpose of the CA2006 (excluding any statutory modification thereof not in force when this regulation becomes binding on the company), connected with a director shall be treated as an interest of the director.

15. Records of decisions to be kept

The directors must ensure that the company keeps a record, in writing, for at least 10 years from the date of the decision recorded, of every unanimous or majority decision taken by the directors. Notwithstanding the provisions of these articles, where the company only has one director, the provisions of this article 15 shall apply to any decision taken by such director, howsoever taken by him.

Article 15 of the Model Articles is modified accordingly.

Appointment of Directors

16. Methods of appointing directors

In any case where, as a result of death or bankruptcy, the company has no shareholders and no directors, the transmittee of the last shareholder to have died or to have had a bankruptcy order made against him, as the case may be, shall have the right, by notice in writing to the company, to appoint any one person to be a director, provided such person is a natural person in accordance with Section 155, CA2006 and provided such person is willing to be so appointed and is otherwise permitted by law to be a director of the company.

Article 17(2) of the Model Articles is modified accordingly.

17. Termination of director's appointment

A person ceases to be a director as soon as:

- (a) that person ceases to be a director by virtue of any provision of the CA2006 or is prohibited from being a director by law;
- (b) a bankruptcy order is made against that person;
- (c) a composition is made with that person's creditors generally in satisfaction of that person's debts;
- (d) a registered medical practitioner who is treating that person gives a written opinion to the company stating that that person has become physically or mentally incapable of acting as a director and may remain so for more than three months;
- (e) by reason of that person's mental health, he is admitted to hospital in pursuance of an application for admission for treatment under any mental health legislation for the time being in force in any part of the United Kingdom or a court having jurisdiction (whether in the United Kingdom or elsewhere) makes an order which wholly or partly prevents that person from personally exercising any powers or rights which that person would otherwise have;
- (f) notification is received by the company from the director that the director is resigning from office, and such resignation has taken effect in accordance with its terms;
- (g) that person has, for more than six consecutive months, been absent without permission of the directors from meetings of directors held during that period and the directors make a decision that that person's office be vacated.

Article 18 of the Model Articles is modified accordingly.

18. Directors' expenses

- 18.1 The company may pay any reasonable expenses which the directors and the company secretary (if any) properly incur in connection with their attendance at (or returning from):

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

or otherwise in connection with the business of the company, the exercise of their powers and the discharge of their duties and responsibilities in relation to the company.

19. **Article 20 of the Model Articles is modified accordingly. Secretary**

The directors may appoint any person who is willing to act as the secretary of the company on such terms (including, but not limited to, term of office and remuneration) and subject to such conditions as they may think fit and from time to time remove such person and, if the directors determine, appoint a replacement secretary of the company, in each case by a decision of the directors.

Part 3

Shares and Distributions

Shares

20. **Issue of shares**

20.1 Shares may be issued by the company which are nil, partly or fully paid.

21. **Company's lien**

21.1 The company has a lien (the "**company's lien**") over every share (whether fully paid or not) registered in the name of any person (whether he is the sole registered holder or one of two or more joint holders) for all moneys payable by him or his estate (and whether payable by him alone or jointly with any other person) to the company (whether presently payable or not).

21.2 The company's lien over a share:

- (a) takes priority over any third party's interest in that share; and
- (b) extends to any dividend (or other assets attributable to it) 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.

21.3 The directors may, at any time, decide that a share which is or would otherwise be subject to a lien pursuant to the articles shall not be subject to it, either wholly or in part.

22. **Enforcement of the company's lien**

22.1 Subject to the provisions of this article 22, if a lien enforcement notice has been given in respect of a share and 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.

22.2 A lien enforcement notice:

- (a) 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;
- (b) must specify the share concerned;
- (c) must require payment of the sum payable within 14 clear days of the notice (that is, excluding the date on which the notice is given and the date on which that 14 day period expires);
- (d) must be addressed either to the holder of the share or to any transmittee of that holder or any other person otherwise entitled to the share ; and
- (e) must state the company's intention to sell the share if the notice is not complied with.

22.3 Where any share is sold pursuant to this article:

- (a) 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
- (b) the transferee of the share(s) shall be registered as the holder of the share(s) to which the transfer relates notwithstanding that he may not be able to produce the share certificate(s) and such transferee is not bound to see to the application of the consideration and the transferee's title to the share is not affected by any irregularity in or invalidity of the process leading or relating to the sale.

22.4 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:

- (a) 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;
- (b) second, to the person entitled to the share(s) immediately before the sale took place but only after the certificate for the share(s) sold has been surrendered to the company for cancellation or an indemnity in a form acceptable to the directors has been given to the company for any lost certificate(s) and subject to a lien (equivalent to the company's lien over the share(s) immediately before the sale took place) for all moneys payable by such person or his estate (whether immediately payable or not) in respect of all share(s) registered in the name of such person (whether he is the sole registered holder or one of two or more joint holders) and in respect of any other moneys payable (whether immediately payable or not) by him or his estate to the company, after the date of the lien enforcement notice.

22.5 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:

- (a) is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share(s); and
- (b) subject to compliance with any other formalities of transfer required by the articles or by law, constitutes a good title to the share(s).

23. **Call notices**

23.1 Subject to the articles and the terms on which shares are allotted, the directors may send a notice (a "**call notice**") to a shareholder (or his estate) requiring such shareholder (or his estate) to pay the company a specified sum of money (a "**call**") which is payable to the company in respect of shares which that shareholder (or his estate) holds at the date when the directors decide to send the call notice.

