

Companies Act 2006

Company Number 07523074

DM 65 LIMITED


Special Resolution

Circulation Date 27<sup>th</sup> April 2011

The undersigned, being the sole member of the Company and entitled to vote on this resolution, pursuant to Chapter 2 of Part 13 of the Companies Act 2006, hereby resolves as follows:

(a) THAT the 1 issued share held by the sole member is hereby designated 1 'A' Ordinary share having attached the rights and restrictions contained in the Articles of Association of the Company as proposed to be adopted pursuant to paragraph (b) below;

(b) THAT the regulations contained in the document attached to this resolution and for the purposes of identification marked "A" be and are hereby adopted as the Articles of Association of the Company to the exclusion of and in substitution for all existing Articles.

Signed ...  ...

By JOHN DAVIES FOR AND ON BEHALF OF LEE AND PEMBERTON LIMITED

Date 27<sup>th</sup> April 2011

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**The Companies Act 2006  
Articles of Association of DM 65 Limited  
Company number 07523074**

As adopted by Special Resolution passed on 2011)

**PART 1: INTRODUCTION**

**1 Introduction**

- 1.1 The Articles constituting Schedule 1 to the Companies (Model Articles) Regulations 2008 ('Model Articles') shall apply to the Company except in so far as they are excluded or varied by these Articles.
- 1.2 Any expression defined in Article 1 of Model Articles shall bear the same meaning in these Articles unless the context requires otherwise.

**PART 2: DIRECTORS**

**2 Directors' decisions**

- 2.1 In Article 14 of the Model Articles, in paragraph (1) there shall be substituted for the words following 'in which a director is interested' the words 'that director is to be counted as participating in the decision-making process for quorum or voting purposes provided that the director discloses the interest in accordance with either Section 177 or Section 182 of the Act (as the case may be)'.
- 2.2 In Article 14 of the Model Articles, paragraphs (2) to (4) inclusive shall be omitted.

**3 Appointment and retirement of directors**

- 3.1 The number of directors is not subject to any maximum, unless the Company by ordinary resolution decides otherwise. The minimum number of directors is one.
- 3.2 In Article 18 of the Model Articles, in paragraph (f) there shall be substituted for the words 'notification is received by the company from the director' the words 'the director leaves at the company's registered office notification'
- 3.2 The office of a director shall be vacated (in addition to the circumstances set out in Article 18 of the Model Articles) if the director has been absent, from meetings of the directors of the Company, for more than six consecutive months without permission of the other directors, and the other directors resolve that he should vacate office

**4 Appointment and removal of alternate directors**

- 4.1 Any director (the 'appointor') may appoint as an alternate any other director, or any other person approved by resolution of the directors, to:
- 4.1.1 exercise that director's powers; and
- 4.1.2 carry out that director's responsibilities;
- in relation to the taking of decisions by the directors in the absence of the alternate's appointor.
- 4.2 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.
- 4.3 The notice must:
- 4.3.1 identify the proposed alternate; and
- 4.3.2 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.

**5 Rights and responsibilities of alternate directors**

- 5.1 An alternate director has the same rights, in relation to any directors' decision-making process (including any directors' meeting or part of a directors' meeting), as the alternate's appointor.
- 5.2 Except as the Articles specify otherwise, alternate directors:
- 5.2.1 are deemed for all purposes to be directors,
  - 5.2.2 are liable for their own acts and omissions;
  - 5.2.3 are subject to the same restrictions as their appointors; and
  - 5.2.4 are not deemed to be agents of or for their appointors.
- 5.3 A person who is an alternate director but not a director:
- 5.3.1 may be counted as participating for the purposes of determining whether a quorum is participating (but only if that person's appointor is not participating), and
  - 5.3.2 may sign a written resolution (but only if it is not signed or to be signed by that person's appointor).
- No alternate may be counted as more than one director for such purposes.
- 5.4 An alternate director is not 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.

## **6 Termination of alternate directorship**

- 6.1 An alternate director's appointment as an alternate terminates:
- 6.1.1 when the alternate's appointor revokes the appointment by notice to the company in writing specifying when it is to terminate;
  - 6.1.2 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;
  - 6.1.3 on the death of the alternate's appointor; or
  - 6.1.4 when the alternate's appointor's appointment as a director terminates.

