

Company Number: 07264615

WRITTEN RESOLUTIONS

of

CHUCS LIMITED (Company)

Passed on 27th June 2016

TUESDAY



A19 *A5A40EVN* 28/06/2016 #139
COMPANIES HOUSE

The following resolutions were duly passed as ordinary and special resolutions on 27th June 2016 by way of written resolution under Chapter 2 of Part 13 of the Companies Act 2006

ORDINARY RESOLUTIONS

- 1 THAT, in accordance with section 551 of the Companies Act 2006 (CA 2006), the directors of the Company for the time being (**Directors**) be generally and unconditionally authorised to allot shares in the Company up to an aggregate nominal amount of £38,254 46 (comprising 3,501,247 ordinary D shares of £0 01 each and 324,199 ordinary E shares of £0 01 each) provided that this authority shall, unless renewed, varied or revoked by the Company, expire on 30 June 2016 This authority is in substitution for all previous authorities conferred on the Directors in accordance with section 551 of the CA 2006
- 2 THAT, subject to the passing of resolution 1 and in accordance with section 570 of the CA 2006, the Directors be generally empowered to allot equity securities (as defined in section 560 of the CA 2006) pursuant to the authority conferred by resolution 1, as if section 561(1) of the CA 2006 did not apply to any such allotment, provided that this power shall
 - (i) be limited to the allotment of equity securities up to an aggregate nominal amount of £38,254 46 (comprising 3,501,247 ordinary D shares of £0 01 each and 324,199 ordinary E shares of £0 01 each), and
 - (ii) expire on 30 June 2016 (unless renewed, varied or revoked by the Company prior to or on that date), save that the Company may, before such expiry, make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of any such offer or agreement notwithstanding that the power conferred by this resolution has expired

SPECIAL RESOLUTION

- 3 THAT, the draft articles of association attached to these Resolutions be adopted as the articles of association of the Company in substitution for, and to the exclusion of, the existing articles of association of the Company

Signed


Director
Chucs Limited

Dated 27th June 2016



Company Number: 07264615

The Companies Act 2006

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

CHUCS LIMITED

(Adopted by special resolution passed on __27th June 2016)

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THE COMPANIES ACT 2006

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

CHUCS LIMITED (Company Number: 07264615)

(Adopted by special resolution passed on 27th June 2016)

1. INTERPRETATION

1.1 In these Articles, unless the context otherwise requires

Act: means the Companies Act 2006,

appointor: has the meaning given in article 16.1,

Articles: means the Company's articles of association for the time being in force,

Board: the board of directors of the Company as constituted from time to time,

B Shares: B ordinary shares of £0.01 each in the capital of the Company,

Business Day: means any day (other than a Saturday, Sunday or public holiday in the United Kingdom) on which clearing banks in the City of London are generally open for business,

C Shares: C ordinary shares of £0.01 each in the capital of the Company,

call: has the meaning given in article 32.1,

call notice: has the meaning given in article 32.1,

CF: Charles Finch,

CF Director: has the meaning given in article 14.2,

Companies Acts: the Companies Act 1985 and the Companies Act 2006,

Company's lien: has the meaning given in article 30 1,

Conflict: has the meaning given in article 11 1,

Control: in relation to a body corporate, the power of a person to secure that the affairs of the body corporate are conducted in accordance with the wishes of that person

- (a) by means of the holding of shares, or the possession of voting or any other power, in or in relation to that or any other body corporate, or
- (b) by virtue of any powers conferred by the constitutional or corporate documents, or any other document, regulating that or any other body corporate,

and a **Change of Control** occurs if a person who controls any body corporate ceases to do so or if another person acquires Control of it, and **Controlled** shall be construed accordingly,

Controlling Interest: an interest in shares in the Company conferring on the holder or holders of those shares Control of the Company,

Deemed Transfer Notice: has the meaning given in article 21 1,

D Shares: D ordinary shares of £0 01 each in the capital of the Company,

Drag Along Right: has the meaning given in article 22 4,

E Shares: E ordinary shares of £0 01 each in the capital of the Company,

eligible director: means a director who would be entitled to vote on the matter at a meeting of directors (but excluding any director whose vote is not to be counted in respect of the particular matter),

Encumbrance: includes any mortgage, charge (fixed or floating), pledge, lien, hypothecation, guarantee, trust, right of set-off or other third party right or interest (legal or equitable) including any assignment by way of security, reservation of title or other security interest of any kind, howsoever created or arising, or any other agreement or arrangement (including a sale and repurchase agreement) having similar effect,

Excess Securities: has the meaning given in article 23 2(b),

Exit: a Share Sale or a Listing,

Expert: the auditors for the time being of the Company or, if they decline the instruction, an independent firm of accountants jointly appointed by the shareholders and the Company or, in the absence of agreement between the shareholders and the Company on the identity of such firm of accountants within 10 Business Days of a party serving details of a suggested firm of accountants on the others, an independent firm of accountants appointed by the President, for the time being, of the Institute of Chartered Accountants in England and Wales (in each case acting as an expert and

not as an arbitrator), and any determination made by the Expert shall be final and binding on the relevant parties (except in the case of manifest error),

Fair Value: has the meaning given in article 21 3,

Family Member: has the meaning given in article 20 2(a),

Flying Tiger: Flying Tiger Holding BV, incorporated and registered in the Netherlands with company number 62222066 whose registered office is at De Zodde 3, Loosdrecht, 1231MA, Netherlands,

FT Director: has the meaning given in article 14 2,

Group: in relation to a company, that company, any subsidiary or any holding company from time to time of that company, and any subsidiary from time to time of a holding company of that company Each company in a Group is a **Group Company**,

Interested Director: has the meaning given in article 11 1,

Issue Date: has the meaning given in article 23 4,

Issue Price: the price per share in the Company at which the relevant share is issued (being the aggregate of the amount paid up or credited as paid up in respect of the nominal value of such share and any share premium on such share),

lien enforcement notice: has the meaning given in article 31 2,

Listing: the application and admission of all or any of the shares in the Company, or securities representing such shares, to the Official List of the UK Listing Authority or on the AIM market operated by the London Stock Exchange plc or to any recognised investment exchange,

Management Team: such person or persons who are employed by any member of the Company's Group, as determined by the Board,

Manager's Equity Share: has the meaning given in article 23 6,

Manager's Pool: has the meaning given in article 23 5,

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

Offeror: has the meaning given in article 22 1,

Ordinary Shares: ordinary shares of £0.01 each in the capital of the Company,

Other Shareholders: has the meaning given in article 22 4,

PD: Peter Dubens,

Pembroke: Pembroke VCT plc, a private company incorporated and registered in England and Wales with company number 08307631 whose registered office is at 3 Cadogan Street, London SW1X 0AS,

