

Company Number: 07349554

**THE COMPANIES ACT 2006**  
**COMPANY LIMITED BY SHARES**  
**WRITTEN RESOLUTION**

-of-

**ASTUTIS LIMITED**  
**("the Company")**

Circulation Date: *5<sup>th</sup> January 2011*

Resolution passed on: *5<sup>th</sup> January 2011*



Pursuant to section 288 of the Companies Act 2006, I, the undersigned being the only member of the Company entitled to attend and vote at a general meeting of the Company, **HEREBY RESOLVE** and agree that the following resolutions ("Resolutions"), proposed by the directors of the Company, be passed as special resolutions in respect of Resolutions 1, 2 and 5 and as an ordinary resolution in respect of Resolutions 3 and 4 and that such resolutions be as valid and effectual as if they had been passed at a general meeting of the Company duly convened and held

**RESOLUTIONS**

- 1 **THAT** the regulations contained in the document attached hereto and initialled for the purpose of identification 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
- 2 **THAT** the existing issued share of £1 00 held by M and A Secretaries Limited in the capital of the Company be reclassified as an "A" ordinary share of £1 00
- 3 **THAT** in substitution for any previous authorities conferred upon the directors (under section 80 of the Companies Act 1985 or section 551 of the Companies Act 2006), the directors be and they are hereby generally and unconditionally authorised for the purposes of section 551 of the Companies Act 2006 ("Act") to exercise all powers of the Company to allot relevant securities (within the meaning of that section) up to an aggregate of 50,000 A Ordinary Shares having an aggregate nominal value of £50,000, provided that this authority shall, unless renewed, varied or revoked by the Company in general meeting, expire 5 years from the date of the passing of this resolution, but the Company may, before such expiry, make an offer or agreement which would or might require relevant securities to be allotted after such expiry, and the directors may allot relevant securities in pursuance of such offer or agreement notwithstanding that the authority conferred by this resolution has expired
- 4 **THAT** in addition to the authority referred to in Resolution 3 above, the directors be and they are hereby generally and unconditionally authorised for the purposes of section 551 of the Companies Act 2006 ("Act") to exercise all powers of the Company

to allot relevant securities (within the meaning of that section) up to an aggregate of 50,000 B Ordinary Shares having an aggregate nominal value of £50,000, provided that this authority shall, unless renewed, varied or revoked by the Company in general meeting, expire 5 years from the date of the passing of this resolution, but the Company may, before such expiry, make an offer or agreement which would or might require relevant securities to be allotted after such expiry, and the directors may allot relevant securities in pursuance of such offer or agreement notwithstanding that the authority conferred by this resolution has expired

- 5 THAT, subject to the passing of the Resolutions 3 and 4 above, in accordance with section 570 of the 2006 Act, the directors be generally empowered to allot equity securities (as defined in section 560 of the 2006 Act) pursuant to the authorities conferred by Resolutions 3 and 4, as if section 561(1) of the 2006 Act did not apply to any such allotment, provided that this power shall be limited to the allotment of equity securities up to the aggregate nominal amounts specified in Resolutions 3 and 4 above and provided that it shall expire 5 years from the date of the passing of this resolution (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

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

The undersigned, being persons entitled to vote on the Resolutions on *5<sup>th</sup> January* 2011, hereby irrevocably agree to the Resolutions set out above -

**Shareholder**

**Signature**

**Date of Signature**

**M AND A  
SECRETARIES LIMITED**



*5<sup>th</sup> January 2011*

**Notes**

- 1 You can choose to agree to all of the Resolutions or none of them, but you cannot agree to only some of the Resolutions
- 2 If you agree to all of the Resolutions, please indicate your agreement by signing and dating this document where indicated above and returning it to the Company by hand or by post to the registered office of the Company or by fax or email marked for the attention of the Company Secretary
- 3 If you do not agree to the Resolutions, you do not need to do anything You will not be deemed to agree if you fail to reply
- 4 Once you have indicated your agreement to the Resolutions, you may not revoke your agreement

- 5 Unless by 3<sup>rd</sup> February 2011 sufficient agreement has been received for the Resolutions to pass, they will lapse. If you agree to the Resolutions, please ensure that your agreement reaches us before or during this date.
- 6 If you are signing this document on behalf of a person under a power of attorney or other authority, please send a copy of the relevant power of attorney or authority when returning this document.
- 7 In the case of joint holders of shares, only the vote of the senior holder who votes will be counted by the Company. Seniority is determined by the order in which the names of the joint holders appear in the register of members.

**Company No: 07349554**

**THE COMPANIES ACT 2006  
COMPANY LIMITED BY SHARES**

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**ARTICLES OF ASSOCIATION**

**of**

**ASTUTIS LIMITED**

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**(adopted by Special Resolution  
passed on 5<sup>th</sup> January 2011)**

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Company No: 07349554

**THE COMPANIES ACT 2006**  
**COMPANY LIMITED BY SHARES**  
**ARTICLES OF ASSOCIATION**  
**of**  
**ASTUTIS LIMITED**  
**("the Company")**

(adopted by Special Resolution  
passed on 5<sup>th</sup> January 2011)

**1 Definitions**

1 1 In these Articles the following words and expressions shall, unless the context otherwise requires, bear the following meanings -

**"A Director"** means any director appointed to the Company by holders of the A Ordinary Shares,

**"A Ordinary Share"** means an A ordinary share of £1 00 in the capital of the Company designated as an A Ordinary Share,

**"A Loan Notes"** means any Series A loan notes to be constituted by and issued pursuant to the A Loan Note Instrument from time to time,

**"A Loan Note Instrument"** means the instrument constituting the A Loan Notes,

**"Act"** means the Companies Act 2006,

**"Acting in Concert"** means as set out in the City Code on Takeovers and Mergers,

**"appointor"** has the meaning given in article 12 1,

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

**"Auditors"** means the auditors of the Company from time to time,

**"B Director"** means any director appointed to the Company by holders of the B Ordinary Shares,

**"B Ordinary Share"** means a B ordinary share of £1 00 in the capital of the Company designated as a B Ordinary Share,

**"Bad Leaver"** means any holder of B Ordinary Shares, who holds Shares and who ceases to be an employee of any member of the Group in circumstances where the relevant person -