23.2 A call notice:

- (a) may not require a shareholder (or his estate) to pay a call which exceeds the total sum unpaid on the shares in question (whether as to nominal value or any amount payable to the company by way of premium);
- (b) must state when and how any call to which it relates is to be paid; and
- (c) may permit or require the call to be paid by instalments.

23.3 A shareholder (or his estate) must comply with the requirements of a call notice but shall not be obliged to pay any call before 14 clear days (that is, excluding the date on which the notice is given and the date on which that 14 day period expires) have passed since the notice was sent.

23.4 Before the company has received any call due under a call notice the directors may revoke it wholly or in part or specify a later date and/or time for payment than is specified in the notice, by a further notice in writing to the shareholder (or his estate) in respect of whose shares the call is made.

24. Liability to pay calls

24.1 Liability to pay a call is not extinguished or transferred by transferring the shares in respect of which it is required to be paid. Joint holders of a share are jointly and severally liable to pay all calls in respect of that share.

24.2 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 to pay calls which are not the same or to pay calls at different times.

25. When call notice need not be issued

25.1 A call notice need not be issued in respect of sums which are specified, in the terms on which a share is issued, as being payable to the company in respect of that share (whether in respect of nominal value or premium):

- (a) on allotment;
- (b) on the occurrence of a particular event; or
- (c) on a date fixed by or in accordance with the terms of issue.

25.2 If, however, the due date for payment of such a sum has passed and it has not been paid, the holder of the share(s) concerned (or his estate) 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.

26. Failure to comply with call notice: automatic consequences

26.1 If a person is liable to pay a call and fails to do so by the call payment date (as such is defined below), the directors may issue a notice of intended forfeiture to that person; and unless and until the call is paid that person must pay the company interest on the call from the call payment date at the relevant rate (as such is defined below).

26.2 Subject to article 26.3, for the purposes of this article:

- (a) 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;
- (b) the **"relevant rate"** is:
 - (i) the rate fixed by the terms on which the share in respect of which the call is due was allotted; or, if none,
 - (ii) such other rate as was fixed in the call notice which required payment of the call, or has otherwise been determined by the directors,

provided that if no rate is fixed in either of the manners specified in paragraph (b)(i) or (b)(ii) above, it shall be 5 per cent per annum.

26.3 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(a).

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

27. Notice of intended forfeiture

27.1 A notice of intended forfeiture:

- (a) may be sent in respect of any share in respect of which a call has not been paid as required by a call notice;
- (b) must be sent to the holder of that share (or to all the joint holders of that share) or to a transmittee of that holder;
- (c) must require payment of the call and any accrued interest together with all costs and reasonable expenses that may have been incurred by the company by reason of such non-payment by a date which is not less than 14 clear days after the date of the notice (that is, excluding the date on which the notice is given and the date on which that 14 day period expires);
- (d) must state how the payment is to be made; and
- (e) 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.

28. 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.

29. Effect of forfeiture

29.1 Subject to the articles, the forfeiture of a share extinguishes all interests in that share, and all claims and demands against the company in respect of it and all other rights and liabilities incidental to the share as between the person whose share it was prior to the forfeiture and the company.

29.2 Any share which is forfeited in accordance with the articles:

- (a) is deemed to have been forfeited when the directors decide that it is forfeited;
- (b) is deemed to be the property of the company; and
- (c) may be sold, re-allotted or otherwise disposed of as the directors think fit.

29.3 If a person's shares have been forfeited:

- (a) the company must send that person notice that forfeiture has occurred and record it in the register of members;
- (b) that person ceases to be a shareholder in respect of those shares;
- (c) that person must surrender the certificate for the shares forfeited to the company for cancellation;
- (d) that person remains liable to the company for all sums payable by that person under the articles at the date of forfeiture in respect of those shares, including any interest, costs and reasonable expenses (whether accrued before or after the date of forfeiture); and

- (e) 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.
- 29.4 At any time before the company disposes of a forfeited share, the directors may decide to cancel the forfeiture on payment of all calls and interest, costs and reasonable expenses due in respect of it and on such other terms as they think fit.
- 30. **Procedure following forfeiture**
- 30.1 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.
- 30.2 A statutory declaration by a director or the company secretary that the declarant is a director or the company secretary and that a share has been forfeited on a specified date is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share and, subject to compliance with any other formalities of transfer required by the articles or by law, constitutes a good title to the share.
- 30.3 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.
- 30.4 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:
 - (a) was, or would have become, payable; and
 - (b) 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.
- 31. **Surrender of shares**
- 31.1 A shareholder may surrender any share:
 - (a) in respect of which the directors may issue a notice of intended forfeiture;
 - (b) which the directors may forfeit; or
 - (c) which has been forfeited.
- 31.2 The directors may accept the surrender of any such share. The effect of surrender on a share is the same as the effect of forfeiture on that share. A share which has been surrendered may be dealt with in the same way as a share which has been forfeited.
- 32. **Share capital**
- 32.1 The share capital of the company shall be divided into Ordinary Shares and A Ordinary Shares.
- 32.2 **Rights attaching to the Ordinary Shares**
 - (a) Any profits which the company, on a recommendation of the board determines to distribute in respect of any financial period, or other period shall be distributed to the

holders of the Ordinary Shares pro rata according to the number of Ordinary Shares held by each of them respectively.

- (b) Ordinary Shares shall entitle the holders to participate in the Proceeds of Sale on a Share Sale or in Exit Proceeds on the winding up of the company or a return of capital as described in article 32.4.
- (c) The holders of the Ordinary Shares shall have the right to receive notice of and attend and vote and speak at any general meeting of the company and shall be entitled to vote on any written resolution of the company.