Pembroke Director: has the meaning given in article 14 2,

Permitted Transferee: has the meaning given in article 20 2,

Preference Dividend: has the meaning given in article 4 5,

Proposed Exit: has the meaning given in article 3 5,

Proposed Purchaser: has the meaning given in article 22 4,

Proposed Transferee: has the meaning given in article 20 4(b),

Proposed Transferor: has the meaning given in article 20 4,

Relative Proportion: the proportion that the Proposed Transferor's shares bear to the entire issued share capital of the Company at the relevant time,

Remaining Shareholders: has the meaning given in article 22 1,

Sale Proceeds: has the meaning given in article 3 1,

Sellers: has the meaning given in article 22 4,

Selling Shareholders: has the meaning given in article 22 1,

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

For the purposes of this definition, **acting in concert** shall be construed in accordance with the City Code on Takeovers and Mergers,

Tag Along Right: has the meaning given in article 22 1,

Total Transfer Condition: has the meaning given in article 20 5,

Transfer Notice: has the meaning given in article 20 4,

Transfer Price: has the meaning given in article 20 4(b),

Transfer Shares: has the meaning given in article 20 4(a)

- 1 2 Save as otherwise specifically provided in these Articles, words and expressions which have particular meanings in the Model Articles shall have the same meanings in these Articles, subject to which and unless the context otherwise requires, words and expressions which have particular meanings in the Act shall have the same meanings in these Articles

- 1 3 Headings in these Articles are used for convenience only and shall not affect the construction or interpretation of these Articles
- 1 4 A reference in these Articles to an "article" is a reference to the relevant article of these Articles unless expressly provided otherwise
- 1.5 Unless expressly provided otherwise, a reference to a statute, statutory provision or subordinate legislation is a reference to it as it is in force from time to time, taking account of
- (a) any subordinate legislation from time to time made under it, and
 - (b) any amendment or re-enactment and includes any statute, statutory provision or subordinate legislation which it amends or re-enacts
- 1 6 Any phrase introduced by the terms "**including**", "**include**", "**in particular**" or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms
- 1 7 A reference to a **holding company** or a **subsidiary** means a holding company or a subsidiary (as the case may be) as defined in section 1159 of the Companies Act 2006 and for the purposes only of the membership requirement contained in sections 1159(1)(b) and (c), a company shall be treated as a member of another company even if its shares in that other company are registered in the name of (a) another person (or its nominee), by way of security or in connection with the taking of security, or (b) its nominee
- 1 8 The Model Articles shall apply to the Company, except in so far as they are modified or excluded by, or are inconsistent with, these Articles
- 1 9 Articles 8, 9(1), 11(2) and (3), 13, 14(1), (2), (3) and (4), 17(2), 21, 24(2)(c), 44(2), 49, 52 and 53 of the Model Articles shall not apply to the Company
- 1 10 Article 7 of the Model Articles shall be amended by
- (a) the insertion of the words "for the time being" at the end of article 7(2)(a), and
 - (b) the insertion in article 7(2) of the words "(for so long as he remains the sole director)" after the words "and the director may"
- 1 11 Article 20 of the Model Articles shall be amended by the insertion of the words "(including alternate directors) and the secretary" before the words "properly incur"

- 1 12 In article 25(2)(c) of the Model Articles, the words "evidence, indemnity and the payment of a reasonable fee" shall be deleted and replaced with the words "evidence and indemnity"
- 1 13 Article 26(1) of the Model Articles shall be amended by the insertion of the words "and, unless the share is fully paid, the transferee" after the word "transferor"
- 1 14 Article 27(3) of the Model Articles shall be amended by the insertion of the words ", subject to article 10," after the word "But"
- 1 15 Article 29 of the Model Articles shall be amended by the insertion of the words ", or the name of any person(s) named as the transferee(s) in an instrument of transfer executed under article 28(2)," after the words "the transmittee's name"
- 1 16 Articles 31(1)(a) to (c) (inclusive) of the Model Articles shall be amended by the deletion, in each case, of the words "either" and "or as the directors may otherwise decide" Article 31(d) of the Model Articles shall be amended by the deletion of the words "either" and "or by such other means as the directors decide"

2. SHARE CAPITAL

Except as otherwise provided in these Articles, the Ordinary Shares, B Shares, C Shares, D Shares and E Shares shall rank *pari passu* in all respects but shall constitute separate classes of shares

3. EXIT PROVISIONS

- 3 1 On an Exit the proceeds arising therefrom shall be applied in the following order of priority
- (a) first, in paying or attributing to the holders of the D Shares the Issue Price of such D Shares,
 - (b) second, in paying or attributing to the holders of the D Shares the Preference Dividend, and
 - (c) third, in paying to the holders of the B Shares the Issue Price of such B Shares and any arrears and accruals of dividend,
 - (d) fourth, in paying to the holders of the C Shares the Issue Price of such C Shares,
 - (e) subject to paragraphs (a), (b), (c) and (d) above, the balance (if any) shall be attributed amongst the holders of the Ordinary Shares, B Shares, C Shares,

D Shares and E Shares in proportion to the number of shares held by each of them as if such shares constituted one class of share

- 3 2 The proceeds of a Share Sale shall be distributed in the order of priority set out in article 3 1 The directors shall not register any transfer of shares in the Company if the consideration payable (including any deferred consideration) whether in cash or otherwise to those shareholders selling shares in the Company under a Share Sale (**Sale Proceeds**) is not distributed in that manner provided that, if the Sale Proceeds are not settled in full upon completion of the Share Sale.
- (a) the directors may register the transfer of the relevant shares, provided that the Sale Proceeds due on the date of completion of the Share Sale have been distributed in the order of priority set out in article 2; and
 - (b) each shareholder shall take any reasonable action (to the extent lawful and within its control) required by a majority of the Board to ensure that the balance of the Sale Proceeds are distributed in the order of priority set out in article 2
- 3 3 On any return of capital other than on an Exit, the surplus assets of the Company (if any) after payment of its liabilities (including but not limited to the repayment in full of any loans plus all accrued interest owed by the Company) shall be attributed amongst the holders of the Ordinary Shares, B Shares, C Shares, D Shares and E Shares in proportion to the number of shares held by each of them as if such shares constituted one class of share
- 3 4 Immediately before a Listing, the Company shall (to the extent lawful, and if required) issue to each holder for the time being of shares in the Company, by way of automatic capitalisation of reserves, such number of shares which shall result in that holder holding, when aggregated with its existing shareholding (and following every issue of shares to shareholders pursuant to this article 3 3), the same proportion of the total number of shares in the Company in issue as the proportion that its entitlement to the surplus assets of the Company under article 2 (including by way of arrears and accruals of dividend) bears to the total of the surplus assets available for distribution to the shareholders under article 2
- 3 5 All shares to be issued in accordance with article 3 3 shall be paid up by the automatic capitalisation of any amount standing to the credit of the share premium account or any other available reserve of the Company as determined by the directors and shall be credited as fully paid at par Such a capitalisation shall be automatic and shall not require any action on the part of the shareholders and the directors shall allot the shares arising on the capitalisation to the shareholders entitled to them in accordance with article 3 3 If and to the extent that the Company is not lawfully permitted to carry out the capitalisation required by article 3 3 in full (whether by virtue of the Act or otherwise), the entitlement of each holder of shares to such an issue of shares shall be reduced in the same proportion that its holding of shares bears to the total number of shares then in issue and each such holder shall be entitled to subscribe in cash at par for the balance of that number of additional shares as would otherwise have been issued pursuant to article 3 3 The shareholders shall procure (so far as they are lawfully able) that the directors shall have sufficient authorisations required to issue the shares which may fall to be issued under article 3 3 or this article 3 4
- 3 6 In the event of an Exit approved by the directors (acting with the consent of shareholders holding more than 75% of the issued shares in the Company) (**Proposed Exit**), all shareholders shall consent to, vote for, raise no objections to and waive any