(a) is not a Good Leaver, or

(b) ceases to be employed by the Company or any member of the Group at any time by reason of the person being summarily dismissed or where such person has committed fraud,

**"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,

**"Change of Control"** means the transfer of Shares as a result of which any person or persons Connected with each other or persons Acting in Concert with each other (not being Shareholders at the date hereof) would obtain Control over or increase Control beyond that number of Shares in the Company which in aggregate confer 50% or more of the voting rights normally exercisable at general meetings of the Company,

**"Conflict"** has the meaning given in article 9 1,

**"Connected"** means as defined in section 839 of the Income and Corporation Taxes Act 1988,

**"Control"** means the right by virtue of holding Shares in, or the possession of voting power in or in relation to, the Company or any other body corporate to exercise or procure the exercise of the voting rights attached to Shares,

**"Eligible Director"** means any Eligible A Director or Eligible B Director (as the case may be),

**"Eligible A Director"** means an A Director who would be entitled to vote on the matter at a meeting of directors (but excluding any A Director whose vote is not to be counted in respect of the particular matter),

**"Eligible B Director"** means a B Director who would be entitled to vote on the matter at a meeting of directors (but excluding any B Director whose vote is not to be counted in respect of the particular matter),

**"Final Repayment Date"** means the date upon which the A Loan Notes (together with all accrued interest due under the A Loan Note Instruments) have been repaid in full,

**"Good Leaver"** means any holder of B Ordinary Shares, who holds Shares and who ceases to be an employee of any member of the Group -

(a) as a result of death,

(b) as a result of physical or mental deterioration which, in the opinion of the Board acting reasonably, is sufficiently serious to prevent the relevant person from following his normal employment,

(c) as a result of retirement at normal retirement age in accordance with that person's contract of employment,

- (d) as a result of a subsidiary of the Company ceasing to be a subsidiary of the Company,
- (e) after the Final Repayment Date (other than in the circumstances set out in paragraph (b) of the definition of "Bad Leaver"),

**"Group"** means the Company and each of its subsidiaries and any holding company of the Company from time to time and **"member of the Group"** shall be construed accordingly, and the terms 'subsidiary' and 'holding company' shall have the meanings ascribed to them by section 1159 of the Act,

**"Interested Director"** has the meaning given in article 9 1,

**"Investment and Shareholders Agreement"** means the investment and shareholders agreement in respect of the Company to be entered into on or around the date of these Articles,

**"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,

**"Permitted Group"** means in relation to a company (wherever incorporated), any wholly-owned subsidiary of that company, any company of which it is a Subsidiary (its holding company) and any other Subsidiaries of any such holding company, and each company in a Permitted Group is a member of the Permitted Group. Unless the context otherwise requires, the application of the definition of Permitted Group to any company at any time will apply to the company as it is at that time,

**"Permitted Transferee"** means any person to whom a holder of Shares is permitted to transfer Shares pursuant to article 15,

**"Shareholders"** means the holders of Shares for the time being in the capital of the Company,

**"Shares"** means the A Ordinary Shares and the B Ordinary Shares in the issued share capital of the Company from time to time,

**"Subsidiary"** means in relation to a company wherever incorporated (a holding company) means "subsidiary" as defined in section 1159 of the Act and any other company which is itself a subsidiary (as so defined) of a company which is itself a subsidiary of such holding company. Unless the context requires otherwise, the application of the definition of Subsidiary to any company at any time shall apply to the company as it is at that time, and

**"Writing or written"** 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

- 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 but excluding any statutory modification of them not in force on the date when these Articles become binding on the Company

- 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 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 6 Save as expressly provided otherwise in these Articles, any reference to any statutory provision shall be deemed to include a reference to each and every statutory amendment, modification, re-enactment and extension thereof for the time being in force

## **2 Adoption of the Model Articles**

- 2 1 The Model Articles shall apply to the Company, except in so far as they are modified or excluded by these Articles or are inconsistent with these Articles, and, subject to any such modifications, exclusions or inconsistencies, shall together with these Articles constitute the articles of association of the Company to the exclusion of any other articles or regulations set out in any statute or in any statutory instrument or other subordinate legislation
- 2 2 Articles 6(2), 7, 8, 9(1), 11 to 14 (inclusive), 16, 17, 18, 26(5), 27 to 29 (inclusive), 36, 38, 39, 43, 44(2), 49 and 50 to 53 (inclusive) of the Model Articles shall not apply to the Company
- 2 3 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"
- 2 4 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"
- 2 5 Articles 31(a) to (d) (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"

## **3 Directors' Meetings**

- 3 1 Any decision of the directors must be taken at a meeting of directors in accordance with these Articles or must be a decision taken in accordance with Article 4
- 3 2 Subject as provided in these Articles, the directors may participate in directors' meetings for the despatch of business, adjourn and otherwise regulate their meetings as they think fit



3 3 All decisions made at any meeting of the directors shall be made only by resolution and resolutions at any meeting of the directors or committee of the directors shall be decided by a majority of votes

3 4 If at any time at or before any meeting of the directors all A Directors participating or all B Directors participating should request that the meeting be adjourned or reconvened to another time or date (whether to enable further consideration to be given to any matter or for other directors to participate or for any other reason, which need not be stated) then such meeting shall be adjourned or reconvened accordingly, and no business shall be conducted at that meeting after such a request has been made. No meeting of directors may be adjourned pursuant to this article more than once

#### **4 Unanimous Decisions of Directors**

4 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

4 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

4 3 A decision may not be taken in accordance with this article if the Eligible Directors would not have formed a quorum at a directors' meeting to vote on the matter in accordance with article 7

#### **5 Number of Directors**

The number of directors shall not be less than one but there shall be no maximum number of directors

#### **6 Calling a Directors' Meeting**

6 1 Any director may call a meeting of directors by giving not less than five Business Days' notice of the meeting (unless the Eligible A Directors agree that circumstances do not permit) to each director or by authorising the Company secretary (if any) to give such notice

6 2 Notice of any directors' meeting must be accompanied by

6 2 1 an agenda specifying in reasonable detail the matters to be raised at the meeting, and

6 2 2 copies of any papers to be discussed at the meeting

6 3 Matters not on the agenda, or business conducted in relation to those matters, may not be raised at a meeting of directors unless the Eligible A Directors agree

#### **7 Quorum for Directors' Meetings**

The quorum at any meeting of the directors (including adjourned meetings) shall be two directors, of whom two at least shall be Eligible A Directors (or their alternates). No business shall be conducted at any meeting of the directors unless a quorum is participating at the beginning of the meeting and also when that business is voted on

If a quorum is not participating within 30 minutes of the time specified for the relevant meeting in the notice of the meeting then the meeting shall be adjourned for 5 Business Days at the same time and place

## 8 Chairing of Directors' Meetings

The post of chairman of the directors will be held by an A Director. The chairman shall not have a casting vote. If the chairman for the time being is unable to attend any meeting of the board of directors, the shareholder who appointed him shall be entitled to appoint another of its nominated directors to act as chairman at the meeting.