32.3 ***Rights attaching to A Ordinary Shares***

- (a) A Ordinary Shares shall entitle the holders only to participate in the Proceeds of Sale on a Share Sale or in Exit Proceeds on the winding up of the company or a return of capital as described in Article 32.4. No other rights attach to A Ordinary Shares.
- (b) The A Ordinary Shares shall not entitle the holders to participate in dividends or distributions nor shall A Ordinary Shares confer upon the holders any right to attend, speak and/or vote at general meetings of the company or on a written resolution of the company or otherwise.

32.4 **Exit provisions; and Capital**

- (a) On a Share Sale, the Proceeds of Sale shall be distributed as follows:
 - (i) all Proceeds of Sale up to the Sale Threshold Amount shall be distributed amongst the holders of the Ordinary Shares, pro rata to the number of such shares held;
 - (ii) the Proceeds of Sale in excess of the Sale Threshold Amount shall be distributed amongst the holders of the Ordinary Shares and the A Ordinary Shares as if they constituted one class, pro rata to the number of such shares held; and
 - (iii) the directors shall not register any transfer of shares if the Proceeds of Sales are not so distributed.
- (b) Upon a winding up of the company or a return of capital by the company, the Exit Proceeds shall be distributed as follows:
 - (i) all Exit Proceeds up to the Sale Threshold Amount shall be distributed amongst the holders of the Ordinary Shares, pro rata to the number of such shares held; and
 - (ii) the Exit Proceeds in excess of the Sale Threshold Amount shall be distributed amongst the holders of the Ordinary Shares and the A Ordinary Shares as if they constituted one class, pro rata to the number of such shares held.

32.5 **Drag along**

- (a) If a shareholder ("**Vendor**") wishes to transfer its interest in such number of its shares as represents 60% or more of the voting rights attached to the Shares in issue for the time being ("**Vendor's Shares**") to a bona fide purchaser or purchasers acting in concert on arm's length terms ("**Drag Buyer**"), the Vendor may require all other shareholders ("**Called Shareholders**") to sell and transfer all or some of their shares to the Drag Buyer (or as the Drag Buyer directs) in accordance with the provisions of this article ("**Drag Along Option**").

- (b) The Vendor may exercise the Drag Along Option by giving written notice to that effect ("**Drag Along Notice**") at any time before the transfer of the Vendor's shares to the Drag Buyer. The Drag Along Notice shall specify:
- (i) that the Called Shareholders are required to transfer all or some of their shares ("**Called Shares**") pursuant to this Article 32.5(b);
 - (ii) the person to whom the Called Shares are to be transferred;
 - (iii) the consideration payable for the Called Shares which shall, for each Called Share, be an amount equal to the price per share offered by the Drag Buyer for the Vendor's Shares (other than the consideration payable for the A Ordinary Shares which shall take account of the Sale Threshold Amount); and
 - (iv) the proposed date of the transfer.
- (c) Once issued, a Drag Along Notice shall be irrevocable. However, a Drag Along Notice shall lapse if, for any reason, the Vendor has not sold the Vendor's Shares to the Drag Buyer within 30 Business Days of serving the Drag Along Notice. The Vendor may serve further Drag Along Notices following the lapse of any particular Drag Along Notice.
- (d) The Called Shares shall be acquired on the same terms and conditions (including time of payment and form of consideration) for which the Vendor's Shares shall have agreed to sell (other than the consideration payable for the A Ordinary Shares which shall take account of the Sale Threshold Amount).
- (e) The proposed sale of the Vendor's Shares by the Vendor to the Drag Buyer and the sale of the Called Shares by the Called Shareholders shall not be subject to any rights of pre-emption.
- (f) Completion of the sale of the Called Shares shall take place on the same date as the date proposed for the sale of the Vendor's Shares unless all of the Called Shareholders and the Vendor agree otherwise.
- (g) If any Called Shareholder fails to complete the sale of his Called Shares in accordance with this Article 32.5, each defaulting Called Shareholder shall be deemed to have irrevocably appointed any person nominated for the purpose by the Vendor to be his agent and attorney to execute all necessary transfer(s) and other documents relating to the rights attached to his Called Shares and indemnities for missing share certificate(s) on his behalf and against receipt by the company of the purchase monies or any other consideration payable for the Called Shares (held on trust for the relevant Called Shareholder), and to deliver such transfer(s), documents and indemnities to the Drag Buyer (or as they may direct). After the Drag Buyer (or its nominee) has been registered as the holder of the relevant Called Shares, the validity of such proceedings shall not be questioned by any such person. Failure to produce a share certificate shall not impede the registration of shares under this Article 32.5. The directors shall (subject only to stamping of the transfers if required) immediately register the Drag Buyer (or as he may direct) as the holder of the relevant Called Shares.
- (h) Following the issue of a Drag Along Notice, upon any person exercising a pre-existing option to acquire shares in the company (a "**New Shareholder**"), a Drag Along Notice shall be deemed to have been served on the New Shareholder on the same terms as the previous Drag Along Notice. The New Shareholder shall then be bound to sell and transfer all or some of the shares acquired by it to the Drag Buyer (or as the Drag Buyer may direct) and the provisions of this Article 32.5 shall apply with the necessary changes to the New Shareholder, except that completion of the sale of the shares shall take place on the completion date or immediately upon the New Shareholder becoming a Member of the company, if later.

33. Variation of class rights

33.1 Whenever the capital of the company is divided into different classes of shares, the special rights attached to any class may only be varied or abrogated, either whilst the company is a going concern or during or in contemplation of a winding up, with the consent of the holders of the issued shares of that class given in accordance with Article 33.2.