applicable rights in connection with the Proposed Exit. The shareholders shall be required to take all lawful actions with respect to the Proposed Exit as are reasonably required by the directors to facilitate the Proposed Exit. If any shareholder fails to comply with the provisions of this article 3.5

- (a) the Company shall be constituted the agent and attorney of each defaulting shareholder for taking such actions as are necessary to effect the Proposed Exit,
- (b) the directors may authorise an officer of the Company or a shareholder to execute and deliver on behalf of such defaulting shareholder all or any necessary documents, and
- (c) the Company may receive any purchase money due to the defaulting shareholder in trust for each of the defaulting shareholders (without any obligation to pay interest)

4. DIVIDENDS

- 4.1 Subject to the Company having available profits after accruing for the Preference Dividend each financial year in respect of the D Shares, the Ordinary Shares and the B Shares are entitled to dividends
- 4.2 The C Shares are not entitled to any dividends
- 4.3 The D Shares are entitled to the Preference Dividend only, which is payable only on an Exit
- 4.4 The E Shares are not entitled to any dividends
- 4.5 In respect of each financial year of the Company, the Company's profits available for distribution shall be applied firstly in making an accrual in accordance with article 4.6 for the purposes of paying the holders of the D Shares a dividend in an amount equal to 8% on the Issue Price of the D Shares compounded annually provided always that such amount is limited by the amount of the Company's profits available for distribution for the relevant financial year (the **Preference Dividend**)
- 4.6 The Preference Dividend shall accrue from the date of adoption of these Articles and from day to day and shall be rolled up and paid on an Exit only
- 4.7 Each dividend shall be distributed to the appropriate shareholder pro rata according to the number of shares held by them and shall accrue daily (assuming a 365-day year). All dividends are expressed net and shall be paid in cash

5. VOTING AND CLASS RIGHTS

5 1 Subject to any other provisions in these Articles concerning voting rights, shares in the Company shall carry the following voting rights

- (a) The holders of the Ordinary Shares, the B Shares and the D Shares have the right to receive notice of and to attend, speak and vote at any general meeting of the Company and the right to receive, vote on and constitute an eligible member for the purposes of any written resolution of the Company,
- (b) The holders of the C Shares and the E Shares have in each case no right to receive notice of nor to attend, speak and vote at any general meeting of the Company nor the right to receive, vote on and constitute an eligible member for the purposes of any written resolution of the Company

5 2 Where shares in the Company confer a right to vote, votes may be exercised

- (a) on a show of hands by every shareholder who (being an individual) is present in person or by proxy or (being a corporation) is present by a representative or by a proxy (in which case, each shareholder holding shares with votes shall have one vote), or
- (b) on a poll by every shareholder who (being an individual) is present in person or by proxy or (being a corporation) is present by a representative or by a proxy (in which case, each shareholder holding shares with votes shall have one vote)

5 3 Whenever the share capital of the Company is divided into different classes of shares, the special rights attached to any such class may only be varied or abrogated (either whilst the Company is a going concern or during or in contemplation of a winding-up) with the consent in writing of the holders of more than 75% of the issued shares of that class

6. UNANIMOUS DECISIONS

6 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

6 2 Such a decision may take the form of a resolution in writing, where each eligible director has signed one or more copies of it, or to which each eligible director has otherwise indicated agreement in writing

6 3 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

7. CALLING A DIRECTORS' MEETING

- 7 1 Any director may call a directors' meeting by giving reasonable notice of the meeting to the directors or by authorising the company secretary (if any) to give such notice

8. QUORUM AND VOTING FOR DIRECTORS' MEETINGS

- 8 1 Subject to article 8 2 and article 8 3, and provided that an FT Director has been appointed to the Board, the quorum for the transaction of business at a meeting of directors is any two eligible directors, consisting of the Pembroke Director and the FT Director, but the quorum at any such meeting shall be only one director (namely the Pembroke Director) if no FT Director has at the relevant time been appointed to the Board No business shall be conducted at any meeting of the directors unless a quorum is present at the beginning of the meeting and at the time when there is to be voting on any business
- 8 2 For the purposes of any meeting (or part of a meeting) held pursuant to article 11 to authorise a director's conflict, if there is only one eligible director in office other than the conflicted director(s), the quorum for such meeting (or part of a meeting) shall be one eligible director
- 8 3 If a quorum is not present within 30 minutes after the time specified for a directors' meeting in the notice of the meeting then it shall (unless all directors otherwise agree) be adjourned for 5 Business Days to the same time and place If the director who failed to attend the originally scheduled board meeting fails to attend the adjourned board meeting, his presence shall not be required at the reconvened meeting in order for such meeting to be considered quorate
- 8 4 Meetings of directors shall make decisions by passing resolutions A resolution is passed if a majority of votes are cast in favour of it At any meeting of the Board and on any resolution of the directors of the Company the Pembroke Director (and any alternate of the Pembroke Director) shall be entitled to cast one vote, the FT Director (and any alternate of the FT Director) shall be entitled to cast one vote, and the CF Director (and any alternate of the CF Director) shall be entitled to cast one vote
- 8 5 If the total number of directors in office for the time being is less than the quorum required, the directors must not take any decision other than a decision
- (a) to appoint further directors, or
 - (b) to call a general meeting so as to enable the shareholders to appoint further directors

9. CASTING VOTE

- 9.1 The post of Chairman shall be nominated by the Pembroke Director. The Chairman shall not have a second or casting vote.