## 9 Directors' Interests

9.1 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 (the "**Interested Director**") breaching his duty under section 175 of the Act to avoid conflicts of interest ("**Conflict**")

9.2 Any authorisation under this article will be effective only if

9.2.1 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,

9.2.2 any requirement as to the quorum for consideration of the relevant matter is met without counting the *Interested Director*, and

9.2.3 the matter was agreed to without the *Interested Director* voting or would have been agreed to if the *Interested Director's* vote had not been counted

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

9.3.1 extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised,

9.3.2 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,

9.3.3 provide that the *Interested Director* will or will not be an Eligible Director in respect of any future decision of the directors in relation to any resolution related to the Conflict,

9.3.4 impose upon the *Interested Director* such other terms for the purposes of dealing with the Conflict as the directors think fit,

9.3.5 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

- 9 3 6 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
- 9 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
- 9 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
- 9 6 A director, notwithstanding his office, may be a director or other officer of, employed by, or otherwise interested (including by the holding of shares) in, the shareholder who appointed him as a director of the Company, or any other member of such shareholder's Permitted Group, and no authorisation under article 9 1 shall be necessary in respect of any such interest
- 9 7 Any A Director or B Director shall be entitled from time to time to disclose to the holders of the A Ordinary Shares or (as the case may be) the holders of the B Ordinary Shares such information concerning the business and affairs of the Company as he shall at his discretion see fit, subject only to the condition that if there be more than one A shareholder or (as the case may be) B shareholder, the director concerned shall ensure that each of the shareholders of the same class receives the same information on an equal footing
- 9 8 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 in accordance with these Articles or by the Company in general meeting (subject in each case to any terms and conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds
- 9 9 Subject to sections 177(5) and 177(6) of the Act, a director who is in any way, whether directly or indirectly, interested in a proposed transaction or arrangement with the Company shall declare the nature and extent of his interest to the other directors before the Company enters into the transaction or arrangement in accordance with the Act
- 9 10 Subject to sections 182(5) and 182(6) of the Act, a director who is in any way, whether directly or indirectly, interested in a transaction or arrangement that has been entered into by the Company shall declare the nature and extent of his interest to the other directors as soon as is reasonably practicable in accordance with the Act, unless the interest has already been declared under article 9 9

- 9 11 Subject, where applicable, to any terms and conditions imposed by the directors in accordance with article 9 3, and provided a director has declared the nature and extent of his interest in accordance with the requirements of the Act, a director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the Company
- 9 11 1 may be a party to, or otherwise interested in, any such transaction or arrangement with the Company, or in which the Company is otherwise (directly or indirectly) interested,
- 9 11 2 shall be an Eligible Director for the purposes of any proposed decision of the directors (or committee of directors) in respect of such transaction or arrangement or proposed transaction or arrangement in which he is interested,
- 9 11 3 shall be entitled to vote at a meeting of directors (or of a committee of directors) or participate in any unanimous decision, in respect of such transaction or arrangement or proposed transaction or arrangement in which he is interested,
- 9 11 4 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,
- 9 11 5 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
- 9 11 6 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 contract, transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such contract, 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

## **10 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

## **11 Appointment of Directors**

- 11 1 Each holder of A Ordinary Shares for the time being shall for so long as he holds 10% or more of the Shares, be entitled to be appointed as an A Director of the Company
- 11 2 Each holder of B Ordinary Shares for the time being shall for so long as he holds 10% or more of the Shares, be entitled to be appointed as an B Director of the Company

- 11 3 Any director who is an employee of the Company and who ceases to be an employee shall be removed from office from the date his employment ceases
- 11 4 Any appointment or removal of a director pursuant to this article shall be in writing and signed by or on behalf of the relevant holder of A Ordinary Shares or B Ordinary Shares (as the case may be) and served on each of the other shareholders and the Company at its registered office, marked for the attention of the Company secretary or delivered to a duly constituted meeting of the directors of the Company Any such appointment or removal shall take effect when received by the Company or at such later time as shall be specified in such notice

## 12 Alternate Directors

- 12 1 Any director (other than an alternate director) (in this article, "**the appointor**") may appoint any person to be an alternate director (provided that such person is either another Director representing the same class of shares or a person who is approved by the Board (such approval not to be unreasonably withheld or delayed)) to exercise that director's powers, and carry out that director's responsibilities, in relation to the taking of decisions by the directors, in the absence of the alternate's appointor In these Articles, where the context so permits, the term "A Director" or "B Director" shall include an alternate director appointed by an A Director or a B Director (as the case may be) A person may be appointed an alternate director by more than one director provided that each of his appointors represents the same class of shares but not otherwise
- 12 2 Any appointment or removal of an alternate director must be effected by notice in writing to the Company signed by the appointor, or in any other manner approved by the directors
- 12 3 The notice must
- 12 3 1 identify the proposed alternate, and
  - 12 3 2 in the case of a notice of appointment, contain a statement signed by the proposed alternate that he is willing to act as the alternate of the director giving the notice
- 12 4 An alternate director has the same rights, in relation to any decision of the directors, as the alternate's appointor
- 12 5 Except as these Articles specify otherwise, alternate directors
- 12 5 1 are deemed for all purposes to be directors,
  - 12 5 2 are liable for their own acts and omissions,
  - 12 5 3 are subject to the same restrictions as their appointors, and
  - 12 5 4 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

**12 6 A person who is an alternate director but not a director**

12 6 1 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), and

12 6 2 may participate in a unanimous decision of the directors (but only if his appointor is an Eligible Director in relation to that decision, and does not himself participate)