33.2 The consent of the holders of a class of shares may be given by:

- (a) a special resolution passed at a separate general meeting of the holders of the issued shares of that class; or
- (b) a written resolution in any form signed by or on behalf of the holders of three-quarters of nominal value of the issued shares of that class,

but not otherwise. To every such meeting, all the provisions of these articles and the CA 2006 relating to general meetings of the company shall apply (with such amendments as may be necessary to give such provisions efficacy) but so that the necessary quorum shall be two holders of shares of the relevant class present in person or by proxy and holding or representing not less than one third in nominal value of the issued shares of the relevant class, that every holder of shares of the class shall be entitled on a poll to one vote for every such share held by him; and that any holder of shares of the class, present in person or by proxy or (being a corporation) by a duly authorised representative, may demand a poll. If at any adjourned meeting of such holders such a quorum as aforesaid is not present, not less than one person holding shares of the class who is present in person or by proxy shall be a quorum.

34. Authority to purchase own shares with cash

The Company is authorised to purchase its own shares pursuant to Section 692(1ZA), CA2006.

35. Share certificates

35.1 The company must issue each shareholder with one or more certificates in respect of the shares which that shareholder holds and, save as provided otherwise in the articles, such certificates must be issued free of charge.

Article 24(1) of the Model Articles is modified accordingly.

35.2 Article 24(2)(c) of the Model Articles is modified by:

- (a) the deletion of the words: "that the shares are fully paid"; and
- (b) the insertion instead of the words: "the amount paid up on the shares".

36. Share transfers

36.1 In these articles, a reference to the transfer of or transferring shares shall include any transfer, assignment, disposition or proposed or purported transfer, assignment or disposition:

- (a) of any share or shares of the company; or
- (b) of any interest of any kind in any share or shares of the company; or
- (c) of any right to receive or subscribe for any share or shares of the Company.

36.2 The directors shall not register the transfer of any share or any interest in any share unless the transfer is made in accordance with article 37 (Voluntary Transfers), and, in any such case, is not prohibited under article 38 (Prohibited Transfers).

- 36.3 Article 26(1) of the Model Articles is modified accordingly.
- 36.4 If the directors refuse to register a transfer of a share they shall, as soon as practicable and in any event within two months after the date on which the transfer was lodged with the company, send to the transferee notice of, and the reasons for, the refusal.
- 36.5 An obligation to transfer a share under these articles shall be deemed to be an obligation to transfer the entire legal and beneficial interest in such share free from any lien, charge or other encumbrance.
- 36.6 Shares may be transferred by means of an instrument of transfer in any usual form or any other form approved by the directors, which is executed by or on behalf of the transferor and (if any of the shares is partly paid) the transferee.
37. **Voluntary Transfers**
- 37.1 Any member who wishes to transfer any share ("**Seller**") shall before transferring or agreeing to transfer such share or any interest in it, serve notice in writing ("**Transfer Notice**") on the company of his wish to make that transfer.
- 37.2 In the Transfer Notice the Seller shall specify:
- (a) the number and class of shares ("**Sale Shares**" and each one a "**Sale Share**") which he wishes to transfer;
 - (b) the identity of the person (if any) to whom the Seller wishes to transfer the Sale Shares;
 - (c) the price per share at which the Seller wishes to transfer the Sale Shares ("**Proposed Sale Price**");
 - (d) any other terms relating to the transfer of the Sale Shares; and
 - (e) whether the Transfer Notice is conditional upon all (and not part only) of the Sale Shares being sold pursuant to the following provisions of this article 37 ("**Total Transfer Condition**").
- 37.3 Each Transfer Notice shall:
- (a) relate to one class of shares only;
 - (b) constitute the company as the agent of the Seller for the sale of the Sale Shares on the terms of this article 37; and
 - (c) save as provided in article 37.8, be irrevocable.
- 37.4 The Sale Shares shall be offered for purchase in accordance with this article 37 at a price per Sale Share ("**Sale Price**") agreed between the Seller and the directors or, in default of such agreement by the end of the 15th working day after the date of service of the Transfer Notice:
- (a) if the directors so elect within that fifteen working day period after the date of service of the Transfer Notice, the Sale Price shall be the price per Sale Share reported on by the Valuers as their written opinion of the open market value of each Sale Share ("**Market Value**") as at the date of service of the Transfer Notice (in which case for the purposes of these articles the Sale Price shall be deemed to have been determined on the date of the receipt by the company of the Valuer's report); and
 - (b) otherwise the Sale Price shall be the Proposed Sale Price, in which case for the purpose of these articles the Sale Price shall be deemed to have been agreed at the end of that 15th working day.