## **7 Company Secretary**

- 7.1 The directors may appoint a Company Secretary on such terms and for such period as they think fit and may remove any Company Secretary appointed by them

## **PART 3: SHARES AND DISTRIBUTIONS**

### **8 Issue of and Rights Attaching to Shares**

- 8.1 Article 21 of the Model Articles shall be omitted.
- 8.2 In Article 22 of the Model Articles, in paragraph (1) there shall be substituted for the words following 'such rights or restrictions' the words 'as may be determined by special resolution or attach such rights or restrictions to existing shares'.
- 8.3 In accordance with section 551 of the 2006 Act the Directors are generally and unconditionally authorised to allot shares in the Company (or grant rights to subscribe for or to convert any security into shares in the Company ("Rights")) up to an aggregate nominal amount of £10,000 provided that this authority shall, unless renewed, varied or revoked by the Company, expire on the fifth anniversary of the date of adoption of these Articles save that the Company may, before such expiry, make an offer or agreement which would or might require shares to be allotted (or Rights to be granted) and the Directors may allot shares (or grant Rights) in pursuance of such offer or agreement notwithstanding that the authority conferred by this resolution has expired. This authority is in substitution for all previous authorities conferred on the Directors in accordance with section 80 of the Companies Act 1985.

8.4 In accordance with section 570 of the Companies Act 2006 the Directors are generally empowered to allot equity securities (as defined in section 560 of the 2006 Act) pursuant to the authority conferred by Article 8.3 above, 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 an aggregate nominal amount of £10,000 consisting of not more than 3,086 'A' Ordinary shares, 3,086 'B' Ordinary shares, 2,469 'C' Ordinary shares and 1,235 'D' Ordinary shares and 124 'E' Ordinary shares, and expire on the fifth anniversary or the date of adoption of these Articles (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.

8.5 The shares of each class in the capital of the Company shall rank *pari passu* except as provided by Article 20.3 in respect of the payment of dividends. Whenever the Directors allot and issue any share in the capital of the Company they shall specify the class of the share.

## **9 Company's lien over shares**

9.1 This Article applies to any share (whether partly or fully paid) registered in the name (whether as sole or joint holder) of any person indebted or under liability to the company.

9.2 The Company has a lien ('the Company's lien') over every share to which this Article applies for any sum which has not been paid to the Company, and which is payable immediately or at some time in the future (including but not limited to any part of that share's nominal value and any premium at which it was issued), whether or not a call notice has been sent in respect of it.

9.3 The Company's lien over a share takes priority over any third party's interest in that share, and 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

9.4 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.

## **10 Enforcement of the company's lien**

10.1 Subject to the provisions of this Article, if

10.1.1 a lien enforcement notice has been given in respect of a share, and

10.1.2 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

10.2 A lien enforcement notice:

10.2.1 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;

10.2.2 must specify the share concerned;

10.2.3 must require payment of the sum payable within 14 days of the notice;

10.2.4 must be addressed either to the holder of the share or to a person entitled to it by reason of the holder's death, bankruptcy or otherwise; and

10.2.5 must state the Company's intention to sell the share if the notice is not complied with.

10.3 Where shares are sold under this Article:

10.3.1 the directors may authorise any person to execute an instrument of transfer of the shares to the purchaser or a person nominated by the purchaser; and

- 10.3.2 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.
- 10.4 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:
- 10.4.1 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;
- 10.4.2 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 a suitable indemnity has been given for any lost certificates, and subject to a lien equivalent to the Company's lien over the shares before the sale for any money payable in respect of the shares after the date of the lien enforcement notice.
- 10.5 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:
- 10.5.1 is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share, and
- 10.5.2 subject to compliance with any other formalities of transfer required by the Articles or by law, constitutes a good title to the share.

## **11 Call notices**

- 11.1 Subject to the Articles and the terms on which shares are allotted, the directors may send a notice (a 'call notice') to a member requiring the member to pay the Company a specified sum of money (a 'call') which is payable in respect of shares which that member holds at the date when the directors decide to send the call notice.
- 11.2 A call notice:
- 11.2.1 may not require a member to pay a call which exceeds the total sum unpaid on that member's shares (whether as to the share's nominal value or any amount payable to the Company by way of premium);
- 11.2.2 must state when and how any call to which it relates is to be paid; and
- 11.2.3 may permit or require the call to be paid by instalments.
- 11.3 A member must comply with the requirements of a call notice, but no member is obliged to pay any call before 14 days have passed since the notice was sent.
- 11.4 Before the Company has received any call due under a call notice the directors may:
- 11.4.1 revoke it wholly or in part; or
- 11.4.2 specify a later time for payment than is specified in the notice;
- by a further notice in writing to the member in respect of whose shares the call is made.