**12 7 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)**

**12 8 An alternate director may be paid expenses and may be indemnified by the Company to the same extent as if he were a director but shall not be entitled to receive from the Company any remuneration in his capacity as an alternate director except such part (if any) of the remuneration otherwise payable to the alternate's appointor as the appointor may by notice in writing to the Company from time to time direct**

**12 9 An alternate director's appointment as an alternate terminates**

12 9 1 when the alternate's appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate,

12 9 2 on the occurrence, in relation to the alternate, of any event which, if it occurred in relation to the alternate's appointor, would result in the termination of the appointor's appointment as a director, or

12 9 3 when the alternate director's appointor ceases to be a director for whatever reason

**13 Share Capital**

13 1 The Company does not have an authorised share capital

13 2 Except as otherwise provided in these Articles, the A Ordinary Shares and the B Ordinary Shares shall rank *pari passu* in all respects but shall constitute separate classes of shares

**14 Allotment of Shares**

14 1 Subject to the remaining provisions of this Article, the directors are generally and unconditionally authorised, for the purposes of section 551 of the Act and generally, to exercise any power of the Company to

14 1 1 offer or allot,

14 1 2 grant rights to subscribe for or to convert any security into,

14 1 3 otherwise deal in, or dispose of, or

14 1 4 any Shares to any person, at any time and subject to any terms and conditions as the directors think proper

**14 2 The authority referred to in Article 14 1**

14 2 1 shall be limited to a maximum nominal amount of £50,000 of A Ordinary Shares and £50,000 of B Ordinary Shares or such other amount as may from time to time be authorised by the Company by ordinary resolution,

14 2 2 shall only apply insofar as the Company has not renewed, waived or revoked it by ordinary resolution, and

14 2 3 may only be exercised for a period of five years commencing on the date on which these Articles are adopted, save that the directors may make an offer or agreement which would, or might, require shares to be allotted after the expiry of such authority (and the directors may allot shares in pursuance of an offer or agreement as if such authority had not expired)

14 3 In accordance with section 567(1) of the Act, sections 561 and 562 of the Act shall not apply to the allotment of equity securities referred to in Article 14 2 above

**15 Permitted Share Transfers**

15 1 In these Articles, reference to the transfer of a share includes the transfer, assignment or other disposal of a beneficial or other interest in that share, or the creation of a trust or encumbrance over that share, and reference to a share includes a beneficial or other interest in a share

15 2 No share shall be transferred unless the transfer is made in accordance with these Articles

15 3 The Shareholders shall be permitted to make the following transfers

15 3 1 subject to article 17 4, any Shares may be transferred pursuant to article 16,

15 3 2 any Shares may be transferred pursuant to article 17 (Compulsory and Deemed Transfer), article 18 (Drag Along) and article 19 (Tag Along),

15 3 3 subject to article 17 4, any Shareholder being a body corporate shall be entitled to transfer all or any of its Shares (or the beneficial interest in such Shares),

15 3 3 1 to any other body corporate which is for the time being its subsidiary or holding company or another subsidiary of its holding company, or

15 3 3 2 in the case of a body corporate holding any Shares as nominee, to any of the beneficial owner(s) of such Shares from time to time,

15 3 4 subject to article 17 4 and article 15 4, any Shareholder may transfer all or any of the Shares originally held by him (or any beneficial interest therein) for whatever consideration to

- 15 3 4 1 one or more Privileged Relations,
- 15 3 4 2 the trustee or trustees of a family trust set up wholly for the benefit of one or more Privileged Relations,
- 15 3 4 3 new or existing trustees where there is any change of trustees to a family trust set up wholly for the benefit of one or more Privileged Relations,
- 15 3 4 4 one or more beneficiaries under a family trust set up wholly for the benefit of one or more Privileged Relations, and
- 15 3 4 5 joint names of the individual member and one or more Privileged Relations

and for the purposes of this article 15 3 4 "Privileged Relations" means the person who first transfers the relevant Share pursuant to this article 15 3 4 and his spouse, lineal descendants and ascendants in direct line (including any step, adopted or illegitimate children), brothers and sisters and the spouses of any such relations

- 15 4 The consent of the holders of the A Shares is required by any of the holders of the B Shares wishing to transfer any or all of his Shares pursuant to articles 15 3 1 or 15 3 4 above In the case of any transfer proposed to be made pursuant to article 15 3 4, the consent of the holders of the A Shares shall not be unreasonably withheld subject to the Permitted Transferee entering into a Deed of Adherence
- 15 5 The Company shall be obliged to register any transfers made in accordance with this article 15

## 16 Transfer Notice and Pre-emption Rights

- 16 1 Any member proposing to transfer Shares held by him (a "**Proposing Transferor**") shall give notice in writing (a "**Transfer Notice**") to the Company stating -
  - 16 1 1 the number of Shares which it proposes to transfer (the "**Sale Shares**"),
  - 16 1 2 the price per Share at which it proposes to transfer the Sale Shares (the "**Transfer Price**"), and
  - 16 1 3 whether or not the Transfer Notice is conditional upon all and not part only of the Sale Shares being sold pursuant to the offer hereinafter mentioned and in the absence of such stipulation it shall be deemed not to be so conditional
- 16 2 No Transfer Notice once given or deemed to be given in accordance with article 16 1 shall be withdrawn unless
  - 16 2 1 the Proposing Transferor is obliged to procure the making of a Tag Along Offer in accordance with article 19 and is unable so to procure in which event the Proposing Transferor shall be entitled to



withdraw such Transfer Notice, without liability to any person, within 28 days of service, or

16 2 2 the Board consents to the withdrawal of the Transfer Notice

16 3 The Transfer Notice shall constitute the Company the agent of the Proposing Transferor for the sale of the Sale Shares at the Transfer Price

16 4 If no Transfer Price is stated in the Transfer Notice and within 28 days of receipt of the Transfer Notice the Proposing Transferor and a majority of the Directors are unable to agree a price per Share at which the Sale Shares should be offered for sale (the "**Transfer Price**") the Directors shall instruct the Auditors (or if the Auditors decline the instruction an independent accountant), to determine the Transfer Price in accordance with article 20