- 37.5 If instructed to report on their opinion of Market Value under Article 37.4 the Valuers shall:
- (a) act as expert and not as arbitrator and their written determination shall be final and binding on the members; and
 - (b) proceed on the basis that:
 - (i) the open market value of each Sale Share shall be the sum which a willing buyer would agree with a willing seller to be the purchase price for all the class of shares of which the Sale Shares form part, divided by the number of issued shares then comprised in that class;
 - (ii) there shall be no addition of any premium or subtraction of any discount by reference to the size of the holding the subject of the Transfer Notice or in relation to any restrictions on the transferability of the Sale Shares; and
 - (iii) any difficulty in applying either of the foregoing bases shall be resolved by the Valuers as they think fit in their absolute discretion.
- 37.6 The company will use its reasonable endeavours to procure that the Valuers deliver their written opinion of the Market Value to the directors and to the Seller within twenty-eight days of being requested to do so.
- 37.7 The Valuers' fees for reporting on their opinion of the Market Value shall be borne as the Valuers shall specify in their valuation having regard to the conduct of the parties and the merit of their arguments in respect of the matters in dispute or otherwise (in the absence of any such specification by the Valuers) as to one half by the Seller and as to the other half by the Company unless the Seller revokes the Transfer Notice pursuant to article 37.8, in which case the Seller shall pay all the Valuers' fees.
- 37.8 If the Market Value is reported on by the Valuers under Article 37.4 to be less than the Proposed Sale Price, the Seller may revoke any Transfer Notice which was not stated to be, or is not deemed by these articles to be, irrevocable by written notice given to the directors within the period of five working days after the date the directors serve on the Seller the Valuers' written opinion of the Market Value.
- 37.9 The directors shall at least ten working days after and no more than twenty working days after the Sale Price has been agreed or determined give an Offer Notice to all of the members (other than the Seller).
- 37.10 An Offer Notice shall:
- (a) specify the Sale Price;
 - (b) contain the other details included in the Transfer Notice; and
 - (c) invite each of the members (other than the Seller) to respond in writing, before expiry of the Offer Notice, to purchase the numbers of Sale Shares specified by them in their application,
- and shall expire twenty working days after its service.
- 37.11 After the expiry date of the Offer Notice, the directors shall allocate the Sale Shares in accordance with the applications received save that:
- (a) if there are applications from members for more than the number of Sale Shares available, they shall be allocated to those applicants in proportion (as nearly as possible but without allocating to any member more Sale Shares than the maximum number applied for by him) to the number of shares then held by them respectively; however, in his application for Sale Shares a member may, if he so desires, indicate

that he would be willing to purchase a particular proportionate entitlement ("**Excess Shares**"), in which case, applications for Excess Shares shall be allocated in accordance with such application, or in the event of competition among those members applying for Excess Shares in such proportions as equal (as nearly as may be) to the proportions of all the shares held by such members;

- (b) if it is not possible to allocate any of the Sale Shares without involving fractions, they shall be allocated amongst them in such manner as the Board shall think fit; and
 - (c) if the Transfer Notice contained a valid Total Transfer Condition, no allocation of Sale Shares shall be made unless all the Sale Shares are allocated.
- 37.12 The directors shall, within five working, days of the expiry date of the Offer Notice, give notice in writing ("**Allocation Notice**") to the Seller and to each person to whom Sale Shares have been allocated (each a "**Buyer**") specifying the name and address of each Buyer, the number and class of Sale Shares agreed to be purchased by him and the aggregate price payable for them.
- 37.13 Completion of a sale and purchase of Sale Shares pursuant to an Allocation Notice shall take place at the registered office of the Company at the time specified in the Allocation Notice when the Seller shall, upon payment to him by a Buyer of the Sale Price in respect of the Sale Shares allocated to that Buyer, transfer those Sale Shares and deliver the relative share certificate(s) to that Buyer.
- 37.14 The Seller may, during the period of thirty working days immediately following the expiry date of the Offer Notice, sell all or any of those Sale Shares, for which an Allocation Notice has not been given, by way of bona fide sale to the proposed transferee (if any) named in the Transfer Notice or, if none was so named, to any transferee, in either case at any price per Sale Share which is not less than the Sale Price, without any deduction, rebate or allowance to the proposed transferee, provided that:
- (a) the Seller may not transfer such share and the directors shall not register any transfer to a transferee who is not at that date a member unless such transferee is first approved in writing by the directors; and
 - (b) if the Transfer Notice contained a Total Transfer Condition, the Seller shall not be entitled, save with the written consent of the directors, to sell only some of the Sale Shares under this article 37.14.
- 37.15 If a Seller fails for any reason (including death) to transfer any Sale Shares when required pursuant to this article 37, the directors may authorise any director of the company (who shall be deemed to be irrevocably appointed as the attorney of the Seller for the purpose) to execute each necessary transfer of such Sale Shares and deliver it on the Seller's behalf. The company may receive the purchase money for such Sale Shares from the Buyer and shall upon receipt (subject, if necessary, to the transfer being duly stamped) register the Buyer as the holder of such Sale Shares. The company shall hold such purchase money in a separate bank account on trust for the Seller but shall not be bound to earn or pay interest on any money so held. The company's receipt for such purchase money shall be a good and valid discharge to the Buyer who shall not be bound to see to the application of it, and after the name of the Buyer has been entered in the register of members the validity of the proceedings shall not be questioned by any person.

38. **Prohibited Transfers**

Notwithstanding any other provision of these articles, no transfer of any Share shall be registered if it is to any minor, undischarged bankrupt, trustee in bankruptcy or person of unsound mind.

39. Transmission of shares

- 39.1 A transmittee who produces such evidence of entitlement to shares as the directors may properly require:
- (a) may, subject to the articles, choose either to become the holder of those shares or to have them transferred to another person; and
 - (b) subject to the articles (including, without limitation, the provisions of article 39.2) and pending any transfer of the shares to another person, has the same rights as the holder had (and the rights in relation to the holder shall cease) and may give good discharge for dividends and other distributions in respect of the share.

Article 27(2) of the Model Articles is modified accordingly.

- 39.2 Save as provided in article 16 (*Methods of appointing directors*) and article 17 of the Model Articles, transmittees do not have the right to attend or vote at a general meeting of the company, 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.

Article 27(3) of the Model Articles is modified accordingly.

- 39.3 The directors may at any time give notice requiring a transmittee to elect either to be registered himself in respect of the share or to transfer the share to a person nominated by him and if such notice is not complied with within 60 days of such notice, the directors may, thereafter, withhold payment of all dividends, bonuses or other moneys payable in respect of the share until the requirements of the notice have been complied with.