10. TRANSACTIONS OR OTHER ARRANGEMENTS WITH THE COMPANY

Subject to sections 177(5) and 177(6) and sections 182(5) and 182(6) of the Act and provided he has declared the nature and extent of his interest in accordance with the requirements of the Companies Acts, a director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the Company

- (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) shall be an eligible director for the purposes of any proposed decision of the directors (or committee of directors) in respect of such existing or proposed transaction or arrangement in which he is interested,
- (c) shall be entitled to vote at a meeting of directors (or of a committee of the directors) or participate in any unanimous decision, in respect of such existing or proposed transaction or arrangement in which he is interested,
- (d) 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,
- (e) 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 in which the Company is otherwise (directly or indirectly) interested, and
- (f) shall not, save as he may otherwise agree, be accountable to the Company for any benefit which he (or a person connected with him (as defined in section 252 of the Act)) derives from any such transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the Act

11. DIRECTORS' CONFLICTS OF INTEREST

- 11.1 The directors may, in accordance with the requirements set out in this article, authorise any matter or situation proposed to them by any director which would, if

not authorised, involve a director (an **Interested Director**) breaching his duty under section 175 of the Act to avoid conflicts of interest (**Conflict**)

11.2 Any authorisation under this article 11 will be effective only if

- (a) to the extent permitted by the Act, the matter in question shall have been proposed by any director for consideration in the same way that any other matter may be proposed to the directors under the provisions of these Articles or in such other manner as the directors may determine,
- (b) any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested Director or any other interested director, and
- (c) the matter was agreed to without the Interested Director voting or would have been agreed to if the Interested Director's and any other interested director's vote had not been counted

11.3 Any authorisation of a Conflict under this article 11 may (whether at the time of giving the authorisation or subsequently)

- (a) extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised,
- (b) provide that the Interested Director be excluded from the receipt of documents and information and the participation in discussions (whether at meetings of the directors or otherwise) related to the Conflict,
- (c) provide that the Interested Director shall or shall not be an eligible director in respect of any future decision of the directors in relation to any resolution related to the Conflict,
- (d) impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the directors think fit,
- (e) provide that, where the Interested Director obtains, or has obtained (through his involvement in the Conflict and otherwise than through his position as a director of the Company) information that is confidential to a third party, he will not be obliged to disclose that information to the Company, or to use it in relation to the Company's affairs where to do so would amount to a breach of that confidence, and
- (f) permit the Interested Director to absent himself from the discussion of matters relating to the Conflict at any meeting of the directors and be excused from reviewing papers prepared by, or for, the directors to the extent they relate to such matters

- 11 4 Where the directors authorise a Conflict, the Interested Director will be obliged to conduct himself in accordance with any terms and conditions imposed by the directors in relation to the Conflict
- 11 5 The directors may revoke or vary such authorisation at any time, but this will not affect anything done by the Interested Director, prior to such revocation or variation, in accordance with the terms of such authorisation
- 11 6 A director is not required, by reason of being a director (or because of the fiduciary relationship established by reason of being a director), to account to the Company for any remuneration, profit or other benefit which he derives from or in connection with a relationship involving a Conflict which has been authorised by the directors or by the Company in general meeting (subject in each case to any terms, limits or conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds

12. RECORDS OF DECISIONS TO BE KEPT

Where decisions of the directors are taken by electronic means, such decisions shall be recorded by the directors in permanent form, so that they may be read with the naked eye

13. INFORMATION RIGHTS

- 13 1 The Company shall provide and the shareholders shall procure (so far as they are able) that the Company provides appropriate management reports and management accounts to Pembroke and Flying Tiger from time to time, which shall include
- (a) quarterly management reports distributed within one month of the end of each quarter,
 - (b) monthly management accounts distributed within 3 weeks of the end of each month,
 - (c) annual accounts to be distributed within 3 months of the end of each year, and
 - (d) the Company's cash position each week on Tuesday morning

14. NUMBER OF DIRECTORS

- 14 1 Unless otherwise determined by ordinary resolution, the number of directors (other than alternate directors) shall not be less than two

- 14 2 The Board shall consist of up to three directors. For so long as CF holds shares in the Company (whether in his own name or through a nominee), he shall have the right to appoint one director as he determines and to remove such person from the Board and to appoint another person in their place, whether himself or another person (**CF Director**). On the date of adoption of these Articles, the CF Director is Charles Finch. For so long as Flying Tiger holds more than 20% of the issued shares in the Company (whether in its own name or through a nominee), it shall have the right to appoint one director as it determines and to remove such person from the Board and to appoint another person in their place (**FT Director**). On the date of adoption of these Articles, no such FT Director will be appointed to the Board but, subject to the proviso in the previous sentence, Flying Tiger may at any time thereafter appoint such person as it determines as the FT Director. For so long as Pembroke or PD holds shares in the Company, Pembroke shall have the right to appoint to and remove from the Board one director nominated by it (**Pembroke Director**). On the date of adoption of these Articles, the Pembroke Director is Andrew Wolfson. The appointment and removal of any director under this article shall be made by notice in writing to the Company. Other than pursuant to the terms of this article, the decision to appoint or remove a director (other than the CF Director, the FT Director and the Pembroke Director) shall be a decision of the Board.

15. APPOINTMENT OF DIRECTORS

In any case where, as a result of death or bankruptcy, the Company has no shareholders and no directors, the transmittee(s) of the last shareholder to have died or to have a bankruptcy order made against him (as the case may be) have the right, by notice in writing, to appoint a natural person (including a transmittee who is a natural person), who is willing to act and is permitted to do so, to be a director.

16. APPOINTMENT AND REMOVAL OF ALTERNATE DIRECTORS

- 16 1 Any director (**appointor**) may appoint as an alternate any other director, or any other person approved by resolution of the directors (and may remove from office an alternate director so appointed by him), to

- (a) exercise that director's powers, and
- (b) carry out that director's responsibilities,

in relation to the taking of decisions by the directors, in the absence of the alternate's appointor.

- 16 2 Any appointment or removal of an alternate must be effected by notice in writing to the Company signed by the appointor, or in any other manner approved by the directors.

16 3 The notice must

- (a) identify the proposed alternate, and
- (b) in the case of a notice of appointment, contain a statement signed by the proposed alternate that the proposed alternate is willing to act as the alternate of the director giving the notice

17. RIGHTS AND RESPONSIBILITIES OF ALTERNATE DIRECTORS

17 1 An alternate director may act as alternate director to more than one director and has the same rights in relation to any decision of the directors as the alternate's appointor

17 2 Except as the Articles specify otherwise, alternate directors

- (a) are deemed for all purposes to be directors,
- (b) are liable for their own acts and omissions,
- (c) are subject to the same restrictions as their appointors, and
- (d) are not deemed to be agents of or for their appointors

and, in particular (without limitation), each alternate director shall be entitled to receive notice of all meetings of directors and of all meetings of committees of directors of which his appointor is a member

17 3 A person who is an alternate director but not a director

- (a) may be counted as participating for the purposes of determining whether a quorum is present (but only if that person's appointor is not participating),
- (b) may participate in a unanimous decision of the directors (but only if his appointor is an eligible director in relation to that decision, but does not participate), and
- (c) shall not be counted as more than one director for the purposes of articles 17 3(a) and (b)