## **12 Liability to pay calls**

- 12.1 Liability to pay a call is not extinguished or transferred by transferring the shares in respect of which it is required to be paid.
- 12.2 Joint holders of a share are jointly and severally liable to pay all calls in respect of that share.
- 12.3 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:
- 12.3.1 to pay calls which are not the same, or
- 12.3.2 to pay calls at different times.

## **13 When call notice need not be issued**

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

- 13.1.1 on allotment;
- 13.1.2 on the occurrence of a particular event; or
- 13.1.3 on a date fixed by or in accordance with the terms of issue.
- 13.2 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
- 14 Failure to comply with call notice: automatic consequences**
  - 14.1 If a person is liable to pay a call and fails to do so by the call payment date:
    - 14.1.1 the directors may issue a notice of intended forfeiture to that person, and
    - 14.1.2 until the call is paid, that person must pay the Company interest on the call from the call payment date at the relevant rate.
  - 14.2 For the purposes of this Article:
    - 14.2.1 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;
    - 14.2.2 the 'relevant rate' is:
      - 14.2.2.1 the rate fixed by the terms on which the share in respect of which the call is due was allotted;
      - 14.2.2.2 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
      - 14.2.2.3 if no rate is fixed in either of these ways, 5% per annum.
  - 14.3 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.
  - 14.4 The directors may waive any obligation to pay interest on a call wholly or in part.
- 15 Notice of intended forfeiture**

A notice of intended forfeiture

  - 15.1 may be sent in respect of any share in respect of which a call has not been paid as required by a call notice,
  - 15.2 must be sent to the holder of that share or to a person entitled to it by reason of the holder's death, bankruptcy or otherwise;
  - 15.3 must require payment of the call and any accrued interest by a date which is not less than 14 days after the date of the notice,
  - 15.4 must state how the payment is to be made; and
  - 15.5 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.
- 16 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.
- 17 Effect of forfeiture**
  - 17.1 Subject to the Articles, the forfeiture of a share extinguishes.
    - 17.1.1 all interests in that share, and all claims and demands against the Company in respect of it, and
    - 17.1.2 all other rights and liabilities incidental to the share as between the person whose share it was prior to the forfeiture and the Company.

- 17.2 Any share which is forfeited in accordance with the Articles:
- 17.2.1 is deemed to have been forfeited when the directors decide that it is forfeited;
  - 17.2.2 is deemed to be the property of the Company; and
  - 17.2.3 may be sold, re-allotted or otherwise disposed of as the directors think fit.
- 17.3 If a person's shares have been forfeited:
- 17.3.1 the Company must send that person notice that forfeiture has occurred and record it in the register of members,
  - 17.3.2 that person ceases to be a member in respect of those shares;
  - 17.3.3 that person must surrender the certificate for the shares forfeited to the Company for cancellation;
  - 17.3.4 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
  - 17.3.5 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.
- 17.4 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.

## **18 Procedure following forfeiture**

- 18.1 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.
- 18.2 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:
- 18.2.1 is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share; and
  - 18.2.2 subject to compliance with any other formalities of transfer required by the Articles or by law, constitutes a good title to the share.
- 18.3 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.
- 18.4 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—
- 18.4.1 was, or would have become, payable; and
  - 18.4.2 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.

## **19 Surrender of shares**

- 19.1 A member may surrender any share—
- 19.1.1 in respect of which the directors may issue a notice of intended forfeiture;
  - 19.1.2 which the directors may forfeit, or
  - 19.1.3 which has been forfeited
- 19.2 The directors may accept the surrender of any such share.
- 19.3 The effect of surrender on a share is the same as the effect of forfeiture on that share.
- 19.4 A share which has been surrendered may be dealt with in the same way as a share which has been forfeited.

## **20 Procedure for declaring dividends**

- 20.1 In Article 30 of the Model Articles, after paragraph (7) there shall be added the following paragraph '(8) If any share is issued on terms providing that it ranks for dividend as from a particular date or to a particular extent, that share ranks for dividend accordingly'.
- 20.2 Article 36 (3) of the Model Articles shall be read and construed as if the following wording was added at the end of the first sentence "or may be applied in, or towards, paying up any sums unpaid on shares in the capital of the Company already held by the person entitled to the capitalised sum.
- 20.3 Subject to there being sufficient distributable profits the Directors may at their absolute discretion declare a dividend: (i) in respect of one class or more classes of shares to the exclusion of the other class or classes; or (ii) in respect of all classes of shares. If declaring a dividend to all or more than one class of shares the Directors may specify that a different amount is to be received by each class.

## **21 General Meetings**

- 21.1 A poll may be demanded by any one person having the right to vote and Article 44(2)(c) in the Model Articles shall be read and construed accordingly.