40. Transmittees bound by prior notices

If a notice is given to a shareholder 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 shareholder before the transmittee's name or the name of any person nominated by the transmittee pursuant to article 39.1 (*Transmission of shares*) has been entered in the register of members.

Article 29 of the Model Articles is modified accordingly.

Dividends and Other Distributions

41. Calculation of dividends

- 41.1 Except as otherwise provided by the articles and by the rights attached to shares, all dividends must be:
- (a) declared and paid according to the amounts paid up on the shares on which the dividend is paid; and
 - (b) apportioned and paid pro rata according to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid.
- 41.2 If any share is issued on terms providing that it shall rank for dividend as from a particular date or be entitled to dividends declared after a particular date it shall rank for or be entitled to dividends accordingly.
- 41.3 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 a call or otherwise paid up in advance of its overdue payment date.

42. **Payment of dividends and other distributions**

42.1 Each of articles 31(1)(a) to (d) of the Model Articles is modified by the deletion of the words "either" and "or as the directors may otherwise decide".

42.2 If:

- (a) a share is subject to the company's lien; and
- (b) 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. Money so deducted must be used to pay any of the sums payable in respect of that share.

42.3 The company must notify the distribution recipient in writing of:

- (a) the fact and amount of any such deduction;
- (b) any non-payment of a dividend or other sum payable in respect of a share resulting from any such deduction; and
- (c) how the money deducted has been applied.

42.4 In these articles, "**the distribution recipient**" means, in respect of a share in respect of which a dividend or other sum is payable:

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

Capitalisation of Profits

43. **Authority to capitalise and appropriation of capitalised sums**

43.1 A capitalised sum which was appropriated from profits available for distribution may be applied:

- (a) in or towards paying up any amounts unpaid on existing shares held by the person(s) entitled; or
- (b) 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.

Article 36(4) of the Model Articles is modified accordingly.

43.2 Subject to the articles, the directors may apply capitalised sums in accordance with article 43.1(a) and 43.1(b) partly in one way and partly in another.

Article 36(5)(a) of the Model Articles is modified accordingly.

Part 4

Decision-making by Shareholders

Organisation of General Meetings

44. Notice of general meetings

44.1 A general meeting of the company (other than an adjourned meeting) shall be called by notice of at least 14 clear days (that is, excluding the date on which the notice is given and the date on which that 14 day period expires) but a general meeting may be called by shorter notice if it is so agreed by a majority in number of the shareholders having a right to attend and vote being a majority together holding not less than ninety percent in nominal value of the shares giving that right.

44.2 Every notice convening a general meeting shall specify:

- (a) the place, the date and the time of the meeting;
- (b) the general nature of the business to be dealt with at the meeting;
- (c) if the meeting is convened to consider a special resolution, the text of the resolution and intention to propose the resolution as a special resolution; and
- (d) with reasonable prominence, that a member is entitled to appoint another person (who does not have to be a member) as his proxy to exercise all or any rights of his to attend, speak and vote at the meeting and that a member may appoint more than one proxy in relation to the meeting (provided that each proxy is appointed to exercise the rights attached to a different share or shares held by him) and shall also specify any more extensive rights (if any) conferred by these articles to appoint more than one proxy.

44.3 The notice shall be given to the members (other than any who under the provisions of these articles or of any restrictions imposed on any shares are not entitled to receive notice from the company), to the directors and to the auditors and if more than one for the time being, to each of them.

44.4 Subject to the provisions of these articles, notice of a general meeting of the company may be given:

- (a) in hard copy form;
- (b) in electronic form; or
- (c) by means of a website,

or partly by one such means and partly by another and the provisions of article 56 (*Company communications*) shall apply accordingly.

44.5 The accidental failure to give notice of general meeting or, in cases where it is intended that it be sent out with the notice, an instrument of proxy, or to give notice of a resolution intended to be moved at a general meeting to, or the non-receipt of any of them by, any person or persons entitled to receive the same shall not invalidate the proceedings at that meeting and shall be disregarded for the purpose of determining whether the notice of the meeting, instrument of proxy or resolution were duly given.

45. Quorum for general meetings

45.1 No business, other than the appointment of the chairman of the meeting, is to be transacted at a general meeting unless the persons attending it constitute a quorum when the meeting

proceeds to business (and nothing in the articles shall prevent any other business being transacted at such general meeting if the persons attending it do not constitute a quorum from time to time thereafter throughout the meeting).

Article 38 of the Model Articles is modified accordingly.

- 45.2 Whenever the company has only one member, the member present (being an individual) in person or by proxy, or (being a corporation) by a duly authorised representative or by proxy, shall be a quorum. Subject to the provisions of Section 318(2), CA2006, whenever the company has two or more members, two persons entitled to vote upon the business to be transacted (each being a member (being an individual) present in person or by proxy, or (being a corporation) present by a duly authorised representative or by proxy), shall be a quorum.

46. Chairing general meetings

- 46.1 Article 39(2) of the Model Articles is modified by the addition, after the words "director or shareholder", of the words:

"(which may not include any proxy appointed by a shareholder)".

47. Adjournment

- 47.1 If a quorum is not present at any adjourned meeting within half an hour from the time appointed for that meeting, the meeting shall be dissolved.

Voting at General Meetings

48. Voting: general

No shareholder shall, unless the directors otherwise decide, be entitled to vote (either in person or by proxy) at a general meeting, at any adjournment of it or on any poll called at or in relation to it in respect of any share held by him or to exercise any right as a shareholder unless all calls or other sums presently payable by him in respect of that share in the company have been paid to the company.