17 4 A director who is also an alternate director is entitled, in the absence of his appointor, to a separate vote on behalf of his appointor, in addition to his own vote on any decision of the directors (provided that his appointor is an eligible director in relation to that decision)

17 5 An alternate director may be paid expenses and may be indemnified by the Company to the same extent as his appointor but shall not be entitled to receive any remuneration from the Company for serving as an alternate director except such part

of the alternate's appointor's remuneration as the appointor may direct by notice in writing made to the Company

18. TERMINATION OF ALTERNATE DIRECTORSHIP

An alternate director's appointment as an alternate terminates

- (a) when the alternate's appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate,
- (b) on the occurrence, in relation to the alternate, of any event which, if it occurred in relation to the alternate's appointor, would result in the termination of the appointor's appointment as a director,
- (c) on the death of the alternate's appointor, or
- (d) when the alternate's appointor's appointment as a director terminates

19. MINORITY SHAREHOLDER PROTECTIONS

19.1 The shareholders shall, for as long as they hold shares in the capital of the Company, procure (so far as they are able) that the Company shall not (and the Company shall procure that no subsidiary of the Company shall) take any of the following actions without the prior approval in writing of Pembroke

- (a) increasing the amount of the Company's issued share capital, granting any option or other interest (in the form of convertible securities or in any other form) over or in its share capital, redeeming or purchasing any of its own shares or effecting any other reorganisation of its share capital,
- (b) Issuing any loan capital in the Company or entering into any commitment with any person with respect to the issue of any loan capital,
- (c) Making any borrowing other than from its bankers in the ordinary and usual course of business,
- (d) Applying for the listing or trading of any shares or debt securities on any stock exchange or market,
- (e) Altering in any respect these Articles or the rights attaching to any of the shares in the Company,
- (f) Entering into any arrangement, contract or transaction outside the normal course of the Company's business or otherwise than on arm's length terms,
- (g) Giving notice of termination of any arrangements, contracts or transactions which are material in the nature of the Company's business, or materially varying any such arrangements, contracts or transactions,
- (h) Amalgamating or merging the Company with any other company or business undertaking,

- (i) Making any acquisition or disposal by the Company of any assets in excess of £50,000,
- (j) Engaging or employing any person for a remuneration in excess of £40,000 per annum,
- (k) Granting any rights (by licence or otherwise) in or over any intellectual property owned or used by the Company, other than in the usual course of business,
- (l) Instituting, settling or compromising any material legal proceedings (other than debt recovery proceedings in the ordinary course of business) instituted or threatened against the Company or submitting to arbitration or alternative dispute resolution any dispute involving the Company,
- (m) Making or permitting to be made any material change in the accounting policies and principles adopted by the Company in the preparation of its audited and management accounts except as may be required to ensure compliance with relevant accounting standards under the Act or any other generally accepted accounting principles in the United Kingdom,
- (n) Making any agreement with any revenue or tax authorities or making any claim, disclaimer, election or consent exceeding £15,000 for tax purposes in relation to the Company or its business

20. TRANSFER OF SHARES

- 20 1 Other than pursuant to article 20 2, no shareholder shall sell, transfer, assign, pledge, charge, create an Encumbrance over or otherwise dispose of any share or any interest in any share in the capital of the Company without the prior approval in writing of Pembroke
- 20 2 A shareholder may transfer all or any of its or his shares in the capital of the Company to any of the following persons (each a **Permitted Transferee**) subject to the Permitted Transferee agreeing forthwith to transfer all of its or his shares in the capital of the Company back to the transferor shareholder or to another Permitted Transferee of the original transferor shareholder forthwith upon the Permitted Transferee ceasing to be a Permitted Transferee of the transferor shareholder
- (a) a person (**Family Member**) being the spouse, child or other direct descendant or ancestor of the transferor shareholder, or
 - (b) trustees to hold on any trust under which the beneficiaries or potential beneficiaries are exclusively the transferor shareholder and/or one or more of his/her Family Members; or
 - (c) a Group Company of the transferor shareholder
- 20 3 Except for a transfer of shares which is permitted under article 20 2, or otherwise subject to obtaining the prior approval in writing of Pembroke under article 20 1, no

share (or any interest in any share) in the capital of the Company shall be transferred unless and until the following provisions of this article 20 are complied with

- 20 4 Any shareholder proposing to transfer any shares in the capital of the Company (**Proposed Transferor**) shall give notice in writing (**Transfer Notice**) to the Board that the Proposed Transferor desires to transfer such shares. In the Transfer Notice the Proposed Transferor shall specify
- (a) the number of shares which the Proposed Transferor wishes to transfer (**Transfer Shares**) (which may be all or part only of the shares then held by the Proposed Transferor),
 - (b) the price at which the Proposed Transferor wishes to sell the Transfer Shares (**Transfer Price**) and the identity of any person who has indicated a willingness to purchase the Transfer Shares at such price (**Proposed Transferee**). A Transfer Notice, once given, shall be irrevocable, except with the consent of the Board
- 20 5 A Transfer Notice shall also state whether the Proposed Transferor wishes to impose a **Total Transfer Condition** (being a condition that unless all of the Transfer Shares are sold to the other shareholders (other than the Proposed Transferor) pursuant to the following provisions of this article, the provisions of article 20 9(b) shall apply), but in the absence of such a statement the Transfer Notice shall be deemed not to contain a Total Transfer Condition
- 20 6 The Transfer Notice shall constitute the Company (by the Board) as the agent of the Proposed Transferor with authority to sell the Transfer Shares (together with all rights attaching thereto at the date of the Transfer Notice or at any time thereafter) at the Transfer Price on the terms of this article 20
- 20 7 The Transfer Shares shall, within 10 Business Days of receipt of the Transfer Notice by the Board, be offered to the remaining shareholders (other than the Proposed Transferor) in proportion to their holding of shares in the capital of the Company. If any shareholder(s) do not wish to take their full allocation of shares, the other shareholders shall be entitled to purchase such shares (and in the case of competition between shareholders, in proportion to their relative holding of shares). The Board shall, acting reasonably, determine the process and timescales within which the Transfer Shares shall be offered to the remaining shareholders, save that the remaining shareholders shall be given a period of no less than 10 Business Days and no greater than 30 Business Days to confirm the number of shares they wish to purchase and to transfer cleared funds for the purchase of any such shares to the Company
- 20 8 At completion of any purchase of Transfer Shares, the Company shall (subject to receipt thereof from the relevant purchasers) pay the total Transfer Price for the Transfer Shares in cleared funds to the Proposed Transferor
- 20 9 If, following the exhaustion of the above provisions, the Board does not receive acceptances from shareholders in respect of all the Transfer Shares, the Proposed Transferor may either
- (a) , in the case where no Total Transfer Condition applies, sell to the remaining shareholders (other than the Proposed Transferor) such number

of the Transfer Shares which have been accepted as aforesaid and, within a period of 3 months thereafter, sell any of the Transfer Shares which have not been accepted as aforesaid to the Proposed Transferee identified in the Transfer Notice (or its nominee), or