16 5 The Company shall forthwith upon the later (if relevant) of

16 5 1 receipt of a Transfer Notice, or

16 5 2 where the Transfer Price is not stated in the Transfer Notice the determination of the Transfer Price,

16 5 3 give notice in writing to each of the members of the Company (other than the Proposing Transferor and any other member who has or is deemed to have served a Transfer Notice in relation to all of the Sale Shares held by him) inviting them to state in writing by a specified date being 28 days from the date of the said notice whether and, if so, the maximum number of Sale Shares it wishes to purchase at the Transfer Price

16 6 The Sale Shares shall be offered on the following basis

16 6 1 in the case of Sale Shares which are A Ordinary Shares – firstly to the other holders of A Ordinary Shares and secondly to the holders of the B Ordinary Shares,

16 6 2 in the case of Sale Shares which are B Ordinary Shares – firstly to the other holders of the B Ordinary Shares and secondly to the holders of the A Ordinary Shares,

The Sale Shares shall, subject to this Article 16 6, be offered on the basis that in the event that the Shareholders accept the offer for a maximum number of Shares in excess of the number of Sale Shares, the Sale Shares shall be sold to the Shareholders accepting the offer in proportion (as nearly as may be) to their existing holdings of Shares, subject to the maximum number of Shares which each has indicated it wishes to purchase

16 7 Within seven days of the closing of the offer to Shareholders pursuant to article 16 5 the Company shall give notice of each allocation of Sale Shares in accordance with article 16 6 (an "**Allocation Notice**") to the Proposing Transferor and each of the persons to whom Sale Shares have been allocated (each a "Purchaser") and shall specify in the Allocation Notice the place and time (being not less than 7 and not more than 14 days after the date of the notice) at which the sale of the Sale Shares shall be completed PROVIDED that the transfer and completion of the sale of the Sale Shares shall not be

sanctioned or effected by the Board if such transfer obliges the Proposing Transferor to procure the making of a Tag Along Offer in accordance with article 19, and no such Tag Along Offer has been made and completed

- 16 8 Subject to article 16 7, upon such allocation of Sale Shares being made, the Proposing Transferor shall be bound, on payment of the Transfer Price, to transfer the Sale Shares comprised in the Allocation Notice to the Purchaser(s) named therein at the time and place therein specified. If he makes default in so doing the Chairman (provided he is not the Proposing Transferor) or failing him one of the Directors or some other person duly nominated by a resolution of the Board for that purpose, shall immediately be deemed to be the duly appointed attorney of the Proposing Transferor with full power to execute, complete and deliver in the name and on behalf of the Proposing Transferor a transfer of the relevant Sale Shares to the Purchaser(s) and the Board may receive and give a good discharge for the purchase money on behalf of the Proposing Transferor and (subject to the transfer being duly stamped) enter the name of the Purchaser(s) in the register of members as the holder or holders by transfer of the Shares so purchased by him or them. The Board shall pay the purchase money into a separate bank account in the Company's name and shall hold such money on trust (but without interest) for the Proposing Transferor until he shall deliver up his certificate or certificates for the relevant Shares to the Company upon which he shall be paid the purchase money.
- 16 9 If the Proposing Transferor shall have included in the Transfer Notice a provision that unless all the Sale Shares are sold none shall be sold and if the total number of Shares applied for is less than the total number of Sale Shares then the Allocation Notice shall refer to such provision and shall contain a further invitation open for 28 days to those persons to whom Sale Shares have been allocated to apply for further Sale Shares and completion of the sales in accordance with the preceding articles of this article 2 shall be conditional upon such offer being accepted in relation to all of the Sale Shares.
- 16 10 If the Proposing Transferor stipulated in the Transfer Notice that unless all the Sale Shares were sold none should be sold, the Proposing Transferor shall not be entitled, save with the written consent of the holders of all of the Shares, to sell hereunder only some of the Sale Shares comprised in the Transfer Notice to such person or persons.
- 16 11 In the event of any (and in the case of a condition in accordance with article 16 1 3 being applicable, all) of the Sale Shares are not sold in accordance with this article 16 the Proposing Transferor may at any time within three calendar months after receiving confirmation from the Company that the pre-emption provisions herein contained have been exhausted, transfer any Sale Shares not sold to any person or persons at any price not less than the Transfer Price PROVIDED THAT
- 16 11 1 the Board shall be entitled to refuse registration of the proposed transferee if he is believed to be, or is a nominee for, a person reasonably considered by the Board to be a competitor of the business of the Company and its subsidiaries and if as a result of such transfer more than 10% of the Share capital of the Company would be held by, or by nominees for, competitors or persons Connected with competitors of the business of the Company and

its subsidiaries PROVIDED THAT the Board shall not be so entitled if the effect of such transfer would oblige the Proposing Transferor to procure the making of a Tag Along Offer (as defined in article 19) and such offer has been made and completed,

16 11 2 any such sale shall be a bona fide sale and the Board may require to be satisfied in such manner as it may reasonably require that the Sale Shares are being sold in pursuance of a bona fide sale for not less than the Transfer Price without any deduction, rebate or allowance whatsoever to the Purchaser and if not so satisfied may refuse to register the instrument of transfer, and

16 11 3 the Board shall refuse registration of the proposed transferee if such transfer obliges the Proposing Transferor to procure the making of a Tag Along Offer until such time as such offer has been made and completed

## 17 Compulsory and Deemed Transfers

17 1 Any B Shareholder (and/or person who has transferred Shares in accordance with clause 15) who is an employee of the Company who ceases for whatever reason to be an employee of the Company shall be a "**Retiring Member**" A Retiring Member or a person or persons to whom Shares formerly held by such a Retiring Member have been transferred (whether or not by the Retiring Member) pursuant to article 15, shall, upon the Retiring Member ceasing for whatever reason to be an employee of the Company and of its subsidiaries, other than with the consent of the holders of at least 75% of the nominal value of the A Shares, be deemed to have given (immediately before the happening of such event) a Transfer Notice in accordance with article 16 1 above in respect of all Shares then held by such member

17 2 If a Transfer Notice is deemed to be given pursuant to article 17 1 by a Retiring Member who is a Good Leaver, then the transfer price shall be the price per Share determined in accordance with article 20 (Transfer Price)