49. Errors and disputes

- 49.1 Article 43(2) of the Model Articles is modified by the addition, at the end of that article, of the words:

"and conclusive".

50. Demanding a poll and procedure on poll

- 50.1 A poll may be demanded by:

- (a) the chairman of the meeting;
- (b) the directors;
- (c) two or more persons representing not less than one tenth of the total voting rights of all the shareholders having the right to vote on the resolution; or
- (d) by a person or persons holding shares in the company conferring a right to vote on the resolution, being shares on which an aggregate sum has been paid up to not less than one tenth of the total sum paid up on all the shares conferring that right.

Article 44(2) of the Model Articles is modified accordingly.

50.2 A demand for a poll may be withdrawn if:

- (a) the poll has not yet been taken; and
- (b) the chairman of the meeting consents to the withdrawal,

and a demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made.

Article 44(3) of the Model Articles is modified accordingly.

51. **Delivery of proxy notices**

51.1 The appointment of a proxy and the power of attorney or other authority (if any) under which it is signed (or a copy of such authority certified notarially or in some other way approved by the directors) shall be sent or supplied in hard copy form, or (subject to any conditions and limitations which the directors may specify) in electronic form:

- (a) to the registered office of the company; or
- (b) to such other address (including electronic address) as is specified in the notice convening the meeting or in any instrument of proxy or any invitation to appoint a proxy sent or supplied by the company in relation to the meeting; or
- (c) as the directors shall otherwise direct,

to be received before the time for the holding of the meeting or adjourned meeting to which it relates or, in the case of a poll taken after the date of the meeting or adjourned meeting, before the time appointed for the poll.

51.2 Any instrument of proxy not so sent or supplied or received shall be invalid unless the directors at any time prior to the meeting or the chairman of the meeting at the meeting, in their or his absolute discretion, accept as valid an instrument of proxy where there has not been compliance with the provisions of this article and such proxy shall thereupon be valid notwithstanding such default.

51.3 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.

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

51.5 Article 46 of the Model Articles is modified accordingly.

52. **Revocation of proxy notices**

52.1 The validity of:

- (a) a vote given or poll demanded in accordance with the terms of an appointment of a proxy; or
- (b) anything done by a proxy acting as duly appointed chairman of a meeting; or
- (c) any decision determining whether a proxy counts in a quorum at a meeting,

shall not be affected notwithstanding the death or mental disorder of the appointor or the revocation of the appointment of the proxy (or of the authority under which the appointment of the proxy was executed) or the transfer of the share in respect of which the appointment of the

proxy is given, unless notice in writing of such death, mental disorder, revocation or transfer shall have been:

- (a) sent or supplied to the company or any other person as the company may require in the notice of the meeting, any instrument of proxy sent out by the company in relation to the meeting or in any invitation to appoint a proxy issued by the company in relation to the meeting, in any manner permitted for the sending or supplying of appointments of proxy pursuant to the articles; and
- (b) received at the registered office of the company (or such other address (including electronic address) as has been designated for the sending or supplying of appointments of proxy), before the time for the holding of the meeting or adjourned meeting to which it relates or, in the case of a poll taken after the date of the meeting or adjourned meeting, before the time appointed for the poll.

53. Votes of proxies

- 53.1 The company shall be under no obligation to ensure or otherwise verify that any vote(s) cast by a proxy are done so in accordance with any such instructions given by the member by whom such proxy is appointed. In the event that a vote cast by such proxy is not done so in accordance with the instructions of the member by whom such proxy is appointed, such vote shall not be deemed to be invalid.
- 53.2 On a vote on a resolution on a show of hands, where a proxy is appointed by more than one member (provided that, where some only of those members by whom the proxy is appointed instruct the proxy to vote in a particular way, those members all instruct such proxy to vote in the same way on a resolution (either "for" or "against")) such proxy shall be entitled to cast a second vote the other way in relation to any discretionary vote(s) given to him by other members by whom such proxy is appointed.

54. Written resolutions of shareholders

A written resolution proposed in accordance with the provisions of Chapter 2 of Part 13 of the CA2006 shall lapse if it is not passed before the period of 14 days beginning with the circulation date (as such is construed pursuant to Section 290, CA2006).

Part 5

Administrative Arrangements

55. Exercise of members' rights

No shareholder in the company shall be entitled to nominate another person or persons to enjoy or exercise all or any specified rights of the shareholder in relation to the company pursuant to Section 145, CA2006. Accordingly, the company shall not be obliged to give effect to any purported nomination notice received by it.

56. Company communications

- 56.1 Subject to the provisions of the Acts (and save as otherwise provided in the articles), any document or information required or authorised to be sent or supplied by the company to any member or any other person (including a director) pursuant to these articles, the Companies Acts or any other rules or regulations to which the company may be subject, may be sent or supplied in hard copy form, in electronic form, by means of a website or in any other way in which documents or information may be sent or supplied by the company pursuant to the Companies Acts.
- 56.2 Subject to the articles, any notice or document to be sent or supplied to a director in connection with the taking of decisions by directors may also be sent or supplied by the

means by which that director has asked in writing to be sent or supplied with such notices or documents for the time being.