- (b) , in the case where a Total Transfer Condition applies, within such 3-month period, sell all the Transfer Shares to the Proposed Transferee identified in the Transfer Notice (or its nominee),

but in each case to no other person at any price which is less than the Transfer Price and otherwise on terms and conditions which are more favourable to the relevant purchaser than those on which the Transfer Shares were offered to the shareholders under this article 20 The Board shall be entitled to refuse to register a transfer of shares to the Proposed Transferee if the Proposed Transferee is deemed by the Board (acting reasonably) to be a competitor of, or associated with a competitor of, the Company

- 20 10 If a Proposed Transferor, having become bound to transfer any Transfer Shares pursuant to this article, defaults in transferring the same the Board may authorise some person (who is (as security for the performance of the Proposed Transferor's obligations) hereby irrevocably and unconditionally appointed as the attorney of the Proposed Transferor for the purpose) to execute the necessary instrument of transfer of such Transfer Shares and may deliver it on its or his behalf and the Company may receive the purchase money and shall thereupon (subject to such instrument being duly stamped with any necessary stamp duty) cause the transferee to be registered as the holder of such Transfer Shares and shall hold such purchase money on trust on behalf of the Proposed Transferor The Company shall not be bound to earn or pay interest on any money so held and shall not pay such money to the Proposed Transferor until it or he shall have delivered its or his share certificates (or an appropriate indemnity in respect of any lost certificates) to the Company The receipt of the Company for such purchase money shall be a good discharge to the transferee who shall not be bound to see to the application thereof, and after the name of the transferee has been entered in the register of members in purported exercise of the aforesaid power the validity of the proceedings shall not be questioned by any person

21. OBLIGATORY TRANSFER EVENT

- 21 1 A shareholder is deemed to have served a Transfer Notice (a **Deemed Transfer Notice**) under article 20 4 immediately before any of the following events

- (a) in the case of an individual, if he has a bankruptcy order made against him, enters into any composition or arrangement with or for the benefit of his creditors or allows an Encumbrance over his shares in the capital of the Company, or
- (b) in the case of a company or other body corporate, if a liquidator, administrator or administrative receiver is appointed over it (or a material part of its business), or
- (c) in the case of a company or other body corporate, if there is a Change of Control thereof, or

- (d) in the case of an individual, if he or she dies
- 21 2 A Deemed Transfer Notice has the same effect as a Transfer Notice given under article 20 4, except that
 - (a) the Deemed Transfer Notice takes effect on the basis that it relates to the shareholder's entire holding of shares in the capital of the Company, does not identify a proposed buyer, does not contain a Total Transfer Condition and does not state a price for the relevant shares, and
 - (b) the Transfer Price shall be deemed to be the Fair Value of the relevant shares in respect of any transfer pursuant to articles 21 1(a) to (d) (inclusive)
- 21 3 The **Fair Value** of any shares in the capital of the Company to be transferred under these Articles pursuant to a Deemed Transfer Notice is the Relative Proportion of the amount the Expert considers to be the fair value of the entire issued share capital of the Company (with no discount being applied for the size of the Proposed Transferor's relative shareholding in the Company)
- 21 4 In determining the Fair Value of the entire issued share capital of the Company, the Expert shall rely on the following assumptions
 - (a) the sale of shares is between a willing seller and a willing buyer,
 - (b) the shares are being sold free of all restrictions, liens, charges and other Encumbrances, and
 - (c) the sale of shares is taking place on the date the Expert was requested to determine the Fair Value

22. TAG ALONG AND DRAG ALONG RIGHTS

- 22 1 Subject to prior compliance with the provisions of article 20, in the event that one or more shareholders (**Selling Shareholders**) propose to sell the legal and/or beneficial interest in such number of shares in the capital of the Company which would (if such sale completed) result in any bona fide third party proposed purchaser (**Offeror**), and any person acting in concert with the Offeror, acquiring in excess of 50% of the shares in the capital of the Company, the other shareholders (**Remaining Shareholders**) shall have the right to require that the Selling Shareholders procure that the Offeror offers to purchase all (and not some only) of the Remaining Shareholders' shares in the capital of the Company at the same price and otherwise on the same terms offered to the Selling Shareholders (**Tag Along Right**)
- 22 2 The Tag Along Right may be exercised by the Remaining Shareholders giving notice to the Selling Shareholders at any time not less than 10 Business Days prior to the date on which the Selling Shareholders sell any of their shares in the capital of the Company to the Offeror. A Tag Along Right once exercised shall be irrevocable but shall lapse (and the rights and obligations thereunder shall lapse) in the event that for any reason the Selling Shareholders do not transfer such shares to the Offeror. Upon the exercise of the Tag Along Right, the Remaining Shareholders shall be bound to accept the offer made to them by the Offeror in respect of their entire holding of shares and to comply with the obligations assumed by virtue of such acceptance

- 22 3 If the Offeror either fails to make an offer to the Remaining Shareholders in accordance with article 22 1 or fails to provide the purchase monies in accordance with any contract resulting from such offer to the Remaining Shareholders, the Selling Shareholders shall not be entitled to complete the proposed transfer of their shares to the Offeror and the Company shall not register any transfer of shares effected in accordance with such proposed transfer
- 22 4 Subject to prior compliance with the provisions of article 20, in the event that one or more shareholders (**Sellers**) propose to sell the legal and/or beneficial interest in 70% or more of the issued shares in the capital of the Company to a bona fide third party proposed purchaser (**Proposed Purchaser**), the Sellers and/or the Proposed Purchaser may require the other shareholders (**Other Shareholders**) to sell and transfer all (and not some only) of their shares in the capital of the Company to the Proposed Purchaser (or as the Proposed Purchaser directs) at the same price and otherwise on the same terms offered to the Sellers (**Drag Along Right**)
- 22 5 The Sellers and/ or the Proposed Purchaser may exercise the Drag Along Right by giving notice to the Other Shareholders at any time not less than 10 Business Days prior to the date on which the Sellers sell any of their shares in the capital of the Company to the Proposed Purchaser A Drag Along Right once exercised shall be irrevocable but shall lapse (and the rights and obligations thereunder shall lapse) in the event that for any reason the Sellers do not transfer such shares to the Proposed Purchaser Upon the exercise of the Drag Along Right, the Other Shareholders shall be bound to accept the offer made to them by the Proposed Purchaser in respect of their entire holding of shares and to comply with the obligations assumed by virtue of such acceptance
- 22 6 If any shareholder does not, on completion of the sale of shares pursuant to the exercise of the Tag Along Right or the Drag Along Right, deliver share certificates and execute transfer(s) in respect of all of the shares held by such shareholder, the defaulting shareholder shall be deemed to have irrevocably appointed any person nominated for the purpose by the Board to be their agent and attorney to execute all necessary transfer(s) on their behalf, against receipt by the Company (on trust for such shareholder) of the consideration payable for such shares, and deliver such transfer(s) to (as the case may be) the Offeror or the Proposed Purchaser (or as they may direct) as the holder thereof After (as the case may be) the Offeror or the Proposed Purchaser (or its nominee) has been registered as the holder of such shares, the validity of such proceedings shall not be questioned by any such person Failure to produce a share certificate shall not impede the registration of shares under this article
- 22 7 Notwithstanding any other provision in these Articles, in the event that a bona fide third party makes an offer to purchase all (and not some only) of the shares in the Company held by Pembroke (**Pembroke's Shares**) then such shares shall be offered in the first instance to CF at the same price and on the same terms by Pembroke giving written notice to CF (setting out the price and terms of the offer) within 10 Business Days of receiving the offer from such third party. CF shall have 10 Business Days in which to accept the offer in writing set out in such notice If CF accepts such offer in writing within such time period then Pembroke shall be bound to sell all (and not some only) of Pembroke's Shares to CF and CF shall be bound to purchase the same on the terms set out in such notice In the event that CF accepts such offer within such time period then each of the Tag Along Right and the Drag Along Right shall not apply if it would otherwise have applied but for this article 22 7 In the event