17 3 If a Transfer Notice is deemed to be given pursuant to article 17 1 by a Retiring Member who is a Bad Leaver then the transfer price per Share shall be the lower of -

17 3 1 the price per Share determined in accordance with article 20, and

17 3 2 the subscription price paid by the Retiring Member for each Share (being £ 1 00 per Share)

17 4 If, following a transfer of Shares pursuant to article 15, the transferee ceases to be a person to whom the transferor would be entitled to transfer Shares pursuant to such article, the transferee shall, within 21 days of so ceasing, transfer the Shares held by it to the transferor or to some other person to whom the transferor would be entitled to transfer such Shares pursuant to these Articles and failing such transfer shall be deemed to have given a Transfer Notice in accordance with article 16 1

17 5 In any case where the Directors have duly required a Transfer Notice to be given in respect of any Shares and such Transfer Notice is not duly given within a period of one week such Transfer Notice shall be deemed to have

been given at the expiry of the said period and the provisions relating to Transfer Notices shall take effect accordingly unless a majority of the Directors elect otherwise

- 17 6 Where any Transfer Notice is deemed to have been given in accordance with this article 17, the deemed Transfer Notice shall be treated as having specified -

17 6 1 that all the Shares registered in the name of the Proposing Transferor shall be included for transfer,

17 6 2 that other than a Transfer Notice deemed to have been given pursuant to article 17 1 the Transfer Price is as determined in accordance with article 16 4, and

17 6 3 that the condition as referred to in article 16 3 shall apply

- 17 7 In any case where a Shareholder (or his personal representative) has been required to give or has been deemed to have given a Transfer Notice pursuant to the provisions of this article 17 and subsequently becomes the holder of further Shares in the Company by virtue of the holding of any Shares comprised in such Transfer Notice (whether by rights or bonus issue or conversion or pre-emption rights on issue or transfer or howsoever otherwise) a majority of the Directors may at any time thereafter determine in their absolute discretion that he (or his personal representatives as appropriate) shall be deemed to have served a Transfer Notice pursuant to article 16 or article 17 (as appropriate) in respect of such further Shares

## 18 Drag Along Option

- 18 1 If the holders of 75 per cent or more in nominal value of the A Shares (together the "**Selling Shareholders**") wish to transfer on a bona fide arms length basis any interest in any Shares (other than to an existing Shareholder) where that transfer would result in a Change of Control, the Selling Shareholders shall have the option (the "**Drag Along Option**"), subject to article 18 4, to require all the other holders of Shares to transfer all their shares to the proposed purchaser (the "Third Party Purchaser") or as the Third Party Purchaser directs in accordance with this article 18 and in exercising the Drag Along Option shall not be required to comply with the provisions of article 16

- 18 2 The Selling Shareholders may, exercise the Drag Along Option by giving notice to that effect (a "**Drag Along Notice**") to all other Shareholders (the "**Dragged Shareholders**") at any time before the transfer of Shares resulting in the Change of Control. A Drag Along Notice shall specify that the Dragged Shareholders are required to transfer all their Shares (the "**Dragged Shares**"), the price at which the Dragged Shares are to be transferred (being the price which has been offered by the Third Party Purchaser) and the proposed date of transfer (which shall be a date not less than 7 days from the date of service of the Drag Along Notice)

- 18 3 A Drag Along Notice is irrevocable but the Drag Along Notice and all obligations thereunder will lapse if for any reason there is not a Change of Control caused by a transfer of Shares by the Selling Shareholders to the Third Party Purchaser within 120 days after the date of the Drag Along Notice

18 4 Completion of the sale of the Dragged Shares under this article 18 shall take place on the same date as the date proposed for completion of the sale of the Selling Shareholders' Shares unless

18 4 1 all of the Dragged Shareholders and the Selling Shareholders agree otherwise, or

18 4 2 that date is less than 7 days after the Drag Along Notice, where it shall be deferred until the seventh day after the Drag Along Notice

18 5 If any Dragged Shareholder who is required to transfer Shares pursuant to this article 18 does not, within five days of being required to do so, execute and deliver transfers in respect of the Dragged Shares held by him and deliver the certificate(s) in respect of the same (or a suitable indemnity in lieu thereof), then the remaining Shareholders (or any of them) shall be entitled to execute, and shall be entitled to authorise and instruct such person as he thinks fit to execute, the necessary transfer(s) and indemnities on behalf of such Dragged Shareholder(s) and, against receipt by the Company (on trust for such Dragged Shareholder(s)) of the consideration payable for the Dragged Shares, deliver such transfer(s) and certificate(s) or indemnities to the party purchasing the Dragged Shares (or his nominee) and register such purchaser (or his nominee) as the holder thereof and, after such registration, the validity of such proceedings shall not be questioned by any person

## 19 Tag Along Right

19 1 If at any time one or more Shareholders (the "**Proposed Sellers**") propose to sell, in one or a series of related transactions, in aggregate 50 per cent or more in nominal value of the Shares to any person other than an existing Shareholder, the Proposed Sellers may only sell such Shares if they comply with the provisions of this article 19

19 2 The Proposed Sellers shall give written notice (the "**Proposed Sale Notice**") to the other Shareholders of such intended sale at least 28 days prior to the date thereof. The Proposed Sale Notice shall set out, to the extent not described in any accompanying documents, the identity of the proposed buyer (the "**Proposed Buyer**"), the purchase price and other terms and conditions of payment, the proposed date of sale and the number of Shares proposed to be purchased by the Proposed Buyer and shall be accompanied by a bona fide offer from the Proposed Buyer to purchase all the Shares then held by any Shareholder who is not a Proposed Seller on the same terms and conditions as those set out in the Proposed Sale Notice. Such offer shall be open for acceptance for a period of 21 days from the date the Proposed Sale Notice is deemed served and shall be deemed rejected by any Shareholder who has not accepted such offer in writing in accordance with its terms within 21 days of the date the Proposed Sale Notice is deemed served on such Shareholder.

19 3 The Proposed Sellers shall not be obliged to give a Proposed Sale Notice to any Shareholder who has waived his rights under this article 19 in writing in respect of a specific transaction which would otherwise give rise to such obligation.

19 4 If any Shareholder who is not a Proposed Seller is not given the rights accorded him by the provisions of this article 19, the Proposed Sellers shall be

required not to complete their sale and the Company shall be bound to refuse to register any transfer intended to carry such a sale into effect

## **20 Transfer Price**

- 20 1 In the event that the Auditors or an independent chartered accountant is required to determine the price at which Shares are to be transferred pursuant to these Articles such price shall be the amount the Auditors or the independent chartered accountant (as the case may be) shall on the application of the Board certify in writing to be the price which in their opinion represents the fair market value of each Share being the sum which a willing purchaser would agree with a willing seller to be the purchase price for all the Shares of the Company (taking account of any under option) divided by the number of issued Shares and Shares under option and so that there shall be no addition of any premium or subtraction of any discount by reference to the size of the holding the subject of the Transfer Notice or in relation to any restrictions on the transferability of or options over the Shares to be sold whether under the Articles or this Agreement
- 20 2 In so certifying, the Auditors or the independent chartered accountant (as the case may be) shall act as expert and not as arbitrator and his decision shall be final and binding on the parties
- 20 3 The costs of determining the Transfer Price shall be borne by the Company

## **21 Company's lien over partly paid Shares**

- 21 1 The company has a lien (the **company's lien**) over every share, which is 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
- 21 2 The company's lien over a share
- 21 2 1 takes priority over any third party's interest in that share, and
- 21 2 2 extends to any dividend or other money payable by the company in respect of that share and (if the lien is enforced and the share is sold by the company) the proceeds of sale of that share
- 21 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

## **22 Enforcement of the Company's Lien**

- 22 1 Subject to the provisions of this article, if
- 22 1 1 a lien enforcement notice has been given in respect of a share, and

22 1 2 the person to whom the notice was given has failed to comply with it

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

22 2 A lien enforcement notice

22 2 1 may only be given in respect of a share which is subject to the company's lien, in respect of which a sum is payable and the due date for payment of that sum has passed,

22 2 2 must specify the share concerned,

22 2 3 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),

22 2 4 must be addressed either to the holder of the share or to a transmittee of that holder, and

22 2 5 must state the company's intention to sell the share if the notice is not complied with

22 3 Where shares are sold under this article

22 3 1 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

22 3 2 the transferee is not bound to see to the application of the consideration, and the transferee's title is not affected by any irregularity in or invalidity of the process leading to the sale

22 4 The net proceeds of any such sale (after payment of the costs of sale and any other costs of enforcing the lien) must be applied

22 4 1 first, in payment of so much of the sum for which the lien exists as was payable at the date of the lien enforcement notice, and

22 4 2 second, to the person entitled to the shares at the date of the sale, but only after the certificate for the shares sold has been surrendered to the company for cancellation, or an indemnity in 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

22 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

22 5 1 is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share, and

22 5 2 subject to compliance with any other formalities of transfer required by the Articles or by law, constitutes a good title to the share

## **23 Call Notices**

23 1 Subject to the Articles and the terms on which shares are allotted, the directors may send a notice (a **call notice**) to a shareholder requiring the shareholder to pay the company a specified sum of money (a **call**) which is payable to the company in respect of any partly paid shares at the date when the directors decide to send the call notice

23 2 A call notice

23 2 1 may not require a shareholder to pay a call which exceeds the total amount of his indebtedness or liability to the company,

23 2 2 must state when and how any call to which it relates is to be paid, and

23 2 3 may permit or require the call to be made in instalments

23 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

23 4 Before the company has received any call due under a call notice the directors may

23 4 1 revoke it wholly or in part, or

23 4 2 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

## **24 Liability to Make Calls**

24 1 Liability to pay a call is not extinguished or transferred by transferring the shares in respect of which it is required to be paid

24 2 Joint holders of a share are jointly and severally liable to pay all calls in respect of that share

24 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

24 3 1 to pay calls which are not the same, or

24 3 2 to pay calls at different times



## **25 When Call Notice Need Not be Issued**

25 1 A call notice need not be issued in respect of sums which are specified, in the terms on which a share is issued, as being payable to the company in respect of that share

25 1 1 on allotment,

25 1 2 on the occurrence of a particular event, or

25 1 3 on a date fixed by or in accordance with the terms of issue

25 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

## **26 Failure to Comply with call Notice: Automatic Consequences**

26 1 If a person is liable to pay a call and fails to do so by the call payment date

26 1 1 the directors may issue a notice of intended forfeiture to that person, and

26 1 2 until the call is paid, that person must pay the company interest on the call from the call payment date at the relevant rate

26 2 For the purposes of this article

26 2 1 the "call payment date" is the time when the call notice states that a call is payable, unless the directors give a notice specifying a later date, in which case the "call payment date" is that later date, and

26 2 2 the "relevant rate" is

26 2 2 1 the rate fixed by the terms on which the share in respect of which the call is due was allotted,

26 2 2 2 such other rate as was fixed in the call notice which required payment of the call, or has otherwise been determined by the directors, or

26 2 2 3 if no rate is fixed in either of these ways, 5 per cent per annum

26 3 The relevant rate must not exceed by more than 5 percentage points the base lending rate most recently set by the Monetary Policy Committee of the Bank of England in connection with its responsibilities under Part 2 of the Bank of England Act 1998

26 4 The directors may waive any obligation to pay interest on a call wholly or in part

## **27 Notice of Intended Forfeiture**

#### A notice of intended forfeiture

- 27 1 may be sent in respect of any share in respect of which a call has not been paid as required by a call notice,
- 27 2 must be sent to the holder of that share (or all the joint holders of that share) or to a transmittee of that holder,
- 27 3 must require payment of the call and any accrued interest [and all expenses that may have been incurred by the company by reason of such non-payment] by a date which is not less than 14 clear days after the date of the notice (that is, excluding the date on which the notice is given and the date on which that 14 day period expires),
- 27 4 must state how the payment is to be made, and
- 27 5 must state that if the notice is not complied with, the shares in respect of which the call is payable will be liable to be forfeited

#### 28 Directors' power to forfeit shares

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

#### 29 Effect of Forfeiture

- 29 1 Subject to the Articles, the forfeiture of a share extinguishes
  - 29 1 1 all interests in that share, and all claims and demands against the company in respect of it, and
  - 29 1 2 all other rights and liabilities incidental to the share as between the person whose share it was prior to the forfeiture and the company
- 29 2 Any share which is forfeited in accordance with the Articles
  - 29 2 1 is deemed to have been forfeited when the directors decide that it is forfeited,
  - 29 2 2 is deemed to be the property of the company, and
  - 29 2 3 may be sold, re-allotted or otherwise disposed of as the directors think fit
- 29 3 If a person's shares have been forfeited
  - 29 3 1 the company must send that person notice that forfeiture has occurred and record it in the register of shareholders,
  - 29 3 2 that person ceases to be a shareholder in respect of those shares,

- 29 3 3 that person must surrender the certificate for the shares forfeited to the company for cancellation,
  - 29 3 4 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
  - 29 3 5 the directors may waive payment of such sums wholly or in part or enforce payment without any allowance for the value of the shares at the time of forfeiture or for any consideration received on their disposal
- 29 4 At any time before the company disposes of a forfeited share, the directors may decide to cancel the forfeiture on payment of all calls and interest and expenses due in respect of it and on such other terms as they think fit

### **30 Procedure Following Forfeiture**

- 30 1 If a forfeited share is to be disposed of by being transferred, the company may receive the consideration for the transfer and the directors may authorise any person to execute the instrument of transfer
- 30 2 A statutory declaration by a director or the company secretary that the declarant is a director or the company secretary and that a share has been forfeited on a specified date
  - 30 2 1 is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share, and
  - 30 2 2 subject to compliance with any other formalities of transfer required by the Articles or by law, constitutes a good title to the share
- 30 3 A person to whom a forfeited share is transferred is not bound to see to the application of the consideration (if any) nor is that person's title to the share affected by any irregularity in or invalidity of the process leading to the forfeiture or transfer of the share
- 30 4 If the company sells a forfeited share, the person who held it prior to its forfeiture is entitled to receive from the company the proceeds of such sale, net of any commission, and excluding any amount which
  - 30 4 1 was, or would have become, payable, and
  - 30 4 2 had not, when that share was forfeited, been paid by that person in respect of that share

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

### **31 Surrender of Shares**

- 31 1 A shareholder may surrender any share

- 31 1 1 in respect of which the directors may issue a notice of intended forfeiture,
- 31 1 2 which the directors may forfeit, or
- 31 1 3 which has been forfeited
- 31 2 The directors may accept the surrender of any such share
- 31 3 The effect of surrender on a share is the same as the effect of forfeiture on that share
- 31 4 A share which has been surrendered may be dealt with in the same way as a share which has been forfeited

## **32 Procedure for Declaring Dividends**

- 32 1 Except as otherwise provided by the articles or the rights attached to shares, all dividends must be -
  - 32 1 1 declared and paid according to the amounts paid up on the shares on which the dividend is paid, and
  - 32 1 2 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
- 32 2 If any share is issued on terms providing that it ranks for dividend as from a particular date, that share ranks for dividend accordingly
- 32 3 For the purposes of calculating dividends, no account is to be taken of any amount which has been paid up on a share in advance of the due date for payment of that amount

## **33 Deductions from Distributions in Respect of Sums owed to the Company**

- 33 1 If -
  - 33 1 1 a share is subject to the company's lien, and
  - 33 1 2 the directors are entitled to issue a lien enforcement notice in respect of it,

they may, instead of issuing a lien enforcement notice, deduct from any dividend or other sum payable in respect of the share any sum of money which is payable to the company in respect of that share to the extent that they are entitled to require payment under a lien enforcement notice
- 33 2 Money so deducted must be used to pay any of the sums payable in respect of that share
- 33 3 The Company must notify the distribution recipient in writing of—
  - 33 3 1 the fact and amount of any such deduction,

33 3 2 any non-payment of a dividend or other sum payable in respect of a share resulting from any such deduction, and

33 3 3 how the money deducted has been applied

#### **34 Quorum for General Meetings**

34 1 The quorum at any general meeting of the Company, or adjourned general meeting, shall be two persons present in person or by proxy, of whom at least two shall be the holders of A Ordinary Shares or duly authorised representatives of such holders

34 2 No business shall be transacted by any general meeting unless a quorum is present at the commencement of the meeting and also when that business is voted on

#### **35 Chairing General Meetings**

The chairman of the board of directors shall chair general meetings. If the chairman is unable to attend any general meeting, the shareholder who appointed him shall be entitled to appoint another of its nominated directors present at the meeting to act as chairman at the meeting, and the appointment of the chairman of the meeting must be the first business of the meeting.

#### **36 Voting**

At a general meeting, on a show of hands every shareholder who is present in person or by proxy shall have one vote, unless the proxy is himself a shareholder entitled to vote, on a poll every shareholder present in person or by proxy shall have one vote for each share of which he is the holder, and on a vote on a written resolution every shareholder has one vote for each share of which he is the holder.

#### **37 Poll Votes**

37 1 A poll may be demanded at any general meeting by a qualifying person (as defined in section 318 of the Act) present and entitled to vote at the meeting.

37 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 article at the end of that article.

#### **38 Proxies**

38 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 general meeting (or adjourned meeting) to which they relate".

38 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" as a new article at the end of that article.

### **39 Means of Communication to be Used**

- 39 1 Any notice, document or other information shall be deemed served on, or delivered to, the intended recipient
- 39 1 1 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,
- 39 1 2 if properly addressed and delivered by hand, when it was given or left at the appropriate address,
- 39 1 3 if properly addressed and sent or supplied by electronic means, one hour after the document or information was sent or supplied, and
- 39 1 4 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
- 39 2 For the purposes of this article, no account shall be taken of any part of a day that is not a working day
- 39 3 In proving that any notice, document or information was properly addressed, it shall be sufficient to show that the notice, document or information was delivered to an address permitted for the purpose by the Act

### **40 Indemnity and Insurance**

- 40 1 Subject to article 40 2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled -
- 40 1 1 each relevant officer of the Company 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 (in each case) 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 affairs, and

- 40 1 2 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 40 1 and otherwise may take action to enable any such relevant officer to avoid incurring such expenditure
- 40 2 This article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Act or by any other provision of law
- 40 3 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
- 40 4 In this article
- 40 4 1 a "relevant officer " means any director or other officer or former director or other officer of the Company but excluding in each case any person engaged by the Company as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor, and
- 40 4 2 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 or any pension fund or employees' share scheme of the Company