

PART 1

INTERPRETATION AND LIMITATION OF LIABILITY

1. MODEL ARTICLES

The regulations in the relevant model articles do not apply to the Company

2. DEFINED TERMS

In the articles, unless the context requires otherwise.

*Additional Securities* has the meaning given to it in article 63 1,

*Affiliate* means, in relation to any person, any entity from time to time Controlled, directly or indirectly, by the person, any entity that Controls, directly or indirectly, the person, or any entity directly or indirectly under common Control with the person, and "Affiliated" shall be construed accordingly,

*A Ordinary Shares* means the A ordinary shares of £1 00 each in the capital of the Company,

*articles* means the Company's articles of association, as altered from time to time by special resolution,

*A Shareholder* means a Shareholder who holds A Ordinary Shares,

*Auditors* means the Company's auditors from time to time,

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

*Board* means the board of Directors of the Company,

*B Ordinary Shares* means the B ordinary shares of £1 00 each in the capital of the Company,

*B Shareholder* means a Shareholder who holds B Ordinary Shares,

*Business* means the Joint Business and any other business ventures of the Group,

*Business Day* means a day (excluding a Saturday or Sunday) on which banks in London are generally open for general banking business,

*Business Plan* means the First Joint Business Plan and any Ongoing Joint Business Plan,

*Chairman* means the person appointed as the Chairman of the Board;

*Chairman of the meeting* has the meaning given in article 80 3,

*Change of Control* means the transfer of Shares (whether through a single transaction or series of transactions but excluding any transfer as a result of which the A Shareholder increases its holding of Shares) as a result of which any person (or persons acting in concert with each other) would have the legal and beneficial ownership over such number of Shares as would confer either 51% or more of the total voting rights in the Company that are

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COMPANIES HOUSE

**COMPANY NO. 07102717**

**COMPANIES ACT 2006**

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**A PRIVATE COMPANY LIMITED BY SHARES**

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**ARTICLES OF ASSOCIATION**

**of**

**TURQUOISE GLOBAL HOLDINGS LIMITED<sup>1</sup>**

(adopted by special resolution passed on 17 February 2010 and  
amended by special resolutions passed on 11 May 2010)

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<sup>1</sup> The name of the Company was changed from Baikal Global Holdings Limited to Turquoise Global Holdings Limited by a special resolution passed on 11 May 2010

ordinarily exercisable at a general meeting of the Company or the right to appoint a majority of the Board,

**CEO** means the Group's Chief Executive Officer from time to time appointed pursuant to article 10 2(b),

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

**Company** means Turquoise Global Holdings Limited,

**Compulsory Purchase Notice** has the meaning given to it in article 56 1;

**Condition Period** has the meaning given to it in article 55 6,

**director** means a director of the Company, and includes any person occupying the position of director, by whatever name called and the directors means the directors or any of them acting as the board of directors of the Company,

**distribution recipient** has the meaning given in article 71 2,

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

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

**Equity Proportions** means the respective proportions in which Shares are held from time to time by each of the Shareholders except that, if the expression Equity Proportion is used in the context of some (but not all) of the Shareholders, it shall mean the respective proportions in which Shares are held by those particular Shareholders,

**Excess Additional Securities** has the meaning given to it in article 63 1

**Excess Sale Securities** has the meaning given to it in article 55 6,

**Fair Price** means the fair market value of the relevant Shares, calculated as a pro rata proportion of the market value of the Shares of the Company as a whole, between a willing seller and a willing third party buyer at the date of the Transfer Notice without any premium or discount by reference to the percentage of the Shares being sold or transferred;

**First Joint Business Plan** means the business plan for the Group covering the period up to and including the Funding Date, in the agreed form, as may be amended from time to time,

**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,

**Funding Date** means the period up to and including the second anniversary of 17 February 2010,

**Group** means in relation to a Shareholder, that entity, any holding undertaking and that holding undertaking's Wholly-owned Subsidiaries for the time being,

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

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

**Holding Company** means, in relation to a company, any company of which that company is a Subsidiary,

**Independent Director** has the meaning given to it in article 11,

**Independent Expert** means a partner of at least 10 years' standing at a leading UK firm of accountants (acting as expert and not as an arbitrator) nominated by the parties concerned or, in the event of disagreement as to nomination, appointed by the President from time to time of the Institute of Chartered Accountants in England and Wales,

**Insolvency Event** in relation to a Shareholder means

- (a) the Shareholder enters into or resolves to enter into any arrangement, composition, moratorium, or compromise with or assignment for the benefit of its creditors or any class of them in any relevant jurisdiction,
- (b) the Shareholder is unable to pay its debts when they are due or suspends payment on any of its debts (other than where it is disputing such payment in good faith) or is deemed under any statutory provision of any relevant jurisdiction to be insolvent,
- (c) a liquidator or provisional liquidator is appointed to the Shareholder or a receiver, receiver and manager, trustee or similar official is appointed over any of the assets or undertakings of the Shareholder, or an event analogous with any such event occurs in any relevant jurisdiction, or
- (d) an application or order is made or a resolution is passed for the winding up, administration (whether out of court or otherwise) or dissolution of the Shareholder (except for the purposes of a bona fide reconstruction or amalgamation) or an event analogous with any such event occurs in any relevant jurisdiction,

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

**Joint Business** means the carrying out of the business to be set out in any Business Plan,

**Jumpball Participants** means International Algorithmic Trading GmbH, Citadel Derivatives Group (Europe) Limited, Madison Tyler Europe Limited, Nomura International plc and RGM Trading Europe Limited,

**Listing** means the admission of any of the Shares of the Company (or any of the shares of its Subsidiaries or of any holding Company of the Company, but excluding the A Shareholder itself and any holding Company of the A Shareholder from time to time) to the Official List in the United Kingdom becoming effective, or the granting of permission for any of the Shares to be dealt on another recognised investment exchange (as defined by section 285(1)(a) of the Financial Services and Markets Act 2000) or the Alternative Investment Market, regulated by the London Stock Exchange or the National Association of Securities Dealers Automated Quotation System "NASDAQ",

**Minority Shareholder** has the meaning given to it in article 56 1,

**New Investors** means such other parties as the A Shareholder may determine are appropriate,

***New Jumpball Programme*** means any new equity award scheme pursuant to which customers of the Business are granted certain options to purchase Shares in the Company on terms approved with the written consent of a Super Majority,

***Ongoing Joint Business Plan*** means the business plan for the Group covering any period from and including the Funding Date, as adopted and amended from time to time,

***ordinary resolution*** has the meaning given in section 282 of the Companies Act 2006;

***paid*** means paid or credited as paid,

***participate***, in relation to a Board meeting, has the meaning given in article 15 1,

***Permitted Maximum Number of Shares*** means, in respect of an individual B Shareholder, such number of Shares as represents 15% of the total voting rights in the Company that are ordinarily exercisable at a general meeting of the Company from time to time (and to the extent there is a merger or other consolidation of the businesses of any two or more B Shareholders or any redesignation of any B Shares to A Shares pursuant to article 55.9, if the aggregate number of Shares held by an individual B Shareholder as a result of any such merger, consolidation or redesignation represents in excess of 15% of the total voting rights in the Company, any Shares so held by such B Shareholder shall represent a maximum of 15%. (or such other percentage amount as a Super Majority may from time to time otherwise determine) of the voting rights in the Company that are ordinarily exercisable at a general meeting of the Company and the voting rights attributable to the B Shares held by each other B Shareholder shall be increased proportionately (subject to such increased voting rights for each individual B Shareholder not themselves representing in excess of 15% of the total voting rights in the Company and the effect of this provision being applicable to such increased voting rights mutatis mutandis)) For the avoidance of doubt, there shall be no Permitted Maximum Number of Shares for the A Shareholder,

***Permitted Transfer*** has the meaning given in article 54 3,

***Permitted Transferee*** has the meaning given in article 54 3(d),

***Priority Offeree*** has the meaning given in article 55 6,

***proxy notice*** has the meaning given in article 87 1,

***Qualifying Majority*** means members whose aggregate Equity Proportions exceed seventy five per cent (75%) of the total issued Shares of the Company from time to time,

***Restricted Transferee*** means each of Deutsche Borse AG, NYSE Euronext, Nasdaq OMX Group, Inc , BATS Global Markets, Inc and BATS Trading Limited, and Chi-X Global Inc and Chi X Europe and any of their respective Affiliates,

***Sale Notice*** has the meaning given to it in article 55 2,

***Sale Price*** has the meaning given to it in article 55 2,

***Sale Proportion*** means the proportion which the Seller's Securities to be transferred to the Buyer (or, where more than one, to each Buyer) bears to the number of Seller's Securities held by the Seller prior to the transfer,

***Sale Securities*** has the meaning given in article 55 2(a)

**seal** means the common seal of the Company and includes any official seal kept by the Company by virtue of section 49 or 50 of the Companies Act 2006,

**secretary** means the secretary of the Company (if any) or any other person appointed to perform the duties of the secretary of the Company, including a joint, assistant or deputy secretary;

**Shares** means the A Ordinary Shares and the B Ordinary Shares,

**Shareholders** means the shareholders in the Company from time to time, and **Shareholder** shall be construed accordingly,

**Shareholders' Agreement** means the agreement dated 17 February 2010 between, amongst others, the A Shareholder, the B Shareholders and the Company regarding the Shareholders' rights and obligations as shareholders of the Company,

**Shareholding** means, in respect of a Shareholder, the number of Shares held by that Shareholder and its Affiliates expressed as a percentage of the aggregate number of Shares allotted and issued,

**Special Director** has the meaning given in article 10 2(a),

**Super B Shareholders** means those six individual B Shareholders which, together with their respective Affiliated Shareholders, hold a greater number of B Ordinary Shares than any of the other individual B Shareholders (in each case together with their respective Affiliated Shareholders);

**Super Majority** means the approval of such number of Shareholders whose aggregate holdings of Shares comprise (i) more than 50% of the total voting rights attaching to the A Ordinary Shares; and (ii) 50% or more of the total voting rights attaching to the B Ordinary Shares (provided that the approval of 50% or more of the total voting rights attaching to the B Ordinary Shares shall be deemed to have been given where fewer than three individual B Shareholders do not approve the relevant matter but all of the other B Shareholders do approve the relevant matter), in each case that are ordinarily exercisable at a general meeting of the Company (and, for the avoidance of doubt, subject to any voting restrictions imposed on any B Shareholder as a result of such B Shareholder holding, or being deemed to hold, more than the Permitted Maximum Number of Shares),

**Super Representative Director** has the meaning given to in article 10 3,

**Super Representative Observer** has the meaning given to it in article 10 5,

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

**Subsidiary** has the meaning given in section 1159 of the Companies Act 2006,

**Third Party Purchaser** has the meaning given to it in article 55 12,

**Transferring Shareholder** means a Shareholder or a Permitted Transferee who wishes to or is required to transfer Shares,