that CF does not accept such offer within such time period then for the avoidance of doubt Pembroke shall be free to sell Pembroke's Shares to the bona fide third party referred to above in this article 22.7 at the same or higher price (but not at a lesser price) than offered to CF and otherwise not on more favourable terms to such bona fide third party than those offered to CF and each of the Tag Along Right and the Drag Along Right shall continue to apply if it would otherwise have applied but for this article 22.7

23. ALLOTMENT OF EQUITY SECURITIES; PRE-EMPTION RIGHTS

- 23.1 Other than in respect of shares to be allotted and issued under articles 23.5 and 23.6, if the Company proposes to allot any equity securities, those equity securities shall not be allotted to any person unless the Company has first offered them to all shareholders on the date of the offer on the same terms, and at the same price, as those equity securities are being offered to any other persons on a pari passu and pro rata basis relative to the number of shares held by those shareholders (as nearly as possible without involving fractions)
- 23.2 Any offer made by the Company pursuant to article 23.1
- (a) shall be in writing, shall be open for acceptance for a period of 7 Business Days from the date of the offer and shall give details of the number and subscription price of the relevant equity securities, and
 - (b) may stipulate that any shareholder who wishes to subscribe for a number of equity securities in excess of the proportion to which it or he is entitled shall, in his acceptance, state the number of excess equity securities (**Excess Securities**) for which it or he wishes to subscribe
- 23.3 Any equity securities not accepted by shareholders pursuant to the offer made to them in accordance with article 23.1 shall be used for satisfying any requests for Excess Securities. If there are insufficient Excess Securities to satisfy such requests, the Excess Securities shall be allotted to the applicants pro rata to the number of shares in the capital of the Company held by the applicants immediately before the offer was made to shareholders in accordance with article 23.1 (as nearly as possible without involving fractions or increasing the number of Excess Securities allotted to any shareholder beyond that applied for by it or him). After that allotment, any Excess Securities remaining shall be offered to any other person as the Board may determine, at the same price and on the same terms as the offer to the shareholders
- 23.4 Completion of the issue of any shares under this article 23 shall take place on the date falling 5 Business Days after the shareholders have been notified of the number of shares to be allotted to them (including any Excess Securities) (**Issue Date**). On or before the Issue Date each shareholder shall make payment to the Company in cleared funds to such account as is notified by the Company for the full amount of the shares to be issued
- 23.5 In the event that the Board resolves to do so, it is proposed to allot and issue to the Management Team such number of E Shares at par which will when issued constitute up to 20% of the entire issued share capital of the Company on a fully diluted basis (the **Manager's Pool**). Each of the shareholders shall vote in favour of any resolutions required in order to enable the allotment and issue of such shares to such

persons and shall irrevocably waive any pre-emption rights that they may have under these Articles or otherwise in respect of the allotment and issue of the same

- 23 6 In the event of any future fundraising by the Company the Company shall allot and issue to the Management Team such additional number of fully paid E Shares as will ensure that the Manager's Equity Share is not reduced. Such E Shares will upon issue be paid up by way of capitalisation of certain profits or reserves of the Company or, to the extent that there are insufficient profits or reserves available to pay up the £0.01 nominal value of such shares, by such shareholders paying any such shortfall to the Company by reference to the £0.01 nominal value of such shares. Each of the shareholders shall vote in favour of any resolutions and shall irrevocably waive any pre-emption rights that he may have under these Articles or otherwise, so as to enable the allotment and issue by the Company of such shares to the Management Team to proceed at the relevant time. Each shareholder hereby irrevocably and unconditionally appoints each director of the Company (as security for the performance of the shareholder's obligations under this article) as the attorney of such shareholder to execute the necessary resolution(s) as aforesaid. The **Manager's Equity Share** is that proportion, immediately prior to any such fundraising by the Company, which the number of E Shares in the Manager's Pool which are already in issue bears to the total number of issued shares in the Company, expressed as a percentage.

24. SECRETARY

The directors may appoint any person who is willing to act as the secretary for such term, at such remuneration and upon such conditions as they may think fit and from time to time remove such person and, if the directors so decide, appoint a replacement, in each case by a decision of the directors.

25. PURCHASE OF OWN SHARES

Subject to the Act but without prejudice to any other provision of these Articles, the Company may purchase its own shares with cash up to any amount in a financial year not exceeding the lower of

- (a) £15,000, and
- (b) the value of 5% of the Company's share capital

26. GENERAL MEETINGS

Shareholders' meetings shall be held on 14 clear days' notice. No shareholders' meeting shall be held on less than 14 clear days' notice unless the holders of shares representing at least 90 per cent of the voting share capital of the Company consent to such. The quorum at any meeting of shareholders shall require the presence (whether in person or by proxy) of shareholders holding shares representing a majority of the voting share capital of the Company. No business shall be conducted at any meeting

of shareholders unless a quorum is present at the beginning of the meeting and at the time when there is to be voting on any business

27. POLL VOTES

- 27 1 A poll may be demanded at any general meeting by any qualifying person (as defined in section 318 of the Act) present and entitled to vote at the meeting
- 27 2 Article 44(3) of the Model Articles shall be amended by the insertion of the words "A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made" as a new paragraph at the end of that article

28. PROXIES

- 28 1 Article 45(1)(d) of the Model Articles shall be deleted and replaced with the words "is delivered to the Company in accordance with the Articles not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in accordance with any instructions contained in the notice of the general meeting (or adjourned meeting) to which they relate"
- 28 2 Article 45(1) of the Model Articles shall be amended by the insertion of the words "and a proxy notice which is not delivered in such manner shall be invalid, unless the directors, in their discretion, accept the notice at any time before the meeting" as a new paragraph at the end of that article