- 56.3 The provisions of the CA2006 which apply to sending or supplying a document or information required or authorised to be sent or supplied by the Companies Acts by making it available on a website shall, *mutatis mutandis*, apply to the sending or supplying of any document or information required or authorised to be sent by these articles or any other rules or regulations to which the company may be subject, by making it available on a website.
- 56.4 The company may send or supply any document or information to a member or any other person (including a director) pursuant to these articles, the Companies Acts or any other rules or regulations to which the company may be subject, either personally, or by post in a prepaid envelope addressed to the member (or such other person) at his registered address or at his address for service, or by leaving it at that address or any other address for the time being notified to the company by the member (or such other person) for the purpose, or by sending or supplying it using electronic means to an electronic address for the time being notified to the company by the member (or such other person) for the purpose, or by any other means authorised in writing by the member (or such other person) concerned.
- 56.5 A shareholder whose registered address is not within the United Kingdom and who gives the company an address within the United Kingdom to which documents or information may be sent or supplied to him or gives an electronic address to which documents or information may be sent or supplied using electronic means, shall be entitled to have documents or information sent or supplied to him at that address, but otherwise no such shareholder shall be entitled to receive any document or information from the company.
- 56.6 In the case of joint holders of a share, if the company sends or supplies any document or information to one of the joint holders, it shall be deemed to have properly sent or supplied such document or information to all the joint holders.
- 56.7 If, on at least 2 consecutive occasions, the company has attempted to send any document or information by electronic means to an address specified (or deemed specified) for the purpose and a delivery failure (or other similar) notification has been received by the company, the company thereafter shall send documents or information in hard copy form or electronic form (but not by electronic means) to such member at his registered address or address for service within the United Kingdom (whether by hand, by post or by leaving it or them at such address), in which case the provisions of article 56.8 shall apply.
- 56.8 If on 3 consecutive occasions documents or information have been sent or supplied to any shareholder at his registered address or address for the service of such documents or information in the United Kingdom but have been returned undelivered, such shareholder shall not thereafter be entitled to receive any documents or information from the company until he shall have communicated with the company and supplied in writing a new registered address or address within the United Kingdom for the service of documents or information or an electronic address to which documents or information may be sent or supplied using electronic means.
- 56.9 Any shareholder present, in person or by proxy at any meeting of the company or of the holders of any class of shares of the company, shall be deemed to have received due notice of such meeting and, where requisite, of the purposes for which such meeting was called.
- 56.10 Save as provided otherwise in these articles, any document or information addressed to a shareholder (or other person to whom such document or information is required or authorised to be sent pursuant to these articles, the Companies Acts or otherwise) at his registered address or address for service (in the case of a shareholder, in the United Kingdom) or electronic address, as the case may be, shall:
- (a) if hand delivered or left at a registered address or other address for service (in the case of a shareholder in the United Kingdom), be deemed to have been served or delivered on the day on which it was so delivered or left;

- (b) if sent or supplied by post (whether in hard copy form or in electronic form), be deemed to have been received at the expiration of 24 hours after the envelope was posted;
 - (c) if sent or supplied by electronic means (other than by means of website), be deemed to have been received (if sent or supplied between the hours of 9 a.m. and 5 p.m. on a working day) at the time it was sent, or (if sent or supplied at any other time) at 9 a.m. on the next following working day; and
 - (d) if sent or supplied by means of a website, be deemed to have been received when the material was first made available on the website or, if later, when the recipient received (or is deemed to have received) notice of the fact that the material was available on the website.
- 56.11 In calculating a period of hours for the purpose of article 56.10, no account shall be taken of any part of a day that is not a working day.
- 56.12 A director may agree with the company that documents sent to that director in a particular way are to be deemed to have been received within a specified time of their being sent, and for the specified time to be less than those set out in article 56.10.
- 56.13 Subject to article 60.10, in proving such service or delivery it shall be sufficient to prove that the envelope containing the document or information was properly addressed and put into the post in a prepaid envelope or, in the case of a document or information sent or supplied by electronic means, that it was sent or supplied in accordance with guidance issued by the Institute of Chartered Secretaries and Administrators entitled "Electronic Communications with Shareholders 2007" (as such guidance is amended or updated from time to time).
- 56.14 The company shall not be held responsible for any failure in transmission beyond its reasonable control and the provisions of article 56.9 to article 56.13 (inclusive) shall apply regardless of any document or information being returned undelivered and regardless of any delivery failure notification or "out of office" or other similar response and any such "out of office" or other similar response shall not be considered to be a delivery failure.

57. Company seals

Article 49 of the Model Articles is modified by the addition, after the word "directors", of the words:

"or a committee of the directors".

Directors' Indemnity, Funds and Insurance

58. Indemnity and Funds

- 58.1 Subject to article 58.2 (but otherwise to the fullest extent permitted by law) and without prejudice to any indemnity to which he may otherwise be entitled:
- (a) a relevant director, secretary or other officer (other than any person engaged as auditor) of the company or an associated company may, at the discretion of the directors, be indemnified out of the company's assets against all or any part of any costs, charges, losses, expenses and liabilities incurred by that director, secretary or other officer:
 - (i) in the actual or purported exercise of his powers in relation to the affairs of the company or associated company; and
 - (ii) in connection with the activities of the company or an associated company in its capacity as a trustee of an occupational pension scheme; and

- (b) a relevant director, secretary or other officer (other than any person engaged as auditor) of the company or any holding company may, at the discretion of the directors, be provided with funds to meet any expenditure incurred or to be incurred by him as provided in Section 205 and/or Section 206, CA2006 (or enable him to avoid incurring any such expenditure).

58.2 This article does not authorise any indemnity or provision of funds which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law.

59. **Insurance**

59.1 Subject to the provisions of the CA2006, the directors may in their absolute discretion decide to purchase and maintain insurance, at the expense of the company, for the benefit of any relevant director secretary or other officer (other than any person engaged as auditor) of the company or associated company in respect of all or any part of any relevant loss.

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