**transmittee** means a person entitled to a Share by reason of the death or bankruptcy of a Shareholder or otherwise by operation of law,

**Ultimate Holding Company** means a Holding Company which is not a Subsidiary;

**undertaking** means a body corporate or partnership or unincorporated association carrying on a trade or business with or without a view to profit,

**Wholly-owned Subsidiary** means an undertaking which has not members other than its holding undertaking (**holding undertaking**) or that holding undertaking's Wholly-owned Subsidiaries, and

**writing** means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise

### **3. CONSTRUCTION**

3 1 Unless the context otherwise requires, other words or expressions contained in these articles bear the same meaning as in the Companies Act 2006 as in force on the date when these articles become binding on the Company

3 2 Powers of delegation shall not be restrictively construed but the widest interpretation shall be given to them

### **4. LIABILITY OF MEMBERS**

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

## **PART 2**

### **DIRECTORS**

#### **DIRECTORS' POWERS AND RESPONSIBILITIES**

##### **5. DIRECTORS' GENERAL AUTHORITY**

5 1 Subject to the articles, the directors are responsible for the management of the Company's business, for which purpose they may exercise all the powers of the Company. The powers given by this article shall not be limited by any special power given to the directors by the articles

5 2 The Company's name may be changed by resolution of the directors

##### **6. SHAREHOLDERS' RESERVE POWER**

6 1 The Shareholders may, by special resolution, direct the directors to take, or refrain from taking, specified action

6 2 No such special resolution and no alteration of the articles invalidates anything which the directors have done before the passing of the resolution or such alteration

##### **7. DIRECTORS MAY DELEGATE**

7 1 Subject to the articles and in particular article 22, the directors may delegate any of the powers which are conferred on them under the articles

- (a) to such person or committee,
- (b) by such means (including by power of attorney),
- (c) to such an extent,
- (d) in relation to such matters or territories, and
- (e) on such terms and conditions,

as they think fit

7 2 Any such delegation may authorise further delegation of the directors' powers by any person to whom they are delegated

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

7 4 The directors may appoint any person to any office or employment having a designation or title including the word "director" may attach such a designation or title to any existing office or employment with the Company and may terminate any such appointment or the use of any such designation or title. The inclusion of the word "director" in the designation or title of any office or employment shall not imply that the holder is a director of the Company, and the holder shall not thereby be empowered in any respect to act as, or be deemed to be, a director of the Company for any of the purposes of these articles

## **8. COMMITTEES**

8 1 Subject to articles 8 2 and 8 3, committees to which the directors delegate any of their powers must follow procedures which are based as far as they are applicable on those provisions of the articles which govern the taking of decisions by directors

8 2 A committee of directors shall always consist of at least 1 Special Director who must be present throughout the meeting

8 3 A committee of directors may meet and adjourn as it sees fit. No decision of a committee shall be effective unless at least 1 Special Director who is participating in the decision votes in favour of the decision

## **9. SECRETARY**

The directors may decide from time to time whether the Company should have a secretary and, if they so decide, the secretary shall be appointed by the directors for such term, at such remuneration and upon such conditions as they may think fit, and any secretary so appointed may be removed by them. In these articles references to the secretary shall be construed accordingly

## **DECISION-MAKING BY DIRECTORS**

### **10. THE BOARD**

10 1 The number of directors shall be not less than six, plus such number of Super Representative Directors as are appointed in accordance with this article 10



10 2 For so long as it shall hold over 50% of the entire issued share capital of the Company, the A Shareholder shall be entitled at any time

- (a) to appoint two persons as executive directors (each referred to in these articles as a *Special Director*), and
- (b) after consultation with the Board, to appoint one further person to act as the joint CEO and one further person to act as Chairman

10 3 Each of the six Super B Shareholders shall have the right to appoint from time to time (and, subject to article 10 4 below, keep appointed) one person, who is an employee of, or a consultant retained by, that Super B Shareholder or any of its Affiliates, as a director (referred to in these articles as each such Super B Shareholder's *Super Representative Director*).

10 4 Where a B Shareholder ceases to be a Super B Shareholder, for any reason, it shall procure the resignation of its Super Representative Director

10 5 Each of the six Super B Shareholders which has not exercised its right to appoint a Super Representative Director in accordance with article 10 3, shall have the right to appoint from time to time (and keep appointed) one person as its observer to attend Board meetings (a *Super Representative Observer*) Subject to the Super Representative Observer having first entered into a confidentiality undertaking with the Company on terms reasonably satisfactory to the Company and the appointing Super B Shareholder, a Super Representative Observer shall be permitted to attend all Board meetings on behalf of his nominating Super B Shareholder and shall be permitted to receive written notice of Board meetings and all other documents provided in accordance with article 14 6 The Super Representative Observer shall not be permitted to vote on any matter at the Board meeting and shall not be counted for the purposes of determining whether a quorum is present

10 6 Where a Special Director or a Super Representative Director is to be dismissed or resign, the Shareholder (or Shareholder) which made such appointment shall ensure that

- (a) it (or they) shall, and it (or they) shall procure that the relevant director shall, do all such things and sign all such documents as may otherwise be necessary to ensure the resignation or dismissal of such person or persons from such appointments in a timely manner, and
- (b) those resignations shall take effect without any liabilities on the Company for compensation for loss of office or otherwise except to the extent that the liability arises in relation to a service contract between the Company and a director who was acting in an executive capacity Any Shareholder (or Shareholders) removing a director appointed by it (or them) shall fully indemnify and hold harmless the other Shareholders and the Company from and against any claim for unfair or wrongful dismissal arising out of such removal

10 7 The directors and the Super Representative Observers shall disclose to the Board any directorships held by them which involve ventures that offer any services similar to those provided by the Company or any of its Subsidiaries from time to time Such disclosure shall be made

- (a) upon appointment as a director or a Super Representative Observer (as the case may be) in the case of any such directorships held at the time a director or a Super Representative Observer is appointed, or

- (b) at the next Board meeting in the case of the acceptance by a director or a Super Representative Observer (as the case may be) of any such directorship during their period of service with the Company

10 8 In the event that any one of the A Shareholder's Special Directors or a Super B Shareholders' Super Representative Director or Super Representative Observer ceases to be an employee of, or consultant to, the relevant Shareholder or any of its Affiliates, that Shareholder shall forthwith procure the resignation of the relevant Special Director, Super Representative Director or Super Representative Observer (as the case may be) and shall appoint a new Special Director, Super Representative Director or Super Representative Observer (as the case may be).

#### **11. CHAIRMAN AND INDEPENDENT DIRECTORS**

11 1 If the Chairman is not present at any Board meeting, the Directors present may appoint any one of their number for the purposes of the meeting

11 2 The A Shareholder and the Super B Shareholders (such Super B Shareholders acting together) shall jointly be entitled to appoint two persons as independent non-executive Directors (each an *Independent Director*) (any such appointment to be effected by written notice served on the Board and duly signed by or on behalf of the A Shareholder and each of the Super B Shareholders)

#### **12. BOARD MEETINGS**

12 1 Any decision by the directors must be taken at a meeting of the directors in accordance with these articles or must be a decision taken in accordance with article 13

12 2 Subject to the provisions of these articles the directors may regulate their proceedings as they think fit

12 3 All decisions at any meeting of the directors shall be decided by a majority of votes

#### **13. UNANIMOUS DECISIONS**

13 1 A decision of the directors is taken in accordance with this article when all eligible directors indicate to each other by any means that they share a common view on a matter

13 2 Such a decision may take the form of a resolution in writing, at least one copy of which has been signed by each eligible director or to which each eligible director has otherwise indicated agreement in writing

13 3 References in this article to eligible directors are to directors who would have been entitled to vote on the matter had it been proposed as a resolution at a Board meeting but excluding any director whose vote is not to be counted in respect of the matter in question

13 4 A decision may not be taken in accordance with this article if the eligible directors would not have formed a quorum at such a meeting

#### **14. CALLING A BOARD MEETING**

14 1 Any director may call a Board meeting by giving notice of the meeting to the directors or by authorising the secretary to give such notice

14.2 Meetings shall be held at intervals of not more than two (2) calendar months and at least six (6) meetings will be held in each financial year

14.3 Board meetings shall take place solely in the UK, and the Directors and Shareholders shall take such further action as is needed to ensure that the Company is resident for tax purposes solely in the UK

14.4 Any Shareholder or Special Director or Super Representative Director or Super Representative Observer may propose an item for inclusion in the agenda for a forthcoming Board Meeting together with a related resolution to be proposed at such Board Meeting provided that any such proposal shall be given to each of the Directors at least two (2) Business Days prior to such Board Meetings

14.5 Notice of any Board meeting must indicate—

- (a) its proposed date and time,
- (b) where it is to take place, and
- (c) if it is anticipated that directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting

14.6 At least five (5) Business Days' written notice shall be given to each of the directors of all Board meetings (except if the directors agree to shorter notice) and each of the directors shall be provided with a reasonably detailed agenda and any relevant papers prior to the meeting. The notice and accompanying papers may be sent by e-mail, fax, post or courier

14.7 Notice of a Board meeting need not be given to directors who waive their entitlement to notice of that meeting, by giving notice to that effect to the Company at any time. Where such notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it

## **15. PARTICIPATION IN BOARD MEETINGS**

15.1 Subject to the articles, directors participate in a Board meeting, or part of a Board meeting, when

- (a) the meeting has been called and takes place in accordance with the articles, and
- (b) they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting

15.2 In determining whether directors are participating in a Board meeting, it is irrelevant where any director is or how they communicate with each other

15.3 If all the directors participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is

## **16. QUORUM FOR BOARD MEETINGS**

16.1 The quorum at a Board meeting shall be two directors at the time when the relevant business is transacted, at least one of whom shall be a Special Director and one of whom shall

be a Super Representative Director. (provided that at least one Super Representative Director has been appointed). If a quorum is not present within half an hour of the time appointed for the meeting or ceases to be present, the director(s) present shall adjourn the meeting to a specified place and time three (3) Business Days after the original date, and at that adjourned meeting the absence of any Super Representative Director shall not preclude the meeting from being quorate. Notice of the adjourned meeting shall be given to each of the directors by the Chairman.

16.2 Subject to the other provisions of these articles, at any meeting at which there is a quorum

- (a) the CEO and Chairman shall each have one vote,
- (b) each Special Director shall have such number of votes such that the combined voting rights of all of the Special Directors attending and, if attending, the CEO and Chairman shall be one vote greater than the combined voting rights of all other directors attending; and
- (c) each other director attending (including each Super Representative Director and each Independent director) shall have one vote.

16.3 Decisions at Board meetings shall be taken by a majority of the votes. In case of deadlock, the Chairman shall be entitled to a second or casting vote.

#### **17. CHAIRING OF BOARD MEETINGS**

Unless the Shareholders agree otherwise, the directors may appoint a director to chair their meetings. The person so appointed for the time being is known as the Chairman. The directors may terminate the Chairman's appointment at any time. If the Chairman is not participating in a Board meeting within 5 minutes of the time at which it was due to start, the participating directors may appoint one of themselves to chair it.

#### **18. VOTING AT BOARD MEETINGS**

Subject to the articles, each director taking a decision has one vote.

#### **19. DIRECTORS' POWER TO PARTICIPATE IN DECISION WHEN INTERESTED IN CONTRACT**

19.1 Without prejudice to the director's disclosure obligations under the Companies Act 2006 and these articles, a director may

- (a) vote at any meeting of the directors or of a committee of the directors on any resolution and be counted in the quorum present at a meeting in relation to any resolution, or
- (b) participate in any decision taken in accordance with article 13,

concerning a transaction or arrangement with the Company or in which the Company is interested, or concerning any other matter in which the Company is interested, notwithstanding that the director is interested in that transaction, arrangement or matter or has in relation to it a duty which conflicts or may conflict with the interests of the Company in relation to it.

## **20. 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

## **21. TERMINATION OF DIRECTOR'S APPOINTMENT**

A person ceases to be a director as soon as

- (a) that person ceases to be a director by virtue of any provision of the Companies Act 2006 or is prohibited from being a director by law,
- (b) a bankruptcy order is made against that person,
- (c) a composition is made with that person's creditors generally in satisfaction of that person's debts,
- (d) a registered medical practitioner who is treating that person gives a written opinion to the Company stating that that person has become physically or mentally incapable of acting as a director and may remain so for more than three months,
- (e) by reason of that person's mental health, a court makes an order which wholly or partly prevents that person from personally exercising any powers or rights which that person would otherwise have, or
- (f) notification is received by the Company from the director that the director is resigning from office, and such resignation has taken effect in accordance with its terms

## **22. ALTERNATE DIRECTORS**

Directors are prohibited from appointing alternate directors

## **23. DIRECTORS' REMUNERATION**

23.1 Directors may undertake any services for the Company that the directors decide.

23.2 Directors are entitled to such remuneration as the directors determine

- (a) for their services to the Company as directors, and
- (b) for any other service which they undertake for the Company

23.3 Subject to the articles, a director's remuneration may

- (a) take any form, and
- (b) include any arrangements in connection with the payment of a pension, allowance or gratuity, or any death, sickness or disability benefits, to or in respect of that director

23 4 Unless the directors decide otherwise, directors' remuneration accrues from day to day

23 5 The directors may provide benefits, whether by the payment of gratuities or pensions or by insurance or otherwise, for any director who has held but no longer holds any executive office or employment with the Company or with any body corporate which is or has been a subsidiary of the Company or a predecessor in business of the Company or of any such subsidiary, and for any member of that director's family (including a spouse and a former spouse) or any person who is or was dependent on him or her, and may (before or after ceasing to hold such office or employment) contribute to any fund and pay premiums for the purchase or provision of any such benefit

23 6 Without prejudice to the generality of this article 2322, no director or former director shall be accountable to the Company or the members for any benefit provided pursuant to this article or article 95 The receipt of any such benefit shall not disqualify any person from being or becoming a director of the Company

#### **24. DIRECTORS' EXPENSES**

The Company may pay any reasonable expenses which the directors properly incur in connection with their attendance at

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

or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the Company

#### **CONFLICTS OF INTEREST**

#### **25. AUTHORISATION UNDER S175 OF THE COMPANIES ACT 2006**

25 1 For the purposes of section 175 of the Companies Act 2006, the directors may authorise any matter proposed to them in accordance with these articles which would, if not so authorised, involve a breach of duty by a director under that section, including, without limitation, any matter which relates to a situation in which a director has, or can have, an interest which conflicts, or possibly may conflict, with the interests of the Company Any such authorisation will be effective only if

- (a) any requirement as to quorum at the meeting at which the matter is considered is met without counting the director in question or any other interested director (a *Conflicted Director*), and
- (b) the matter was agreed to without any Conflicted Directors voting or would have been agreed to if their votes had not been counted

25 2 For these purposes the quorum for the transaction of business shall be any two Non-Conflicted Directors and the provisions of article 16 1 requiring a Special Director and a Super Representative Director to be a quorum or vote in favour of the resolution shall not

apply and the resolution will be passed if a majority of the Non-Conflicted Directors vote in favour of it

25 3 The directors may (whether at the time of the giving of the authorisation or subsequently) make any such authorisation subject to any limits or conditions they expressly impose but such authorisation is otherwise given to the fullest extent permitted. The directors may vary or terminate any such authorisation at any time

25 4 For the purposes of the articles, a conflict of interest includes a conflict of interest and duty and a conflict of duties, and interest includes both direct and indirect interests

## **26. DIRECTOR MAY CONTRACT WITH THE COMPANY AND HOLD OTHER OFFICES ETC**

Provided that a director has disclosed to the directors the nature and extent of their interest (unless the circumstances referred to in section 177(5) or section 177(6) of the Companies Act 2006 apply, in which case no such disclosure is required) a director notwithstanding his office

- (a) may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise (directly or indirectly) interested,
- (b) may act by himself or his firm in a professional capacity for the Company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a director, and
- (c) may be a director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate
  - (i) in which the Company is (directly or indirectly) interested as Shareholder or otherwise, or
  - (ii) which is the parent undertaking of the Company or a subsidiary undertaking of any parent undertaking of the Company, or
  - (iii) with which he has such a relationship at the request or direction of the Company or any parent undertaking of the Company or a subsidiary undertaking of any parent undertaking of the Company

## **27. REMUNERATION, BENEFITS ETC.**

A director shall not, by reason of his office, be accountable to the Company for any remuneration or other benefit which he derives from any office or employment or from any transaction or arrangement or from any interest in any body corporate

- (a) the acceptance, entry into or existence of which has been approved by the directors pursuant to article 25 (subject, in any such case, to any limits or conditions to which such approval was subject); or
- (b) which he is permitted to hold or enter into by virtue of paragraph (a), (b) or (c) of article 26,

nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the Companies Act 2006

## **28. NOTIFICATION OF INTERESTS**

Any disclosure required by article 26 may be made at a meeting of the directors, by notice in writing or by general notice or otherwise in accordance with section 177 of the Companies Act 2006.

## **29. DUTY OF CONFIDENTIALITY TO ANOTHER PERSON**

A director shall be under no duty to the Company with respect to any information which he obtains or has obtained otherwise than as a director of the Company and in respect of which he owes a duty of confidentiality to another person. However, to the extent that his relationship with that other person gives rise to a conflict of interest or possible conflict of interest, this article applies only if the existence of that relationship has been approved by the directors pursuant to article 25. In particular, the director shall not be in breach of the general duties he owes to the Company by virtue of sections 171 to 177 of the Companies Act 2006 because he fails

- (a) to disclose any such information to the directors or to any director or other officer or employee of the Company, and/or
- (b) to use or apply any such information in performing his duties as a director of the Company

## **30. CONSEQUENCES OF AUTHORISATION**

Where the existence of a director's relationship with another person has been approved by the directors pursuant to article 25 and his relationship with that person gives rise to a conflict of interest or possible conflict of interest, the director shall not be in breach of the general duties owed to the Company by virtue of sections 171 to 177 of the Companies Act 2006 because he

- (a) absents himself from meetings of the directors at which any matter relating to the conflict of interest or possible conflict of interest will or may be discussed or from the discussion of any such matter at a meeting or otherwise, and/or
- (b) makes arrangements not to receive documents and information relating to any matter which gives rise to the conflict of interest or possible conflict of interest sent or supplied by the Company and/or for such documents and information to be received and read by a professional adviser,

for so long as he reasonably believes such conflict of interest or possible conflict of interest subsists

## **31. WITHOUT PREJUDICE TO EQUITABLE PRINCIPLES OR RULE OF LAW**

The provisions of articles 29 and 30 are without prejudice to any equitable principle or rule of law which may excuse the director from

- (a) disclosing information, in circumstances where disclosure would otherwise be required under these articles, or



- (b) attending meetings or discussions or receiving documents and information as referred to in article 30, in circumstances where such attendance or receiving such documents and information would otherwise be required under these articles

### **PART 3**

#### **SHARES AND DISTRIBUTIONS**

##### **32. SHARE CAPITAL**

The share capital of the Company is divided into A Shares and B Shares. Such Shares shall entitle the holders to the respective rights and privileges, and subject them to the respective restrictions and provisions, contained in these articles but except as otherwise provided in these articles the A Shares and the B Shares shall rank *pari passu* in all respects.

##### **ISSUE OF SHARES**

##### **33. ALL SHARES TO BE FULLY PAID UP**

33.1 No Share is to be issued for less than the aggregate of its nominal value and any premium to be paid to the Company in consideration for its issue.

33.2 This does not apply to Shares taken on the formation of the Company by the subscribers to the Company's memorandum.

##### **34. DIRECTORS' ALLOTMENT POWERS**

Subject to the provisions of the Companies Act 2006 and these articles, to any resolution of the Company in general meeting passed pursuant to those provisions and these articles:

- (a) all Shares for the time being in the capital of the Company (whether forming part of the original or any increased share capital) shall be at the disposal of the directors, and
- (b) the directors may allot (with or without conferring a right of renunciation), grant options over, or otherwise dispose of them to such persons on such terms and conditions and at such times as they think fit.

##### **35. SECTION 561 EXCLUSION**

The pre-emption provisions in section 561 of the Companies Act 2006 and the provisions of sub-sections 562(1) to 562(5) inclusive of the Companies Act 2006 shall not apply to any allotment of the Company's equity securities.

##### **36. POWERS TO ISSUE DIFFERENT CLASSES OF SHARE**

36.1 Subject to the articles, but without prejudice to the rights attached to any existing Shares, the Company may issue further classes of shares with such rights or restrictions as may be determined by ordinary resolution or subject to and in default of such determination as the directors shall determine.

36.2 The Company may issue shares which are to be redeemed, or are liable to be redeemed at the option of the Company or the holder, and the directors may determine the terms, conditions and manner of redemption of any such shares

36.3 The provisions of section 284 of the Companies Act 2006 (votes general rules) and section 310 of the Companies Act 2006 (persons entitled to receive notice of meetings) do not apply where the rights and restrictions attaching to a class of shares make other provision for voting and entitlement to receive notice.

**37. PAYMENT OF COMMISSIONS ON SUBSCRIPTION FOR SHARES**

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

- (a) subscribing, or agreeing to subscribe, for Shares, or
- (b) procuring, or agreeing to procure, subscriptions for Shares

37.2 Any such commission may be paid

- (a) in cash, or in fully paid Shares or other securities, or partly in one way and partly in the other, and
- (b) in respect of a conditional or an absolute subscription

**ALTERATION OF SHARE CAPITAL**

**38. NEW SHARES SUBJECT TO THESE ARTICLES**

All shares created by increase of the Company's share capital, by consolidation, division or sub-division of its share capital or the conversion of stock into paid-up shares shall be

- (a) subject to all the provisions of these articles, including without limitation provisions relating to payment of calls, lien, forfeiture, transfer and transmission, and
- (b) unclassified, unless otherwise provided by these articles, by the resolution creating the shares or by the terms of allotment of the shares

**39. PROCEDURE FOR DISPOSING OF FRACTIONS OF SHARES**

39.1 This article applies where

- (a) there has been a consolidation or division of Shares, and
- (b) as a result, members are entitled to fractions of Shares

39.2 The directors may

- (a) authorise any person to execute an instrument of transfer of the Shares to the purchaser or a person nominated by the purchaser, and
- (b) distribute the net proceeds of sale in due proportion among the holders of the Shares

39 3 Where any holder's entitlement to a portion of the proceeds of sale amounts to less than a minimum figure determined by the directors, that member's portion may be distributed to an organisation which is a charity for the purposes of the law of England and Wales, Scotland or Northern Ireland

39 4 The person to whom the Shares are transferred is not obliged to ensure that any purchase money is received by the person entitled to the relevant fractions

39 5 The transferee's title to the Shares is not affected by any irregularity in or invalidity of the process leading to their sale.

#### **40. COMPANY NOT BOUND BY LESS THAN ABSOLUTE INTERESTS**

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

#### **PARTLY PAID SHARES**

##### **41. COMPANY'S LIEN OVER PARTLY PAID SHARES**

41 1 The Company has a lien ("the Company's lien") over every Share which is partly paid for any part of

- (a) that Share's nominal value, and
- (b) any premium at which it was issued,

41 2 which has not been paid to the Company, and which is payable immediately or at some time in the future, whether or not a call notice has been sent in respect of it

41 3 The Company also has a lien over any Share whose holder is indebted or under any liability to the Company whether that person is the sole holder or one of two or more joint holders

41 4 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 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

41 5 The directors may at any time decide that a Share which is or would otherwise be subject to the Company's lien shall not be subject to it, either wholly or in part

##### **42. ENFORCEMENT OF THE COMPANY'S LIEN**

42 1 Subject to the provisions of this article, if

- (a) a lien enforcement notice has been given in respect of a Share, and
- (b) the person to whom the notice was given has failed to comply with it,

42 2 the Company may sell that Share in such manner as the directors decide

42 3 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 days of the notice,
- (d) must be addressed either to the holder of the Share or to a person entitled to it by reason of the holder's death, bankruptcy or otherwise, and
- (e) must state the Company's intention to sell the Share if the notice is not complied with

42 4 Where Shares are sold under 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 is not bound to see to the application of the consideration, and the transferee's title is not affected by any irregularity in or invalidity of the process leading to the sale

42 5 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 Shares at the date of the sale, but only after the certificate for the Shares sold has been surrendered to the Company for cancellation or a suitable indemnity has been given for any lost certificates, and subject to a lien equivalent to the Company's lien over the Shares before the sale for any money payable in respect of the Shares after the date of the lien enforcement notice

42 6 A statutory declaration by a director or the secretary that the declarant is a director or the 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, 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

#### **43. CALL NOTICES**

43 1 Subject to the articles and the terms on which Shares are allotted, the directors may send a notice (a "call notice") to a member requiring the member to pay the Company a

specified sum of money (a "call") which is payable in respect of shares which that member holds at the date when the directors decide to send the call notice

**43 2 A call notice**

- (a) may not require a member to pay a call which exceeds the total sum unpaid on that member's Shares (whether as to the Share's nominal value or any amount payable to the Company by way of premium);
- (b) must state when and how any call to which it relates it is to be paid, and
- (c) may permit or require the call to be paid by instalments

**43 3** A member must comply with the requirements of a call notice, but no member is obliged to pay any call before 14 days have passed since the notice was sent

**43 4** Before the Company has received any call due under a call notice the directors may

- (a) revoke it wholly or in part, or
- (b) specify a later time for payment than is specified in the notice,

**43 5** by a further notice in writing to the member in respect of whose Shares the call is made

**44. LIABILITY TO PAY CALLS**

**44 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.

**44 2** Joint holders of a Share are jointly and severally liable to pay all calls in respect of that Share

**44 3** Subject to the terms on which Shares are allotted, the directors may, when issuing Shares, provide that call notices sent to the holders of those Shares may require them

- (a) to pay calls which are not the same, or
- (b) to pay calls at different times

**45. WHEN CALL NOTICE NEED NOT BE ISSUED**

**45 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

**45 2** But if the due date for payment of such a sum has passed and it has not been paid, the holder of the Share concerned is treated in all respects as having failed to comply with a call

notice in respect of that sum, and is liable to the same consequences as regards the payment of interest and forfeiture

**46. FAILURE TO COMPLY WITH CALL NOTICE: AUTOMATIC CONSEQUENCES**

46.1 If a person is liable to pay a call and fails to do so by the call payment date

- (a) the directors may issue a notice of intended forfeiture to that person, and
- (b) until the call is paid, that person must pay the Company interest on the call from the call payment date at the relevant rate.

46.2 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,
  - (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, or
  - (iii) if no rate is fixed in either of these ways, 5 per cent per annum

46.3 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

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

**47. NOTICE OF INTENDED FORFEITURE**

47.1 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 a person entitled to it by reason of the holder’s death, bankruptcy or otherwise,
- (c) must require payment of the call and any accrued interest by a date which is not less than 14 days after the date of the notice,
- (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

#### **48. DIRECTORS' POWER TO FORFEIT SHARES**

48 1 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

#### **49. EFFECT OF FORFEITURE**

49 1 Subject to the articles, the forfeiture of a Share extinguishes

- (a) all interests in that Share, and all claims and demands against the Company in respect of it, and
- (b) all other rights and liabilities incidental to the Share as between the person whose Share it was prior to the forfeiture and the Company

49 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

49 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 member 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 (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

49 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 due in respect of it and on such other terms as they think fit

#### **50. PROCEDURE FOLLOWING FORFEITURE**

50 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

50 2 A statutory declaration by a director or the secretary that the declarant is a director or the company secretary and that a Share has been forfeited 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, 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

50 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

50 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,

50 5 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

## **51. SURRENDER OF SHARES**

51 1 A member 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

51 2 The directors may accept the surrender of any such Share

51 3 The effect of surrender on a Share is the same as the effect of forfeiture on that Share

51 4 A Share which has been surrendered may be dealt with in the same way as a Share which has been forfeited

## **SHARE CERTIFICATES**

### **52. SHARE CERTIFICATES**

52 1 The Company must issue each Shareholder, free of charge, with one or more certificates in respect of the Shares which that Shareholder holds

52 2 Every certificate must specify

- (a) in respect of how many Shares, of what class, it is issued,
- (b) the nominal value of those Shares,



- (c) that the Shares are fully paid, and
- (d) any distinguishing numbers assigned to them

52 3 No certificate may be issued in respect of Shares of more than one class

52 4 If more than one person holds a Share, only one certificate need be issued in respect of it

52 5 Certificates must:

- (a) have the seal affixed to them, or
- (b) be otherwise executed in accordance with the Companies Acts.

### **53. REPLACEMENT SHARE CERTIFICATES**

53 1 If a certificate issued in respect of a Shareholder's Shares is

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

that Shareholder is entitled to be issued with a replacement certificate in respect of the same Shares

53 2 A Shareholder exercising the right to be issued with such a replacement certificate

- (a) may at the same time exercise the right to be issued with a single certificate or separate certificates,
- (b) must return the certificate which is to be replaced to the Company if it is damaged or defaced, and
- (c) must comply with such conditions as to evidence, indemnity and the payment of a reasonable fee as the directors decide

## **TRANSFER AND TRANSMISSION OF SHARES**

### **54. SHARE TRANSFERS**

54 1 Otherwise than in accordance with these Articles, no Shareholder may do, or agree to do, any of the following

- (a) pledge, mortgage, charge or otherwise encumber any of its Shares, or any interest therein,
- (b) sell, transfer or otherwise dispose of, or grant any option over, any of its Shares, or any interest therein, or
- (c) enter into any agreement in respect of the votes attached to any of its Shares

54.2 Save for Permitted Transfers set out in article 54 3(a), (b), (c), (d), (e) and (g) below and transfers required pursuant to an Insolvency Event of a Shareholder, in no event shall any

Shareholder do, or agree to do, any of the actions set out in article 54 1(a) or 54 1(b) above at any time prior to the Funding Date

54 3 The following transfers of Shares shall not be required to comply with article 55

- (a) any transfer of A Shares by any A Shareholder to a New Investor in accordance with clause 5 3 1(a) of the Shareholders' Agreement,
- (b) any transfer of A Shares by any A Shareholder approved by a Super Majority of Shareholders (whether to existing B Shareholders or to participants in a New Jumpball Programme established by the Company and agreed to by a Super Majority of Shareholders, (pursuant to which transfer any Shares shall be automatically designated as B Shares), or otherwise),
- (c) any transfer of B Shares by any B Shareholder in accordance with clause 5 3 1(c) of the Shareholders' Agreement,
- (d) the transfer of all or any of a Shareholder's Shares to any Affiliate of such Shareholder (the transferee being the *Permitted Transferee*) but if the Permitted Transferee ceases to be an Affiliate of the Shareholder while it is a holder of Shares in the Company, it shall, within fifteen (15) Business Days of so ceasing, transfer the Shares held by it to the original Shareholder or to any Affiliate of the original Shareholder and failing such transfer, the Permitted Transferee shall be deemed to have given a Sale Notice pursuant to article 55 2,
- (e) to the extent any transfer is required by law, any regulatory or self-regulatory authority request or any requirement of any other competent authority, provided that, prior to a Listing, such transfer is not to a Restricted Transferee,
- (f) the transfer of Shares on and after a Listing,
- (g) when required or otherwise provided pursuant to a Compulsory Purchase Notice or pursuant to an offer made as required by article 57 provided that such transfer is not made to a Restricted Transferee, or
- (h) the transfer of Shares to a nominee or trustee for that Shareholder alone and any such nominee or trustee of that Shareholder may at any time transfer any Shares to that Shareholder or to another nominee or trustee for that Shareholder, provided that no beneficial interest in such Shares passes by reason of such transfer,

and each transfer made in accordance with this article 54 3 shall be a *Permitted Transfer*

## **55. PRE-EMPTION RIGHTS FOR SHAREHOLDERS**

55 1 The provisions of this article 55 are required for any and all transfers of Shares other than those permitted or contemplated by article 54 3

55 2 A Transferring Shareholder shall serve a notice on the Company (the *Sale Notice*) stating

- (a) the number and class of Shares which it wishes to transfer (the *Sale Securities*),
- (b) the name of the person to whom he proposes to sell the Sale Securities which, for the avoidance of doubt, shall not be a Restricted Transferee;
- (c) the price in relation to the Shares at which he wishes to transfer the Sale Securities (which shall be the price offered by the Transferring Shareholder, who in the event of selling any of the Sale Securities at such price is then not permitted to sell any other Sale Securities under the provisions of this article 55 2 to any other party on better terms (including as to price)) (in relation to each of the relevant Shares, the *Sale Price*), and
- (d) whether or not the Sale Notice is conditional upon all, and not only some, of the Sale Securities being sold pursuant to the offer. In the absence of either such stipulation, it shall be deemed not to be so conditional

55 3 Where any Sale Notice is deemed to have been given in accordance with an Insolvency Event, the deemed Sale Notice shall be treated as having stated

- (a) that all the Shares registered in the name of the Transferring Shareholder shall be included in the sale,
- (b) that the price for the Sale Securities shall be the Sale Price, and
- (c) that no condition as referred to in article 55 2(d) shall apply

55 4 No Sale Notice once given or deemed to be given in accordance with this Agreement shall be withdrawn, unless a Compulsory Purchase Notice is given in accordance with article 56. In that event, the Transferring Shareholder may be required by the Company to withdraw such Sale Notice, without liability to any person, prior to completion of any transfer

55.5 The Sale Notice shall make the Directors (other than any Special Director or Super Representative Director appointed by the Transferring Shareholder and Affiliated Shareholders, if any) the agent of the Transferring Shareholder for the sale of the Sale Securities and the Sale Securities shall then be offered for sale, free from all Third Party Rights, together with all rights attaching to them at the Sale Price for each of the relevant Shares, in accordance with article 55.6.

55 6 The Sale Securities shall be offered first to the B Shareholders (other than the Transferring Shareholder or any other B Shareholder who already holds the Permitted Maximum Number of Shares, if applicable) In the case of any offer made pursuant to this article 55 6

- (a) the persons to whom the offers are made (*Priority Offerees*) shall be entitled to buy the Sale Securities in proportions reflecting, as nearly as possible, the nominal amount of their respective existing holdings of B Ordinary Shares as between each other (but, for the avoidance of doubt, excluding the Sale Securities), and
- (b) the Priority Offerees may offer to buy any number of the Sale Securities that are not accepted (or not able to be acquired as a result of a failure to fulfil or waive a regulatory condition attaching to such offer) by the other Shareholders (the *Excess Sale Securities*),

provided that, in each case

- (i) a Priority Offeree may only offer to buy such number of Sale Securities and/or Excess Sale Securities as would, if actually bought, result in such Priority Offeree holding no more than the Permitted Maximum Number of Shares, and
- (ii) a Priority Offeree may offer to buy Sale Securities and/or Excess Sale Securities subject to the fulfilment of such specified regulatory conditions as may be required in order to enable the Shares to be acquired without breach of any relevant law or regulation. The right may be reserved to waive all or any of such conditions, whether in whole or in part, provided that the Priority Offeree's offer must provide that it will cease to be effective if all relevant conditions are not fulfilled or waived within a specified period not exceeding 45 Business Days from the date of the notice (the *Condition Period*)

55 7 Twenty (20) Business Days after the Company's despatch of the terms for the sale of the remaining Sale Securities in accordance with article 55 6 (the *Closing Date*)

- (a) a Priority Offeree who has not responded to the offer in writing shall be deemed to have declined it, and
- (b) each offer made by a Priority Offeree to acquire the Sale Securities shall become irrevocable

55 8 If the Company receives offers for less than the full amount of the Sale Securities, each Priority Offeree who offered to buy Excess Sale Securities shall be entitled to a number of Excess Sale Securities reflecting, as nearly as possible, the number and amount of Excess Sale Securities it offered to buy as a proportion of the total number and amount of Excess Sale Securities for which offers were received (subject always to such Priority Offeree not being entitled to buy any Sale Securities and/or Excess Sale Securities to the extent such acquisition would result in such Priority Offeree holding more than the Permitted Maximum Number of Shares), and in the event any such Priority Offeree does not wish to take his full entitlement of Excess Sale Securities, any remaining Sale Securities shall be offered to the remaining Priority Offerees who have offered to buy Excess Sale Securities on the same basis.

55 9 If after each Priority Offeree who has offered to buy Excess Sale Securities has notified the Company of the total number of Sale Securities (including any Excess Sale Securities) which it wants to buy, the Company has still received offers for less than the full amount of the Sale Securities, the Company shall offer such remaining Sale Securities to the A Shareholder on the same terms as they were first offered to the B Shareholders, save that any B Ordinary Shares acquired by the A Shareholder as a result of such offer shall immediately be redesignated as A Ordinary Shares and the Company and each Shareholder hereby undertakes to vote in favour of any resolution proposed in a general meeting of the Company to effect the same re-designation (and any increase in each remaining B Shareholders' proportionate holding of B Shares shall be subject to the same restrictions on voting as apply to B Shareholders whose shareholdings exceed the Permitted Maximum Number of Shares)

55 10 Within five (5) Business Days after the Closing Date or, if later, after the end of the Condition Period, the Company shall notify the Transferring Shareholder and the Priority Offerees who offered to buy Sale Securities and, if applicable, the A Shareholder, of the result

of the offer (and the result of the offer, if any, made pursuant to article 55 6) and, if any Sale Securities are to be sold pursuant to either such offer

- (a) the Company shall notify the Transferring Shareholder of the names and addresses of the Priority Offerees and, if applicable, the A Shareholder who are to buy Sale Securities and the number to be bought by each,
- (b) the Company shall notify each Priority Offeree and, if applicable, the A Shareholder of the number of Sale Securities he or it is to buy; and
- (c) the Company's notices shall state a place and time, between five (5) and ten (10) Business Days later, on which the sale and purchase of the Sale Securities is to be completed

55 11 If the Transferring Shareholder does not transfer the Sale Securities in accordance with article 55 10, the Directors may authorise any Director to transfer the Sale Securities on behalf of the Transferring Shareholder to the buying Priority Offerees concerned or, if applicable, the A Shareholder against receipt by the Company of the aggregate Sale Price. The Company shall hold the Sale Price in trust for the Transferring Shareholder without any obligation to pay interest. The Company's receipt of the Sale Price shall be a good discharge to the buying Priority Offerees and, if applicable, the A Shareholder. The Directors shall then authorise registration of the transfer (once any appropriate stamp duty has been paid by the relevant Priority Offerees and, if applicable, the A Shareholder in proportion to the number of Sale Securities to be bought by each such person). The Transferring Shareholder shall surrender his certificates for the Sale Securities to the Company. On such surrender, he shall be entitled to the Sale Price for the Sale Securities.

55 12 If, by the Closing Date, following offers made pursuant to article 55 6, the Company has not received offers for all Sale Securities (or if the Company has received offers for all Sale Securities but the regulatory conditions attaching to one or more such offers are not fulfilled or waived within the Condition Period (the **Blocked Shares**) and the Company has not received offers for a sufficient number of Excess Sale Securities to include such Blocked Shares), the Transferring Shareholder may within the next three (3) months transfer the Sale Securities which have not been purchased or which will not be purchased by the holders of B Ordinary Shares (other than the Transferring Shareholder or any other B Shareholders who already holds the Permitted Maximum Number of Shares, if applicable) or, if applicable, the A Shareholder pursuant to article 55 6 to 55 11 the third party named in accordance with article 55 2(b) or any other person or persons (but in each case other than to a Restricted Transferee) at no less than the Sale Price in relation to the Sale Securities with any other terms being no more favourable than those in the Sale Notice (the **Third Party Purchaser**), provided that

- (a) if the Transferring Shareholder stated in his Sale Notice that unless all the Sale Securities were sold, none should be sold, the Transferring Shareholder shall not be entitled to sell to the Third Party Purchaser only some of the Sale Securities comprised in the Sale Notice to such person or persons;
- (b) any such sale shall be a bona fide sale and the Directors may require to be reasonably satisfied in such manner as they may reasonably require that the Sale Securities are being sold in pursuance of a bona fide sale at no less than the Sale Price in relation to the Sale Securities with any other terms being no more favourable than those in the Sale Notice without any deduction, rebate or allowance whatsoever to the Third Party Purchaser and, if not so satisfied, may refuse to register the instrument of transfer, and

- (c) the Third Party Purchaser agrees to enter into a deed of adherence, a copy of which shall be provided to him prior to the transfer

**56. DRAG ALONG RIGHTS**

56.1 Provided they have already complied with the provisions of article 55, if any Shareholders (the *Shareholder Sellers*) are to transfer any of their Shares such that any purchaser (together with any person acting in concert with them) who has made an offer on bona fide, arm's length terms for such Shares, (the *Purchaser*) would end up holding at least 80% (if such offer is made on or before the Funding Date) or 51% (if such offer is made after the Funding Date) of the then issued Shares, the Shareholder Sellers may prior to the transfer being undertaken, by serving a compulsory purchase notice (a *Compulsory Purchase Notice*) on each other Shareholder (*Minority Shareholder*), require all the Minority Shareholders to sell all their Shares to one or more persons identified by the member of the group of the Purchaser at the consideration specified in article 56.2

56.2 The consideration for each Share (the *Compulsory Sale Price*) may take different forms but shall be the higher of

- (a) the highest consideration offered for the Shares whose proposed transfer has led to the offer, and
- (b) if relevant, the highest consideration paid by the Purchaser or any of its Affiliates for any Shares,

in each case in the twelve (12) months prior to the offer and, in both cases, for the purposes of calculating the Compulsory Sale Price, account shall be taken of all consideration (in cash or otherwise) offered for such Shares which, having regard to the substance of the transaction as a whole, can reasonably be regarded as an addition to the price paid or payable for such Shares. In the event of disagreement, the Compulsory Sale Price shall be certified by the Auditors (or, if unable or unwilling to act for any reason, an Independent Expert) as soon as possible after being instructed by the Company and, in so certifying, the Auditors shall be deemed to be acting as experts and not as arbitrators and the Arbitration Act 1996 shall not apply. The certificate of the Auditors (or Independent Expert, as the case may be) shall, in the absence of manifest error, be final and binding and the Company shall procure that any certificate required hereunder is obtained with due expedition and the cost of obtaining such certificate shall be borne by the Company.

56.3 No representations, warranties, indemnities or any such similar undertakings (including undertakings not to compete with any Purchaser) shall be required to be given by the Minority Shareholder when entering into any agreement to transfer Shares under this article 45 other than representations and warranties from the Minority Shareholder as to (i) good title to and (ii) authority to transfer such Shares.

56.4 Within ten (10) Business Days after the Compulsory Sale Price has been agreed or certified

- (a) the Company shall confirm to or notify the Minority Shareholder(s) of the names and addresses of the Purchaser(s), and
- (b) the Company's notices shall specify the Compulsory Sale Price and state a date, between five (5) and ten (10) Business Days later, on which the sale and purchase of the Shares is to be completed (the *Completion Date*)

56.5 By the Completion Date, the Minority Shareholder(s) shall deliver duly executed transfer forms for their Shares, with the relevant certificates, to the Company. On the Completion Date, the Company shall pay the Minority Shareholder(s), on behalf of each of the Purchaser(s), the Compulsory Sale Price in respect of each Share to the extent the Purchaser(s) have put the Company in the requisite funds. The Company's receipt for the price shall be a good discharge to the Purchaser(s). The Company shall hold the price in trust for the Minority Shareholder(s) without any obligation to pay interest.

56.6 If a Minority Shareholder fails to deliver duly executed transfer forms for its Shares to the Company by the Completion Date, the Directors shall authorise any Director to transfer such Shares on behalf of the Minority Shareholder to each Purchaser to the extent the Purchaser has, by the Completion Date, put the Company in funds to pay the Compulsory Sale Price in respect of each Share. The Directors shall then authorise registration of the transfer (in the case of any Share transfer once appropriate stamp duty has been paid). The defaulting Minority Shareholder shall surrender his certificates for his Shares to the Company. On such surrender, he shall be entitled to the Compulsory Sale Price in respect of each Share but shall not be entitled to any interest which may have been earned by the Company on the proceeds of sale.

## **57. TAG ALONG**

57.1 Other than pursuant to article 54.3 and article 56 no sale or transfer to a third party (together with any person acting in concert with them) for value of the legal or beneficial interest in such number of A Ordinary Shares which would, if registered, result in such persons holding or increasing a holding to more than 50 per cent of the A Ordinary Shares in issue, whether in one transaction or a series of related transactions, shall be made or registered unless, before the transfer is lodged for registration, the transferor shall have first procured that an offer complying with the provisions of article 57.2 has been made by the proposed transferee to each Shareholder (other than the proposed transferor(s), if applicable) to acquire the Shares held by all such other Shareholders.

57.2 The offer referred to in article 57.1 above shall

- (a) be open for acceptance for a period of at least twenty (20) Business Days following the making of the offer,
- (b) be on terms that the purchase of any Shares in respect of which such offer is accepted shall be completed at the same time as the relevant transaction,
- (c) involve consideration which may take different forms but shall be the higher of
  - (i) the highest consideration offered for the Shares whose proposed transfer has led to the offer, and
  - (ii) if relevant the highest consideration paid by the Purchaser or any of its Affiliates for any Shares,

in each case in the twelve (12) months prior to the offer and, in both cases, for the purposes of calculating the sale price, account shall be taken of all consideration (in cash or otherwise) offered for such Shares which, having regard to the substance of the transaction as a whole, can reasonably be regarded as an addition to the price paid or payable for such Shares, and

- (d) not require the giving of any representations, warranties, indemnities or any such similar undertakings (including undertakings not to compete with any proposed transferee) by any transferring Shareholder when entering into any agreement to transfer Shares under this article 46 other than representations and warranties from the transferring Shareholders as to (i) good title to and (ii) authority to transfer such Shares

57 3 The Directors shall be entitled to refuse to register the transfer if the transferee(s) does/do not comply with the provisions of this article 57 if a transferee acquires Shares without complying with this article 57, if applicable, such transferee agrees not to cast any vote and to do all such things as are necessary to procure such votes are not cast, and the Shares shall not carry any vote at any general meeting of the Company and such transferee shall be deemed to grant any and all consents in respect of any matter which is consented to by the holders of a majority of Shares of the same class (ignoring for these purposes the aggregate Shareholding of the transferee) until such time as an offer complying with this article 57 is made by the transferee

#### **58. FORM OF TRANSFER**

Provided that all transfers of Shares are made in accordance with the provisions of these Articles, such transfers shall be effected by written transfer in any usual or common form or in any other form acceptable to the Directors and may be under hand only. The instrument of transfer shall be signed by or on behalf of the transferor and (except in the case of fully-paid Shares) by or on behalf of the transferee. The transferor shall remain the holder of the Shares concerned until the name of the transferee is entered in the Register in respect thereof. All instruments of transfer which are registered may be retained by the Company.

#### **59. RIGHT TO REFUSE REGISTRATION**

59 1 The Directors may decline to recognise any instrument of transfer relating to Shares unless it is in respect of only one class of Share and is lodged (duly stamped if required) at the registered office of the Company accompanied by the relevant certificate(s) and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer (and, if the instrument of transfer is executed by some other person on his behalf, the authority of that person so to do).

59 2 The Directors shall not refuse to register any transfer of a Share which is a Permitted Transfer, but may in their absolute discretion and without assigning any reason therefore refuse to register any transfer of Shares (not being fully-paid Shares) to a person of whom they do not approve or of a Share on which the Company has a lien.

59 3 If the Directors refuse to register an allotment or transfer of Shares they shall within two months after the date on which the letter of allotment or instrument of transfer was lodged with the Company send to the allottee or transferee notice of the refusal.

#### **60. NO FEE ON REGISTRATION**

No fee will be charged by the Company in respect of the registration of any transfer or other document relating to or affecting the title to any Shares.



## 61. CLOSURE OF REGISTER

The registration of transfers may be suspended at such times and for such periods (not exceeding twenty (20) Business Days in any year) as the Directors may from time to time determine

## 62. SHAREHOLDER AFFECTED BY INSOLVENCY EVENT

62.1 Any Shareholder(s) subject to an Insolvency Event shall be referred to as a *Subject Shareholder*)

### 62.2 Following an Insolvency Event

- (a) the Subject Shareholder(s) shall notify the non-Subject Shareholder as soon as practicable,
- (b) the Subject Shareholder(s) shall within ten (10) Business Days of such Insolvency Event be deemed to have served a Sale Notice under article 55.2 specifying a Sale Price of £1 in respect of its Shares provided that any Subject Shareholder may, or a third party appointed to act on its behalf may, within these ten (10) Business Days of such Insolvency Event, notify the non-Subject Shareholder that it wishes to continue as a Shareholder and, provided that
  - (i) it provides such evidence of its ability to do so as any of the non-Subject Shareholder may reasonably require, and
  - (ii) a Super Majority (ignoring for these purposes the aggregate Shareholding of the Subject Shareholder(s)), acting reasonably, within ten (10) Business Days upon receipt of such Notice, do not object to the Subject Shareholder so continuing,

such Sale Notice shall be withdrawn

## 63. ISSUES OF SHARES

63.1 Subject to article 63.2 below, any allotment of Shares or other securities proposed to be made by the Company (such Shares or other securities being called *Additional Securities*) shall first be offered for subscription to the holders of the Shares in the proportion that the number of Shares for the time being held by each such person (and whether A Ordinary Shares or B Ordinary Shares) bears to the total number of such Shares in issue (comprising both A Ordinary Shares and B Ordinary Shares). Such offer shall be made by Notice in writing specifying the number of Additional Securities to which the relevant holder is entitled and limiting a time (being not less than two weeks) within which the offer (if not accepted) will be deemed to have been declined. Such offers are not transferable, cannot be split or consolidated and can be accepted in full or in part. Holders of the Shares in the Company who accept the offer shall be entitled to indicate that they would accept, on the same terms, the Additional Securities (specifying a maximum number of Additional Securities) which have not been accepted by other holders (*Excess Additional Securities*) (subject always to any holder not being entitled to accept Additional Securities and/or Excess Additional Securities to the extent such allotment would result in such holder holding more than the Permitted Maximum Number of Shares). Any Excess Additional Securities shall be allotted to holders who have indicated they would accept Excess Additional Securities (subject always to such holder's Shareholding not being able to exceed the Permitted Maximum Number of

Shares) Excess Additional Securities shall be allotted pro rata to the aggregate number of Shares held by holders accepting the Excess Additional Securities (provided that no such holder shall be allotted more than the maximum number of Excess Additional Securities such holder has indicated he is willing to accept and subject always to such holder's Shareholding not being able to exceed the Permitted Maximum Number of Shares) Any Additional Securities (including any Excess Additional Securities) allotted to the B Shareholders shall be allotted as B Ordinary Shares and any Additional Securities (including any Excess Additional Securities) allotted to the A Shareholder(s) shall be allotted as A Ordinary Shares After the expiration of such time, or upon receipt by the Company of an acceptance or refusal of every offer so made, the Board shall be entitled to dispose of any Additional Securities so offered, and which are not required to be allotted in accordance with this article 63 1, in each case on the same terms as such Additional Securities were offered to the holders of Shares under this article 63 1 If, owing to the inequality of the number of new Additional Securities to be issued and the number of Shares held by holders entitled to receive the offer of new Additional Securities, any difficulties shall arise in the apportionment of any such new Additional Securities amongst the holders, such difficulties shall be determined by the Board

63 2 Article 63 1 shall not apply to

- (a) any allotment of Additional Securities as B Shares proposed to be made by the Company to an employee or proposed employee if such allotment is made pursuant to an agreement, plan or programme which has been duly approved by the Shareholders,
- (b) any allotment of Additional Securities, which are to be used as consideration for the acquisition of any asset or business entity and approved with the prior written consent of a Super Majority,
- (c) any allotment of Additional Securities which are to be issued and allotted in connection with any merger, consolidation or amalgamation of the Company and approved with the prior written consent of a Super Majority,
- (d) any allotment of Additional Securities which are to be issued and allotted pursuant to a funding commitment agreed by the Shareholders,
- (e) any allotment of Additional Securities as B Shares to participants of a New Jumpball Programme established by the Company and approved with the prior written consent of a Super Majority, and
- (f) any allotment of Additional Securities as B Shares to the New Investors in the event such an allotment is determined by a Super Majority to be in the best interests of the Company rather than a transfer of A Shares to those New Investors by the A Shareholder (as provided for by article 54 3(a)), provided that on any such allotment taking effect an equivalent number of A Shares are bought back or cancelled by the Company and the overall effect of such transactions on the Company, the Shareholders (including, without limitation, their respective aggregate shareholdings) and the New Investor(s) is the same as or equivalent to a transfer of A Shares to the New Investors by the A Shareholder
- (g) any allotment of Additional Securities as A Shares to the A Shareholder on the same or equivalent terms and at the same time as any allotment of Additional Securities otherwise permitted pursuant to this article 63 2, the purpose of which is to enable the A Shareholder to maintain its shareholding

of over 50% of the entire issued share capital of the Company, provided that the operation of this article 63 2(g) shall not permit an allotment of Additional Securities as A Shares to the A Shareholder which would result in its shareholding increasing above 51% of the entire issued share capital of the Company

63 3 The Shareholders will procure that all such actions are taken as are necessary to authorise the Company to put into effect the issue and allotment of new Shares to any party due to become a Shareholder pursuant to article 63 1, and the documentation of the same (including changes to this Agreement or the Articles where necessary)

#### **64. NEW SHAREHOLDERS (OTHER THAN NEW INVESTORS)**

64 1 The Shareholders agree that where they decide to admit a new Shareholder (other than a New Investor), such person shall be admitted as a Shareholder by way of a transfer of Shares to the proposed Shareholder for a price per Share (to be payable to all Shareholders transferring Shares) to be agreed between the existing Shareholders and the proposed Shareholder unless a Super Majority agrees, that the new Shareholder shall be admitted through a subscription by the proposed Shareholder for new Shares.

64 2 The Shareholders agree that where an agreement has been reached pursuant to article 64 1 to sell existing Shares to the proposed Shareholder rather than permitting the new Shareholder to subscribe for new Shares, each B Shareholder shall be required to sell (and the A Shareholder may sell) to the proposed Shareholder its share, pro-rata to the Shareholding held at the time of the agreement, of its Shares at the price agreed pursuant to article 64 1 (but, for the avoidance of doubt, nothing in this article shall require the A Shareholder to sell any A Shares)

64 3 Where it has been decided that a new Shareholder will subscribe for new Shares in the Company (rather than purchasing existing Shares) the Shareholders will procure that all such actions are taken as are necessary to authorise the Company to put into effect the issue and allotment of new Shares to any party due to become a Shareholder pursuant to article 64, and the documentation of the same (including changes to this Agreement or the Articles where necessary)

64.4 The Shareholders agree not to take, and to procure that each of their Special Directors, Super Representative Directors or Super Representative Observers shall not take, any action that may prevent any party becoming a Shareholder in accordance with the provisions of this Agreement

64 5 Nothing in this article 64 is intended to regulate or limit or otherwise affect the ability of a person to become a Shareholder through the purchase of Shares in accordance with articles 55 to 57 (inclusive).

#### **65. US SECURITIES LAWS**

65 1 Subject to the restrictions on transfer contained in all the articles under Transfer and Transmission of Shares, each Shareholder who acquires Shares within the United States represents, agrees and acknowledges that it is a qualified institutional buyer (as defined in Rule 144A under the Securities Act (a *QIB*)) and understands that such Shares have not been and will not be registered under the Securities Act and may not be offered, sold, pledged or otherwise transferred except (a) in accordance with an applicable exemption under the Securities Act to a person that it and any person acting on its behalf reasonably believe is a QIB purchasing for its own account or for the account of a QIB, (b) in an offshore transaction

in accordance with Rule 903 or Rule 904 of Regulation S or (c) pursuant to an exemption from registration provided by Rule 144 under the Securities Act (if available), or pursuant to an effective registration statement under the Securities Act, and in each case in accordance with any applicable securities laws of any state of the United States

#### **66. TRANSMISSION OF SHARES**

66 1 If title to a Share passes to a transmittee, the Company may only recognise the transmittee as having any title to that Share

66 2 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, and pending any transfer of the Shares to another person, has the same rights as the holder from whom the transmittee derived such title had

66 3 But transmittees do not have the right to attend or vote at a general meeting or class meeting, or agree to a proposed written resolution, in respect of Shares to which they are entitled, by reason of the holder's death or bankruptcy or otherwise, unless they become the holders of those Shares

#### **67. EXERCISE OF TRANSMITTEES' RIGHTS**

67 1 Transmittes who wish to become the holders of Shares to which they have become entitled must notify the Company in writing of that wish

67 2 If the transmittee wishes to have a Share transferred to another person, the transmittee must execute an instrument of transfer in respect of it

67 3 Any transfer made or executed under this article is to be treated as if it were made or executed by the person from whom the transmittee has derived rights in respect of the Share, and as if the event which gave rise to the transmission had not occurred

#### **68. TRANSMITTEES BOUND BY PRIOR NOTICES**

68 1 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 has been entered in the register of members

### **DIVIDENDS AND OTHER DISTRIBUTIONS**

#### **69. PROCEDURE FOR DECLARING DIVIDENDS**

69 1 The Company may by ordinary resolution declare dividends, and the directors may decide to pay interim dividends

69 2 A dividend must not be declared unless the directors have made a recommendation as to its amount. Such a dividend must not exceed the amount recommended by the directors

69 3 No dividend may be declared or paid unless it is in accordance with Shareholders' respective rights

69 4 Unless the Shareholders' resolution to declare or directors' decision to pay a dividend, or the terms on which Shares are issued, specify otherwise, it must be paid by reference to each Shareholder's holding of Shares on the date of the resolution or decision to declare or pay it

69 5 Notwithstanding any other provision of these articles, the Company or the directors may fix any date as the record date for any dividend, distribution, allotment or issue, which may be on or at any time before or after any date on which the dividend, distribution, allotment or issue is declared, paid or made

69 6 If the Company's share capital is divided into different classes, no interim dividend may be paid on Shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrear

69 7 The directors may pay at intervals any dividend payable at a fixed rate if it appears to them that the profits available for distribution justify the payment

69 8 If the directors act in good faith, they do not incur any liability to the holders of Shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on Shares with deferred or non-preferred rights.

69 9 If any Share is issued on terms providing that it ranks for dividend as from a particular date, that Share ranks for dividend accordingly

## **70. CALCULATION OF DIVIDENDS**

70 1 Except as otherwise provided by the articles or 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 proportionately to the amounts paid up on the Shares during any portion or portions of the period in respect of which the dividend is paid

70 2 For the purposes of calculating dividends, no account is to be taken of any amount which has been paid up on a Share in advance of the due date for payment of that amount

## **71. PAYMENT OF DIVIDENDS AND OTHER DISTRIBUTIONS**

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

- (a) transfer to a bank or building society account specified by the distribution recipient either in writing or as the directors may otherwise decide,
- (b) sending a cheque made payable to the distribution recipient by post to the distribution recipient at the distribution recipient's registered address (if the distribution recipient is a holder of the Share), or (in any other case) to an address specified by the distribution recipient either in writing or as the directors may otherwise decide,

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

71 2 In the articles, “the distribution recipient” means, in respect of a Share in respect of which a dividend or other sum is payable

- (a) the holder of the Share, 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

## **72. DEDUCTIONS FROM DISTRIBUTIONS IN RESPECT OF SUMS OWED TO THE COMPANY**

72 1 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

72 2 Money so deducted must be used to pay any of the sums payable in respect of that Share

72 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.

## **73. NO INTEREST ON DISTRIBUTIONS**

The Company may not pay interest on any dividend or other sum payable in respect of a Share unless otherwise provided by

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

#### **74. UNCLAIMED DISTRIBUTIONS**

74 1 All dividends or other sums which are

- (a) payable in respect of Shares, and
- (b) unclaimed after having been declared or become payable,

may be invested or otherwise made use of by the directors for the benefit of the Company until claimed

74 2 The payment of any such dividend or other sum into a separate account does not make the Company a trustee in respect of it.

74 3 If

- (a) twelve years have passed from the date on which a dividend or other sum became due for payment, and
- (b) the distribution recipient has not claimed it,

the distribution recipient is no longer entitled to that dividend or other sum and it ceases to remain owing by the Company

#### **75. NON-CASH DISTRIBUTIONS**

75 1 Subject to the terms of issue of the Share in question, the Company may, by ordinary resolution on the recommendation of the directors, decide to pay all or part of a dividend or other distribution payable in respect of a Share by transferring non-cash assets of equivalent value (including, without limitation, shares or other securities in any Company)

75 2 For the purposes of paying a non-cash distribution, the directors may make whatever arrangements they think fit, including, where any difficulty arises regarding the distribution

- (a) fixing the value of any assets,
- (b) paying cash to any distribution recipient on the basis of that value in order to adjust the rights of recipients, and
- (c) vesting any assets in trustees

#### **76. WAIVER OF DISTRIBUTIONS**

Distribution recipients may waive their entitlement to a dividend or other distribution payable in respect of a Share by giving the Company notice in writing to that effect, but if

- (a) the Share has more than one holder, or
- (b) more than one person is entitled to the Share, whether by reason of the death or bankruptcy of one or more joint holders, or otherwise,

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

## **CAPITALISATION OF PROFITS**

### **77. AUTHORITY TO CAPITALISE AND APPROPRIATION OF CAPITALISED SUMS**

**77 1** Subject to the articles, the directors may, if they are so authorised by an ordinary resolution

- (a) decide to capitalise any profits of the Company (whether or not they are available for distribution) which are not required for paying a preferential dividend, or any sum standing to the credit of the Company's share premium account or capital redemption reserve, and
- (b) appropriate any sum which they so decide to capitalise (a "capitalised sum") to the persons who would have been entitled to it if it were distributed by way of dividend (the "persons entitled") and in the same proportions

**77 2** Capitalised sums must be applied

- (a) on behalf of the persons entitled, and
- (b) in the same proportions as a dividend would have been distributed to them

**77 3** Any capitalised sum may be applied in paying up new Shares of a nominal amount equal to the capitalised sum which are then allotted credited as fully paid to the persons entitled or as they may direct

**77 4** 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 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

**77 5** Subject to the articles the directors may

- (a) apply capitalised sums in accordance with article 77 3 and article 77 4 partly in one way and partly in another,
- (b) make such arrangements as they think fit to deal with Shares or debentures becoming distributable in fractions under this article (including the issuing of fractional certificates or the making of cash payments), and
- (c) authorise any person to enter into an agreement with the Company on behalf of all the persons entitled which is binding on them in respect of the allotment of Shares and debentures to them under this article



## **PART 4**

### **DECISION-MAKING BY SHAREHOLDERS**

#### **ORGANISATION OF GENERAL MEETINGS**

##### **78. ATTENDANCE AND SPEAKING AT GENERAL MEETINGS**

78 1 A person is able to exercise the right to speak at a general meeting when that person is in a position to communicate to all those attending the meeting, during the meeting, any information or opinions which that person has on the business of the meeting.

78 2 A person is able to exercise the right to vote at a general meeting when:

- (a) that person is able to vote, during the meeting, on resolutions put to the vote at the meeting, and
- (b) that person's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting

78 3 The directors may make whatever arrangements they consider appropriate to enable those attending a general meeting to exercise their rights to speak or vote at it

78 4 In determining attendance at a general meeting, it is immaterial whether any two or more members attending it are in the same place as each other

78 5 Two or more persons who are not in the same place as each other attend a general meeting if their circumstances are such that if they have (or were to have) rights to speak and vote at that meeting, they are (or would be) able to exercise them

##### **79. QUORUM FOR GENERAL MEETINGS**

79 1 No business shall be transacted at any general meeting unless a quorum is present at the time when the meeting proceeds to business. The quorum at a general meeting shall consist of the A Shareholder, present in person or by proxy or, in the case of a corporation, by a duly authorised representative.

79 2 If a quorum is not present within 1 hour of the time at which the general meeting was due to start, the meeting shall stand adjourned to the same day in the next week at the same time and place and if a quorum is then not present it shall stand adjourned likewise to the following week, if a quorum is again not present, then at such re-adjourned meeting the member or members present shall form a quorum and business transacted with only 1 member present shall be deemed to constitute business transacted at a meeting and a resolution shall be valid if passed by a majority vote irrespective of which member or members vote in favour of its being passed (provided that this shall only be the case for the purpose of the transaction of the business specified in the agenda contained in the notice of the meeting)

79 3 No Shares of either class shall confer any right to vote upon a resolution for the removal from office of a director appointed by holders of Shares of the other class.

## **80. CHAIRING GENERAL MEETINGS**

80 1 If the directors have appointed a Chairman, the Chairman shall chair general meetings if present and willing to do so

80 2 If the directors have not appointed a Chairman, or if the Chairman is unwilling to chair the meeting or is not present within ten minutes of the time at which a meeting was due to start

- (a) the directors present, or
- (b) (if no directors are present), the meeting,

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

80 3 The person chairing a meeting in accordance with this article is referred to as “the Chairman of the meeting”

## **81. ATTENDANCE AND SPEAKING BY DIRECTORS AND NON-SHAREHOLDERS**

81 1 Directors may attend and speak at general meetings, whether or not they are Shareholders

81.2 The Chairman of the meeting may permit other persons who are not

- (a) Shareholders of the Company, or
- (b) otherwise entitled to exercise the rights of Shareholders in relation to general meetings,

to attend and speak at a general meeting

## **82. ADJOURNMENT**

82 1 The Chairman of the meeting may adjourn a general meeting at which a quorum is present if

- (a) the meeting consents to an adjournment, or
- (b) it appears to the Chairman of the meeting that an adjournment is necessary to protect the safety of any person attending the meeting or ensure that the business of the meeting is conducted in an orderly manner

82 2 The Chairman of the meeting must adjourn a general meeting if directed to do so by the meeting

82 3 When adjourning a general meeting, the Chairman of the meeting must

- (a) either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the directors, and
- (b) have regard to any directions as to the time and place of any adjournment which have been given by the meeting

82 4 If the continuation of an adjourned meeting is to take place more than 14 days after it was adjourned, the Company must give at least 7 clear days' notice of it (that is, excluding the day of the adjourned meeting and the day on which the notice is given)

- (a) to the same persons to whom notice of the Company's general meetings is required to be given, and
- (b) containing the same information which such notice is required to contain

82 5 No business may be transacted at an adjourned general meeting which could not properly have been transacted at the meeting if the adjournment had not taken place

## **VOTING AT GENERAL MEETINGS**

### **83. VOTING: GENERAL**

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

### **84. ERRORS AND DISPUTES**

84 1 No objection may be raised to the qualification of any person voting at a general meeting except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting is valid

84 2 Any such objection must be referred to the Chairman of the meeting, whose decision is final

### **85. POLL VOTES**

85 1 A poll on a resolution may be demanded

- (a) in advance of the general meeting where it is to be put to the vote, or
- (b) at a general meeting, either before a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared

85 2 A poll may be demanded by

- (a) the Chairman of the meeting,
- (b) the directors,
- (c) two or more persons having the right to vote on the resolution, or
- (d) a person or persons representing not less than one tenth of the total voting rights of all the Shareholders having the right to vote on the resolution

85 3 A demand for a poll may be withdrawn if

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

85 4 Polls must be taken in such manner as the Chairman of the meeting directs

#### **86. RESTRICTION ON MEMBERS' RIGHTS**

No voting rights attached to a Share may be exercised at any general meeting, at any adjournment of it, or on any poll called at or in relation to it, unless all amounts payable to the Company in respect of that Share have been paid

#### **87. CONTENT OF PROXY NOTICES**

87 1 Proxies may only validly be appointed by a notice in writing (a "proxy notice") which

- (a) shall be in any usual form or in any other form which the directors may approve,
- (b) is delivered to the Company in accordance with the articles and any instructions contained in the notice of the general meeting to which they relate

87 2 The Company may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes

87 3 Proxy notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions

87 4 Unless a proxy notice indicates otherwise, it must be treated as

- (a) allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting, and
- (b) appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself

#### **88. DELIVERY OF PROXY NOTICES**

88 1 A person who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a general meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid proxy notice has been delivered to the Company by or on behalf of that person

88 2 An appointment under a proxy notice may be revoked by delivering to the Company a notice in writing given by or on behalf of the person by whom or on whose behalf the proxy notice was given

88 3 A notice revoking a proxy appointment only takes effect if it is delivered before the start of the meeting or adjourned meeting to which it relates

88 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 on the appointor's behalf.

## **APPLICATION OF RULES TO CLASS MEETINGS**

### **89. CLASS MEETINGS**

The provisions of the articles relating to general meetings apply, with any necessary modifications, to meetings of the holders of any class of Shares

## **PART 5**

### **ADMINISTRATIVE ARRANGEMENTS**

#### **90. MEANS OF COMMUNICATION TO BE USED**

90 1 Subject to the articles, anything sent or supplied by or to the Company under the articles may be sent or supplied in any way in which the Companies Act 2006 provides for documents or information which are authorised or required by any provision of that Companies Act 2006 to be sent or supplied by or to the Company

90 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 to be sent or supplied with such notices or documents for the time being

90 3 A member present, either in person or by proxy, at any meeting of the Company or of the holders of any class of Shares in the capital of the Company shall be deemed to have been sent notice of the meeting and, where requisite, of the purposes for which it was called

#### **91. COMPANY SEALS**

91 1 The seal may only be used by the authority of the directors

91 2 The directors may decide by what means and in what form the seal is to be used

91 3 Unless otherwise decided by the directors, if the Company has a seal and it is affixed to a document, the document must also be signed by at least one authorised person in the presence of a witness who attests the signature

91 4 For the purposes of this article, an authorised person is—

- (a) any director of the Company,
- (b) the secretary, or
- (c) any person authorised by the directors for the purpose of signing documents to which the seal is applied

91 5 If the Company has an official seal for use abroad, it may only be affixed to a document if its use on that document, or documents of a class to which it belongs, has been authorised by a decision of the directors

#### **92. DESTRUCTION OF DOCUMENTS**

92 1 The Company is entitled to destroy

- (a) all instruments of transfer of Shares which have been registered, and all other documents on the basis of which any entries are made in the register of members, from six years after the date of registration,
- (b) all dividend mandates, variations or cancellations of dividend mandates, and notifications of change of address, from two years after they have been recorded,
- (c) all share certificates which have been cancelled from one year after the date of the cancellation;
- (d) all paid dividend warrants and cheques from one year after the date of actual payment; and
- (e) all proxy notices from one year after the end of the meeting to which the proxy notice relates

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

- (a) entries in the register purporting to have been made on the basis of an instrument of transfer or other document so destroyed were duly and properly made,
- (b) any instrument of transfer so destroyed was a valid and effective instrument duly and properly registered,
- (c) any share certificate so destroyed was a valid and effective certificate duly and properly cancelled, and
- (d) any other document so destroyed was a valid and effective document in accordance with its recorded particulars in the books or records of the Company.

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

92.4 In this article, references to the destruction of any document include a reference to its being disposed of in any manner

### **93. CERTIFICATION**

93.1 Any director or the secretary or any person appointed by the directors for the purpose shall have power to authenticate and certify as true copies of and extracts from

- (a) any document comprising or affecting the constitution of the Company, whether in hard copy form or in electronic form,
- (b) any resolution passed by the Company, the holders of any class of Shares in the capital of the Company, the directors or any committee of the directors, whether in hard copy form or in electronic form, and

- (c) any book, record and document relating to the business of the Company, whether in hard copy form or in electronic form (including, without limitation, the accounts)

93 2 If certified in this way, a document purporting to be a copy of a resolution, or the minutes of or an extract from the minutes of a meeting of the Company, the holders of any class of Shares in the capital of the Company, the directors or a committee of the directors, whether in hard copy form or in electronic form, shall be conclusive evidence in favour of all persons dealing with the Company in reliance on it or them that the resolution was duly passed or that the minutes are, or the extract from the minutes is, a true and accurate record of proceedings at a duly constituted meeting.

#### **94. PROVISION FOR EMPLOYEES ON CESSATION OF BUSINESS**

The directors may make provision for the benefit of any persons employed or formerly employed by the Company or any of its subsidiaries, other than a director or former director or shadow director, in connection with the cessation or the transfer of the whole or part of the undertaking of the Company or any subsidiary. Any such provision shall be made by a resolution of the directors in accordance with section 247 of the Companies Act 2006

#### **95. DIRECTORS' INDEMNITY**

95 1 Subject to the provisions of the Companies Act 2006, every director or other officer of the Company (other than any person (whether an officer or not) engaged by the Company as auditor) shall be indemnified out of the assets of the Company against any liability incurred by him for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company, provided that this article shall be deemed not to provide for, or entitle any such person to, indemnification to the extent that it would cause this article, or any element of it, to be treated as void under the Companies Act 2006

95 2 Article 95 1 is without prejudice to any indemnity to which the person concerned may otherwise be entitled

#### **96. INSURANCE**

Without prejudice to the provisions of article 95, the directors may exercise all the powers of the Company to purchase and maintain insurance for or for the benefit of any person who is or was

- (a) a director, other officer, employee of the Company, or any body which is or was the holding Company or subsidiary undertaking of the Company, or in which the Company or such holding Company or subsidiary undertaking has or had any interest (whether direct or indirect) or with which the Company or such holding Company or subsidiary undertaking is or was in any way allied or associated, or
- (b) a trustee of any pension fund in which employees of the Company or any other body referred to in article 96(a) is or has been interested,

including without limitation insurance against any liability incurred by such person in respect of any act or omission in the actual or purported execution or discharge of his or her duties or in the exercise or purported exercise of his or her powers or otherwise in relation to his or her duties, powers or offices in relation to the relevant body or fund

## **97. WINDING UP**

If the Company is wound up, the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Companies Acts, divide the whole or any part of the assets of the Company among the members in specie. The liquidator may, for that purpose, value any assets and determine how the division shall be carried out as between the members or different classes of members. The liquidator may, with the like sanction, vest the whole or any part of the assets in trustees upon such trusts for the benefit of the members as he with the like sanction determines, but no member shall be compelled to accept any assets upon which there is a liability.