29. MEANS OF COMMUNICATION TO BE USED

- 29 1 Any notice, document or other information shall be deemed served on or delivered to the intended recipient
- (a) if properly addressed and sent by prepaid United Kingdom first class post to an address in the United Kingdom, 48 hours after it was posted (or five Business Days after posting either to an address outside the United Kingdom or from outside the United Kingdom to an address within the United Kingdom, if (in each case) sent by reputable international overnight courier addressed to the intended recipient, provided that delivery in at least five Business Days was guaranteed at the time of sending and the sending party receives a confirmation of delivery from the courier service provider),
 - (b) if properly addressed and delivered by hand, when it was given or left at the appropriate address,
 - (c) if properly addressed and sent or supplied by electronic means, one hour after the document or information was sent or supplied, and

- (d) if sent or supplied by means of a website, when the material is first made available on the website or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on the website

For the purposes of this article, no account shall be taken of any part of a day that is not a Business Day

- 29 2 In proving that any notice, document or other information was properly addressed, it shall suffice to show that the notice, document or other information was addressed to an address permitted for the purpose by the Act

30. COMPANY'S LIEN OVER SHARES

- 30 1 The Company has a lien (the **Company's lien**) over every share, whether or not fully paid, which is registered in the name of any person indebted or under any liability to the Company, whether he is the sole registered holder of the share or one of several joint holders, for all monies payable by him (either alone or jointly with any other person) to the Company, whether payable immediately or at some time in the future

- 30 2 The Company's lien over a share

- (a) takes priority over any third party's interest in that share, and
- (b) extends to any dividend or other 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

- 30 3 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

31. ENFORCEMENT OF THE COMPANY'S LIEN

- 31 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,

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

- 31 2 **A lien enforcement notice**

- (a) may be given by the Board,

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

31 3 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 to 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

31 4 The net proceeds of any such sale (after payment of the costs of sale and any other costs of enforcing the lien) must be applied

- (a) first, in payment of so much of the sum for which the lien exists as was payable at the date of the lien enforcement notice, and
- (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 an indemnity in a form reasonably satisfactory to the directors has been given for any lost certificates, and subject to a lien equivalent to the Company's lien for any money payable (whether payable immediately or at some time in the future) as existed upon the shares before the sale in respect of all shares registered in the name of such person (whether as the sole registered holder or as one of several joint holders) after the date of the lien enforcement notice

31 5 A statutory declaration by a director or the company secretary that the declarant is a director or the company secretary and that a share has been 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

32. CALL NOTICES

32 1 Subject to the Articles and the terms on which shares are allotted, the directors may send a notice (a **call notice**) to a shareholder requiring the shareholder to pay the Company a specified sum of money (a **call**) which is payable to the Company at the date when the directors decide to send the call notice

32 2 A call notice

- (a) may not require a shareholder to pay a call which exceeds the total amount of his indebtedness or liability to the Company,
- (b) must state when and how any call to which it relates is to be paid, and
- (c) may permit or require the call to be made in instalments

32 3 A shareholder must comply with the requirements of a call notice, but no shareholder is obliged to pay any call before 14 clear days (that is, excluding the date on which the notice is given and the date on which that 14 day period expires) have passed since the notice was sent

32 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,

by a further notice in writing to the shareholder in respect of whose shares the call is made

33. LIABILITY TO PAY CALLS

33 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

33 2 Joint holders of a share are jointly and severally liable to pay all calls in respect of that share

33 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

34. WHEN CALL NOTICE NEED NOT BE ISSUED

34 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

- (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

34 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

35. FAILURE TO COMPLY WITH CALL NOTICE: AUTOMATIC CONSEQUENCES

35 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

35 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, and
- (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

35 3 The directors may waive any obligation to pay interest on a call wholly or in part

36. NOTICE OF INTENDED FORFEITURE

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 all the joint holders of that share) or to a transmittee of that holder,
- (c) must require payment of the call and any accrued interest by a date which is not less than 14 clear days after the date of the notice (that is, excluding the date on which the notice is given and the date on which that 14 day period expires),
- (d) must state how the payment is to be made, and
- (e) must state that if the notice is not complied with, the shares in respect of which the call is payable will be liable to be forfeited

37. DIRECTORS' POWER TO FORFEIT SHARES

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

38. EFFECT OF FORFEITURE

38 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

38 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

38 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 shareholders,
- (b) that person ceases to be a shareholder in respect of those shares,
- (c) that person must surrender the certificate for the shares forfeited to the Company for cancellation,
- (d) that person remains liable to the Company for all sums payable by that person under the Articles at the date of forfeiture in respect of those shares, including any interest (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

38 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

39. PROCEDURE FOLLOWING FORFEITURE

39 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

39 2 A statutory declaration by a director or the company secretary that the declarant is a director or the company secretary and that a share has been forfeited on a specified date

- (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

39 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

39 4 If the Company sells a forfeited share, the person who held it prior to its forfeiture is entitled to receive from the Company the proceeds of such sale, net of any commission, and excluding any amount which

- (a) was, or would have become, payable, and

- (b) had not, when that share was forfeited, been paid by that person in respect of that share,

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

40. SURRENDER OF SHARES

40 1 A shareholder may surrender any share

- (a) in respect of which the directors may issue a notice of intended forfeiture,
- (b) which the directors may forfeit, or
- (c) which has been forfeited

40 2 The directors may accept the surrender of any such share

40 3 The effect of surrender on a share is the same as the effect of forfeiture on that share

40 4 A share which has been surrendered may be dealt with in the same way as a share which has been forfeited

41. INDEMNITY

41 1 Subject to article 41 2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled

- (a) each relevant officer shall be indemnified out of the Company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a relevant officer in the actual or purported execution and/or discharge of his duties, or in relation to them, including any liability incurred by him in defending any civil or criminal proceedings, in which judgment is given in his favour or in which he is acquitted or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part or in connection with any application in which the court grants him, in his capacity as a relevant officer, relief from liability for negligence, default, breach of duty or breach of trust in relation to the Company's (or any associated company's) affairs, and
- (b) the Company may provide any relevant officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings or application referred to in article 41 1(a) and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure

41 2 This article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law

41 3 In this article

- (a) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate, and
- (b) a "relevant officer" means any director or other officer or former director or other officer of the Company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act))

42. INSURANCE

42 1 The directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any relevant officer in respect of any relevant loss

42 2 In this article

- (a) a "relevant officer" means any director or other officer or former director or other officer of the Company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act)),
- (b) a "relevant loss" means any loss or liability which has been or may be incurred by a relevant officer in connection with that relevant officer's duties or powers in relation to the Company, any associated company or any pension fund or employees' share scheme of the Company or associated company, and
- (c) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate