

Company Number. 07573638

THE COMPANIES ACT 2006

COMPANY LIMITED BY SHARES

PRINT OF WRITTEN RESOLUTIONS OF THE MEMBERS

of

IMAGINARIUM FILM HOLDINGS LIMITED

(the "Company")

Passed on ~~8 May~~ 2011
June

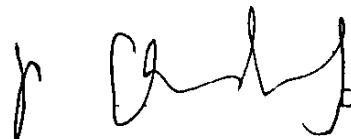
Pursuant to chapter 2 of part 13 of Companies Act 2006, the following resolutions (the "Resolutions") which were proposed as special resolutions, were duly passed in writing as special resolutions on the above date

SPECIAL RESOLUTIONS

- 1 THAT the articles of association in the form attached to these written resolutions be adopted as the new articles of association of the Company in substitution for and to the exclusion of all existing articles of association of the Company
- 2 THAT, in accordance with section 569 Companies Act 2006, the directors of the Company be empowered to allot equity securities (as defined in section 560 Companies Act 2006) of the same class as the shares of the Company in issue, as if section 561 Companies Act 2006 did not apply to any such allotment

SIGNED by JONATHAN CAVENDISH

on behalf of IMAGINARIUM FILM HOLDINGS LIMITED

 Director

TUESDAY



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14/06/2011

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COMPANIES HOUSE

Company No 7573638

PRIVATE COMPANY LIMITED BY SHARES

NEW

ARTICLES OF ASSOCIATION

of

IMAGINARIUM FILM HOLDINGS LIMITED

(adopted by special resolution
passed on 8 May 2011)
June

MAYER • BROWN

LONDON

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.....
This is the copy of the substituted articles of association referred to in the special resolution passed on ^{June} 8 May 2011 as being signed by the chairman of the meeting for identification.

.....
Chairman

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

SUBSTITUTED

ARTICLES OF ASSOCIATION

OF

IMAGINARIUM FILM HOLDINGS LIMITED

(Company No 7573638)

(Adopted by special resolution passed on ^{June} 8 May 2011)

PART 1

INTERPRETATION AND LIMITATION OF LIABILITY

1 EXCLUSION OF MODEL ARTICLES

No articles set out in any statute or other instrument having statutory force apply to the company and the following are the company's articles of association

2. DEFINITIONS AND INTERPRETATION

2.1 Definitions

In the articles

"**acceptance notice**" has the meaning given in article 49 (*Requirement for transfer notice*),

"**acceptance period**" has the meaning given in article 49 (*Requirement for transfer notice*);

"**address**", in relation to a communication made by electronic means, includes any number or address used for the purposes of that communication,

"**alternate**" or "**alternate director**" has the meaning given in article 28 (*Appointment and removal of alternates*),

"**appointor**" has the meaning given in article 28 (*Appointment and removal of alternates*),

"**articles**" means the company's articles of association,

"associated company", in relation to a corporate member, has the meaning given in s416 ICTA;

"bad leaver" means a Consultant who

- (a) ceases to be a Consultant within five years following adoption of these articles, but is not a good leaver; or
- (b) ceases to be a Consultant at any time by virtue of his conviction for fraud, theft or other criminal act involving deception or dishonesty in connection with the Business;

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

"call" has the meaning given in article 38 (*Call notices*),

"called members" has the meaning given in article 53 (*Drag along rights*),

"call notice" has the meaning given in article 38 (*Call notices*),

"chairman" has the meaning given in article 13 (*Chairing of directors' meetings*),

"chairman of the meeting" has the meaning given in article 74 (*Chairing general meetings*),

"Companies Act 2006" means the Companies Act 2006 including any statutory re-enactment or modification from time to time in force,

"Companies Acts" means the Companies Acts (as defined in s2 Companies Act 2006), in so far as they apply to the company,

"company's lien" has the meaning given in article 36 (*Company's lien over partly paid shares*),

"compulsory sellers" has the meaning given in article 51 (*Compulsory transfer*);

"Consultant" means an individual who is engaged as a consultant by the company or any of its subsidiaries including, as at the date of adoption of these articles, the Founders,

"control" has the meaning given in s840 ICTA,

"conflict of interest" has the meaning given in article 17 (*Authorising conflicts of interest*),

"director" means a director of the company, and includes any person occupying the position of director, by whatever name called,

"distribution recipient" has the meaning given in article 65 (*Payment of dividends and other distributions*),

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

"drag along notice" has the meaning given in article 53 (*Drag along rights*),

"drag along offer" has the meaning given in article 53 (*Drag along rights*),

"drag along right" has the meaning given in article 53 (*Drag along rights*),

"drag along sellers" has the meaning given in article 53 (*Drag along rights*),

"election notice" has the meaning given in article 49 (*Requirement for transfer notice*),

"electronic form" has the meaning given in s1168 Companies Act 2006,

"electronic means" has the meaning given in s1168 Companies Act 2006,

"Employee" means an individual who is employed by, or is a director of, the company or any of its subsidiaries or an individual whose services are made available to the company or any of its subsidiaries (and **"employment"** shall be construed accordingly to include such an arrangement),

"employee benefit trust" means a trust established (with the prior written approval of the Investor Director) for the purpose of enabling or facilitating transactions in shares between, and/or the acquisition of beneficial ownership of such shares by, any of the following persons

- (a) the bona fide employees or former employees of the company or of any subsidiary of the company, or
- (b) the wives, husbands, civil partners, widows, widowers, children or stepchildren under the age of 18 of any such employees or former employees,

"excluded person" means:

- (a) any Employee or Consultant whose employment, consultancy or directorship with, or provision of services to, the company (or any subsidiary of the company) is subject to notice of termination;
- (b) any person who was, but has ceased to be, an Employee or Consultant, or
- (c) any related party of any person within (a) or (b) above,

"fair value" has the meaning given in article 50 (*Determination of fair value for sale shares*),

"family trust", in relation to a member, means

- (a) a trust or trusts (however arising) under which no immediate beneficial interest in the shares in question is at any time vested in a person other than that member or a privileged relation of that member and no power of control

over the voting powers conferred by those shares is at any time exercisable by, or subject to the consent of, any person other than the trustees as trustees of that member concerned or a privileged relation of that member; or

(b) a body corporate controlled by such a trust,

"Founders" means Jonathan Cavendish and Andy Serkis and any other person for the time being holding shares who has agreed to be bound by the terms of the Subscription and Shareholders Agreement as a Founder (as defined therein) and **"Founder"** shall mean any one of them;

"Founder Director" has the meaning given in article 24 (*Methods of appointing and removing directors*),

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

"good leaver" means a person who ceases to be a Consultant within five years following adoption of these articles in any of the following circumstances

(d) death,

(e) termination without cause by the company of the agreement under or through which a Consultant provides services to the company, or

(f) the sale or disposal of the subsidiary, or business or division, of the company by which he is engaged,

or who is otherwise deemed as such by Herald,

"hard copy form" has the meaning given in s1168 Companies Act 2006,

"Herald" means HIML Holdings Limited or its successors in title,

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

"ICTA" means the Income and Corporation Taxes Act 1988,

"instrument" means a document in hard copy form,

"Investors" means Herald, John Booth, Anglea Boyle, Mr and Mrs D Boyle's Grandchildren's Trust, Patrick Boyle, Mark Baring, Thomas Black, Colin Evans and any other person for the time being holding shares who has agreed to be bound by the terms of the Subscription and Shareholders Agreement as an Investor (as defined therein) and **"Investor"** shall mean any one of them,

"Investor Director" has the meaning given in article 24 (*Methods of appointing and removing directors*),

"lien enforcement notice" has the meaning given in article 37 (*Enforcement of the company's lien*),

"member" has the meaning given in s112 Companies Act 2006,

"Observer" has the meaning given in article 24.3 (*How Observer appointed and removed*),

"offer notice" has the meaning given in article 49 (*Requirement for transfer notice*);

"offeror" has the meaning given in article 53 (*Drag along rights*);

"ordinary resolution" has the meaning given in s282 Companies Act 2006;

"paid" means paid or credited as paid,

"participate", in relation to a directors' meeting, has the meaning given in article 10 (*Participation in directors' meetings*),

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

"permitted cause" has the meaning given in article 19 (*Meetings and conflicts of interest*),

"privileged relation", in relation to a member who is an individual, means that member's spouse, civil partner, widow, widower, surviving civil partner, descendant, parent, brother or sister, nephew or niece,

"proposed seller(s)" has the meaning given in article 52 (*Tag along rights*),

"proxy notice" has the meaning given in article 81 (*Content of proxy notices*),

"proxy notification address" has the meaning given in article 82 (*Delivery of proxy notices*),

"purchaser" has the meaning given in article 52 (*Tag along rights*);

"qualifying person" has the meaning given in s318 Companies Act 2006,

"rejected sale shares" has the meaning given in article 49 (*Requirement for transfer notice*),

"rejection notice" has the meaning given in article 49 (*Requirement for transfer notice*);

"related party" means, in respect of any person

- (a) that person's personal representatives,
- (b) any privileged relation of that person,
- (c) the trustees of a family trust of that person, or
- (d) any nominee of any of the above,

"**sale price**" has the meaning given in article 49 (*Requirement for transfer notice*) and article 51 (*Compulsory transfer*) as the case may be,

"**sale shares**" has the meaning given in article 49 (*Requirement for transfer notice*),

"**second offer notice**" has the meaning given in article 49 (*Requirement for transfer notice*),

"**second acceptance period**" has the meaning given in article 49 (*Requirement for transfer notice*),

"**shares**" means shares in the company,

"**signed**", in relation to anything in electronic form, includes authentication in such manner as the directors may decide;

"**special resolution**" has the meaning given in s283 Companies Act 2006,

"**Subscription and Shareholders Agreement**" means the agreement entered into on the date of adoption of the articles between (1) the Founders, (2) the Investors and (3) the company, as amended, supplemented, adhered to or restated from time to time,

"**subscription price**" means, in respect of any share, the amount paid or credited as paid up on that share, including sums paid, or credited as paid, by way of premium,

"**subsidiary**" has the meaning given in s1159 Companies Act 2006,

"**tag along offer**" has the meaning given in article 52 (*Tag along rights*),

"**transferees**" has the meaning given in article 49 (*Requirement for transfer notice*);

"**transfer notice**" has the meaning given in article 49 (*Requirement for transfer notice*),

"**transmittee**" means a person entitled to a share by reason of the death or bankruptcy of a member or otherwise by operation of law, and

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

2 2 **Companies Act 2006 definitions**

Unless stated otherwise, other words or expressions contained in the articles bear the same meaning as in the Companies Act 2006

2 3 **Meaning of references**

In these articles, unless stated otherwise, any reference to

- (a) the **masculine, feminine or neuter** gender respectively includes the other genders and any reference to the singular includes the plural (and vice versa),

- (b) a **person** includes any individual, firm, company, corporation, government, state or agency of state or any association, trust or partnership (whether or not having a separate legal personality),
- (c) a **statute** or **statutory provision** includes any consolidation, re-enactment, modification or replacement of the same, any statute or statutory provision of which it is a consolidation, re-enactment, modification or replacement and any subordinate legislation in force under any of the same from time to time,
- (d) a **time of the day** is to London time and references to a day are to a period of 24 hours running from midnight to midnight, and
- (e) **sterling** or **£** or **pounds** is to the lawful currency of the United Kingdom

2.4 **Headings and table of contents**

In the articles, the table of contents and headings are included for convenience only and do not affect the interpretation or construction of the articles

2.5 **No restrictive interpretations**

In these articles, **including** means "including without limitation" (with related words being construed accordingly), **in particular** means "in particular but without limitation" and other general words are not to be given a restrictive interpretation by reason of their being preceded or followed by words indicating a particular class of acts, matters or things

2.6 **Investor Consent**

In these articles, any confirmation required to be given by the Investors or Herald may be validly given either

- (a) by the Investor Director (if appointed), or
- (b) by Herald

2.7 **Observer**

In these articles, any reference to the Investor Director shall, where no such Investor Director has been appointed, be deemed to be a reference to the Observer, and in such circumstances any consent, approval, voting or other rights of the Investor Director set out in these articles shall be exercisable instead by the Observer

2.8 **Transfer**

Any direction (by way of renunciation, nomination or otherwise) by a person entitled to an allotment or transfer of shares to the effect that those shares or any of them be allotted or issued or transferred to another person is, for the purposes of the articles, deemed to be a transfer or proposed transfer of those shares

3 LIABILITY OF MEMBERS

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

PART 2 DIRECTORS

DIRECTORS' POWERS AND RESPONSIBILITIES

4 DIRECTORS' GENERAL AUTHORITY

Subject to the articles, the directors are responsible for the management of the company's business, for which purpose they may exercise all the powers of the company

5 MEMBERS' RESERVE POWER

5 1 Members' directions

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

5 2 Validity of directors' prior actions

No such special resolution invalidates anything which the directors have done before the passing of the resolution

6 DIRECTORS MAY DELEGATE

6 1 Scope of delegation

Subject to the articles, the directors may delegate any of the powers which are conferred on them under the articles:

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

as they decide

6.2 Further delegation

If the directors so specify, any delegation may authorise further delegation of the directors' powers by any person to whom they are delegated.

6.3 Revocation and alteration of delegated power

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

7 COMMITTEES

7.1 Committee procedures

Committees to which the directors delegate any of their powers must follow procedures which are based as far as they are applicable on those provisions of the articles which govern the taking of decisions by directors

7.2 Directors' power to make procedural rules

Subject to the approval of an Investor Director, the directors may make rules of procedure for all or any committees, which prevail over rules derived from the articles if they are not consistent with them

DECISION-MAKING BY DIRECTORS

8 DIRECTORS TO TAKE DECISIONS COLLECTIVELY

Decisions of the directors may be taken

- (a) at a directors' meeting, or
- (b) in the form of a directors' written resolution

9 CALLING A DIRECTORS' MEETING

9.1 Power to call directors' meetings

Any director may call a directors' meeting by giving at least seven clear days' notice of the meeting to the directors or by authorising the company secretary (if any) to give that notice. That notice may be given on a shorter period if the Investor Director agrees to accept shorter notice

9.2 Contents of notice

Notice of any directors' meeting must indicate

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

no business may be transacted at any meeting of the directors which was not contained and specified in reasonable detail in the notice convening the meeting without the prior written consent of the Investor Director

9 3 Notice to each director

Notice of a directors' meeting must be given to each director, but need not be in writing.

9 4 Waiver of entitlement to notice

Notice of a directors' meeting need not be given to directors who waive their entitlement to notice of that meeting, by giving notice in writing to that effect to the company before, on or after the date on which the meeting is held. Where the notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it.

10 PARTICIPATION IN DIRECTORS' MEETINGS

10 1 Participation conditions

Subject to the articles, directors participate in a directors' meeting, or part of a directors' meeting, when:

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

10 2 Irrelevant matters

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

10 3 Deciding on place of meeting

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

11 QUORUM FOR DIRECTORS' MEETINGS

11 1 Quorum before voting

At a directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.

11 2 Fixing of quorum

The quorum for directors' meetings is two at least one of whom is an Investor Director, PROVIDED always that if the Investor Director(s) shall have been given proper notice of a meeting in accordance with these articles and shall have waived his right to attend, the meeting shall be quorate notwithstanding the absence of that Investor Director or his alternate.

12 MEETINGS WHERE TOTAL NUMBER OF DIRECTORS LESS THAN QUORUM

12.1 Application

This article applies where the total number of directors for the time being is less than the quorum for directors' meetings.

12.2 Action if one director

If there is only one director, that director (subject to the approval of Herald) may appoint sufficient directors to make up a quorum or call a general meeting to do so

12.3 Action if more than one director

Subject to Herald's consent, if there is more than one director

- (a) a directors' meeting may take place, if it is called in accordance with the articles and at least two directors participate in it, with a view to appointing sufficient directors to make up a quorum or calling a general meeting to do so, and
- (b) if a directors' meeting is called but only one director attends at the appointed date and time to participate in it, that director may appoint sufficient directors to make up a quorum or call a general meeting to do so.

13 CHAIRING OF DIRECTORS' MEETINGS

13.1 Appointment of chairman

The Investor Director (or, in the absence of an Investor Director, Herald) may appoint a director to chair meetings of the directors.

13.2 Appointed person called chairman

The person so appointed for the time being is known as the "**chairman**"

13.3 Termination of chairman's appointment

The Investor Director (or, in the absence of an Investor Director, Herald) may terminate the chairman's appointment at any time.

13.4 Alternative chairman

If the chairman is not participating in a directors' meeting within 10 minutes of the time at which it was to start, the participating directors (subject to the approval of the Investor Director) must appoint one of themselves to chair it.

14. VOTING AT DIRECTORS' MEETINGS: GENERAL RULES

14.1 Decisions at directors' meetings

Subject to the articles, a decision is taken at a directors' meeting by a majority of the votes of the participating directors

14.2 Number of votes

Subject to the articles, each director participating in a directors' meeting has one vote.

15. CASTING VOTE

15.1 Chairman's casting vote

If the numbers of votes for and against a proposal are equal, the chairman or other director chairing the meeting has a casting vote

15.2 Exception

But article 15.1 does not apply if, in accordance with the articles, the chairman or other director chairing the meeting is not to be counted as participating in the decision-making process for quorum or voting purposes

16. ALTERNATES VOTING AT DIRECTORS' MEETINGS

A director who is also an alternate director has an additional vote on behalf of each appointor who is

- (a) not participating in a directors' meeting, and
- (b) would have been entitled to vote if they were participating in it

17. AUTHORISING CONFLICTS OF INTEREST

17.1 Directors' power to authorise conflicts of interest

The directors may, in accordance with this article, authorise a matter proposed to them which would, if not authorised, involve a breach by a director of his or her duty under s175 Companies Act 2006 to avoid a situation in which he or she has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the company's interests.

17.2 Interpretation

A reference in the articles to a "**conflict of interest**" includes a conflict of interest and duty and a conflict of duties

17.3 Authorisation in accordance with Companies Act 2006

An authorisation referred to in article 17.1 is effective only if it is given in accordance with the requirements of the Companies Act 2006

17 4 Authorisation by written resolution

In the case of an authorisation given by resolution in writing

- (a) the resolution must be signed by all the directors; and
- (b) the number of directors that sign the resolution (disregarding the director in question and any other director who has a direct or indirect interest in the matter being authorised) must be not less than the number required to form a quorum

17 5 Directors may prescribe terms of authorisation

The directors may:

- (a) authorise a matter pursuant to article 17 1 on such terms and for such duration, or impose such limits or conditions on it, as they may decide, and
- (b) vary the terms or duration of such an authorisation (including any limits or conditions imposed on it) or revoke it

17 6 Examples of terms of authorisation

Any terms, limits or conditions imposed by the directors in respect of their authorisation of a director's conflict of interest or possible conflict of interest (whether given pursuant to article 17.1 or otherwise) may provide that:

- (a) if the relevant director has (other than through his or her position as director) information in relation to the relevant matter in respect of which he or she owes a duty of confidentiality to another person, he or she is not obliged to disclose that information to the company or to use or apply it in performing his or her duties as a director,
- (b) the director is to be excluded from discussions in relation to the relevant matter whether at a meeting of the directors or any committee of directors or otherwise,
- (c) the director is not to be given any documents or other information in relation to the relevant matter, and
- (d) the director may or may not vote (or may or may not be counted in the quorum) at a meeting of the directors or any committee of directors in relation to any resolution relating to the relevant matter.

17 7 No infringement of duty

A director does not infringe any duty which he or she owes to the company by virtue of ss171 to 177 Companies Act 2006 if that director acts in accordance with such terms, limits and conditions (if any) as the directors impose in respect of their authorisation of that director's conflict of interest or possible conflict of interest (whether given pursuant to article 17 1 or otherwise)

18 ACCOUNTABILITY OF REMUNERATION AND BENEFITS

18 1 Directors permitted to retain benefits from situational conflicts

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 or other benefit which he or she derives from or in connection with a relationship involving a conflict of interest or possible conflict of interest which has been authorised by the directors (whether pursuant to article 17 1 (*Directors' power to authorise conflicts of interest*) or otherwise) or by the company in general meeting (subject in each case to any terms, limits or conditions attaching to the authorisation)

18 2 Directors permitted to retain benefits from transactional conflicts

If a director has disclosed to the directors the nature and extent of his or her interest (to the extent required by the Companies Act 2006) he or she 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 or other benefit which he or she derives from or in connection with:

- (a) being a party to, or otherwise interested in, any transaction or arrangement with the company or in which the company is interested or a body corporate in which the company is interested;
- (b) acting (otherwise than as auditor) alone or through his or her organisation in a professional capacity for the company (and that director or his or her organisation is entitled to remuneration for professional services as if they were not a director); or
- (c) being a director (and, for this purpose, the definition of director in article 2 (*Definitions and interpretation*) does not apply), or other officer of, or employed by, or otherwise interested in, the company's subsidiaries or any other body corporate in which the company is interested

18 3 No breach of statutory duty not to accept benefits from third parties

A director's receipt of any remuneration or other benefit referred to in articles 18 1 or 18 2 does not constitute an infringement of his or her duty under s176 Companies Act 2006

18 4 Transaction not liable to be avoided

A transaction or arrangement referred to in articles 18 1 or 18 2 is not liable to be avoided on the ground of any remuneration, benefit or interest referred to those articles.

19. MEETINGS AND CONFLICTS OF INTEREST

19.1 Participation of interested directors

If a directors' meeting, or part of a directors' meeting, is concerned with an actual or proposed transaction or arrangement with the company in which a director is interested then

- (a) provided the director has declared the nature and extent of his or her interest to the other directors to the extent required by the Companies Act 2006; and
- (b) subject to the terms imposed by any authorisation given by the directors (whether pursuant to article 17.1 (*Directors' power to authorise conflicts of interest*) or otherwise) or by the company in general meeting

that director is to be counted as participating in that meeting, or part of a meeting, for quorum purposes and he or she may vote at that meeting or part of a meeting

19.2 Interpretation

For the purposes of this article:

- (a) an interest of a person who is, for any purpose of the Companies Act 2006, "connected with" (within the meaning of s252 Companies Act 2006) a director is to be treated as an interest of the director, and
- (b) in relation to an alternate director, an interest of his or her appointor is to be treated as an interest of the alternate director without prejudice to any interest which the alternate director has otherwise and without prejudice to his or her ability to vote in relation to that transaction or arrangement on behalf of another appointor who does not have such an interest

19.3 Chairman's rulings

Subject to article 19.4, if a question arises at a meeting of the directors or of a committee of directors as to the right of a director to participate in the meeting (or part of the meeting) for voting or quorum purposes, the question may, before the conclusion of the meeting, be referred to the chairman whose ruling in relation to any director other than the chairman is to be final and conclusive

19.4 Questions regarding the chairman

If any question as to the right to participate in the meeting (or part of the meeting) arises in respect of the chairman, the question is to be decided by a decision of the directors at that meeting, for which purpose the chairman is not counted as participating in the meeting (or that part of the meeting) for voting or quorum purposes.

19.5 Directors voting on appointments

If it is proposed to appoint two or more directors to offices or employments with the company or with any body corporate in which the company is interested or to fix or

vary the terms of those appointments, the proposals must be divided and considered in relation to each director separately. In that case, each of those directors (if not precluded from voting for another reason) may vote (and be counted in the quorum) in respect of each resolution except the resolution which relates to that director.

20 PROPOSING DIRECTORS' WRITTEN RESOLUTIONS

20.1 Proposal by a director

Any director may propose a directors' written resolution.

20.2 Proposal by the company secretary

The company secretary (if any) must propose a directors' written resolution if a director so requests.

20.3 Method of proposing

A directors' written resolution is proposed by giving notice of the proposed resolution to the directors.

20.4 Content of notice

Notice of a proposed directors' written resolution must indicate

- (a) the proposed resolution, and
- (b) the time by which it is proposed that the directors should adopt it.

20.5 Written notice to each director

Notice of a proposed directors' written resolution must be given in writing to each director.

20.6 Waiver of entitlement to notice

Notice of a proposed directors' written resolution need not be given to directors who waive their entitlement to notice of that directors' written resolution, by giving notice in writing to that effect to the company before, on or after the date on which the resolution is passed. Where the notice is given after the resolution is passed, that does not affect the validity of the resolution.

20.7 Adoption process

Any decision which a person giving notice of a proposed directors' written resolution takes regarding the process of adopting that resolution must be taken reasonably in good faith.

21 ADOPTION OF DIRECTORS' WRITTEN RESOLUTIONS

21 1 When written resolution adopted

A proposed directors' written resolution is adopted when all the directors who would have been entitled to vote on the resolution at a directors' meeting have signed one or more copies of it, but only if those directors would have formed a quorum at such a meeting

21 2 Immateriality of signing time

It is immaterial whether any director signs the resolution before or after the time by which the notice proposed that it should be adopted

21 3 How resolution to be treated

Once a directors' written resolution has been adopted, it must be treated as if it had been a decision taken at a directors' meeting in accordance with the articles

21 4 Record of directors' written resolutions

The directors or the company secretary (if any) must ensure that the company keeps a record, in writing, of all directors' written resolutions for at least 10 years from the date of their adoption

22 DIRECTORS' DISCRETION TO MAKE FURTHER RULES

Subject to the articles, the directors may (subject to the participation at such meeting of an Investor Director) make any rule which they think fit about how they take decisions, and about how such rules are to be recorded or communicated to directors

APPOINTMENT OF DIRECTORS

23 NUMBER OF DIRECTORS

Unless the members by special resolution decide otherwise the number of directors must not be less than two and must not exceed six.

24. METHODS OF APPOINTING AND REMOVING DIRECTORS

24 1 How Investor Director appointed and removed

Herald may

- (a) appoint one director,
- (b) remove any director appointed by them; or
- (c) appoint another director in place of one removed by them

Any director appointed by Herald is referred to as an "Investor Director".

24.2 How Founder Director appointed and removed

The Founders may:

- (a) appoint two directors (in aggregate),
- (b) remove any director appointed by them, and
- (c) appoint another director in place of one removed by them.

Any director appointed by the Founders is referred to as a **Founder Director**".

24.3 How Observer appointed and removed

If at any time Herald has not exercised its right to appoint an Investor Director, Herald may.

- (a) appoint one person from time to time to be its observer ("**Observer**"),
- (b) remove any Observer appointed by them; or
- (c) appoint another Observer in place of one removed by them,

and the Observer shall have the right to receive notice, attend, be present, speak and vote at all meetings of the directors and to see and receive copies of all documents considered at those meetings

24.4 Method of appointment or removal of directors

Any appointment or removal of an Investor Director under article 24.1, Founder Director under article 24.2 or the Observer under article 24.3 must be effected by notice in writing to the company:

- (a) signed by Herald (in the case of an Investor Director) or a Founder (in the case of a Founder Director), and
- (b) in the case of a notice of removal, specifying when the appointment is to terminate

24.5 How director appointed if no members or directors

In any case where, as a result of death, the company has no members and no directors, the personal representatives of the last member to have died have the right, by notice in writing, to appoint a person to be a director.

24.6 Interpretation

For the purposes of article 24.5, where two or more shareholders die in circumstances rendering it uncertain who was the last to die, a younger shareholder is deemed to have survived an older shareholder

25 AUTOMATIC TERMINATION OF DIRECTOR'S APPOINTMENT

A person ceases to be a director as soon as:

- (a) that person ceases to be a director by virtue of any provision of the Companies Act 2006 or is prohibited from being a director by law,
- (b) a bankruptcy order is made against that person,
- (c) a composition is made with that person's creditors generally in satisfaction of that person's debts,
- (d) a registered medical practitioner who is treating that person gives a written opinion to the company stating that that person has become physically or mentally incapable of acting as a director and may remain so for more than three months,
- (e) by reason of that person's mental health, a court makes an order which wholly or partly prevents that person from personally exercising any powers or rights which that person would otherwise have,
- (f) notification is received by the company from the director that the director is resigning from office, and the resignation has taken effect in accordance with its terms; or
- (g) that person and their alternate (if any) is absent from meetings of the directors for six successive months without the permission of the directors.

26 DIRECTORS' REMUNERATION

26.1 Directors' services

Directors may perform any services for the company that the directors decide.

26.2 Remuneration for services

Directors are entitled to such remuneration as the directors decide

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

26.3 Form of remuneration and other arrangements

Subject to the articles, a director's remuneration may take any form

26.4 Accrual of remuneration

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

26.5 Pensions, gratuities and insurance

The directors may make any arrangements in connection with the payment of a pension, allowance or gratuity, or any death, sickness or disability benefits, or for or towards insurance to or in respect of any director or former director who is or was at any time in the employment or service of the company or any of the company's subsidiaries or any other body corporate in which the company is interested or any of their respective predecessors in business and that person's family and dependants.

27. DIRECTORS' EXPENSES

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

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

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

ALTERNATE DIRECTORS

28 APPOINTMENT AND REMOVAL OF ALTERNATES

28 1 Appointment of alternates

Any director (the "appointor") may appoint as an alternate any other director, or any other person approved by resolution of the directors, to

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

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

28 2 Method of appointing or removing an alternate

Any appointment or removal of an alternate must be effected by notice in writing to the company signed by the appointor

28 3 Notice requirements

The notice must

- (a) identify the person to be appointed or removed as an alternate, and

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

29 RIGHTS AND RESPONSIBILITIES OF ALTERNATE DIRECTORS

29 1 Rights of alternate directors

An alternate director has the same rights, in relation to a directors' meeting or directors' written resolution, as the alternate's appointor

29 2 Status and responsibilities of alternate directors

Except as the articles specify otherwise, alternate directors are:

- (a) deemed for all purposes to be directors;
- (b) liable for their own acts and omissions;
- (c) subject to the same restrictions as their appointors,
- (d) not deemed to be agents of or for their appointors, and
- (e) entitled to be indemnified by the company to the same extent as if they were directors

29 3 Directors' meetings and written resolutions

A person who is an alternate director but not a director

- (a) may be counted as participating for the purposes of determining whether a quorum is participating (but only if that person's appointor is not participating), and
- (b) may sign a written resolution (but only if it is not signed or to be signed by that person's appointor)

29 4 Remuneration

An alternate director is not entitled to receive any remuneration from the company for serving as an alternate director except for that part of the alternate's appointor's remuneration as the appointor may direct by notice in writing made to the company.

30. TERMINATION OF ALTERNATE DIRECTORSHIP

An alternate director's appointment as an alternate terminates

- (a) when, pursuant to article 28 2 (*Method of appointing or removing an alternate*), the appointment is revoked by notice to the company in writing specifying when it is to terminate;

- (b) on the occurrence in relation to the alternate of any event which, if it occurred in relation to the alternate's appointor, would result in the termination of the appointor's appointment as a director;
- (c) on the death of the alternate's appointor; or
- (d) when the alternate's appointor's appointment as a director terminates

PART 3 SHARES AND DISTRIBUTIONS

ISSUE OF SHARES

31 POWERS TO ISSUE SHARES

31.1 Power, rights and restrictions

Subject to the articles, but without prejudice to the rights attached to any existing share, the company may issue shares with such rights or restrictions as may be decided by ordinary resolution (or, failing such a decision, as the directors, may decide)

31.2 Directors' power to allot shares

All new shares are under the control of the directors who, subject to s551 Companies Act 2006 and any resolution of the company passed pursuant to that section, may allot and dispose of or grant options over them to any persons, and on any terms and in any manner, as the directors may decide

31.3 Directors' power to allot shares: authorisation by the company

Except as otherwise provided in the articles and subject to any renewal, revocation or variation of this authority by resolution of the company, the directors are generally and unconditionally authorised for the purpose of s551 Companies Act 2006 to allot shares, or to grant rights to subscribe for or to convert any security into shares, up to an aggregate nominal amount of £195 during the period expiring at the end of five years from the date of adoption of the articles

31.4 Interpretation

For the avoidance of doubt, article 31.3 does not apply to shares falling within s559 Companies Act 2006 or the allotment of shares or grant of rights falling within s549(2) Companies Act 2006 or the allotment of shares falling within s549(3) Companies Act 2006

31.5 Offers and agreements before the authority expires

Pursuant to the authority in article 31.4, the company may make offers or agreements before the expiry of that authority which would or might require shares to be allotted, or rights to be granted after the expiry of that authority

31.6 Exclusion of statutory pre-emption rights

ss561 and 562 Companies Act 2006 do not apply to any allotment by the company of equity securities

31.7 Redeemable shares

Subject to the articles, the company may issue shares which are to be redeemed, or are liable to be redeemed at the option of the company or the holder. The directors (subject to the approval of the Investor Director) may decide the terms, conditions and manner of redemption of any of those shares and must do so before the shares are allotted.

31.8 Variation of rights

The following events do not constitute a variation of the rights attached to any class or classes of shares unless the terms of that class or those classes expressly provide otherwise or unless the provisions of the articles are not followed.

- (a) the issue of shares of any class in addition to shares of that class previously issued, or;
- (b) the creation or issue of shares of a different class to that class (in the case where there is only one class of shares in issue) or to those classes (in any case where there are more than one class of shares in issue) which rank equally with or behind that class or those classes

32. PRE-EMPTION PROCEDURES ON ISSUES OF SHARES

32.1 Pre-emption procedures must apply

Unless otherwise determined by special resolution and the consent in writing of Herald and subject to article 31.8 (*Variation of rights*), or agreed in the Subscription and Shareholders Agreement, the following provisions apply where any equity securities are allotted after the date of adoption of the articles.

32.2 Pre-emption offer: first round

Before the equity securities are allotted, the company must first make an offer to the holders of shares to allot to them respectively a proportion of those securities that is as nearly practicable equal to the proportion in nominal value of the shares then in issue.

32.3 Pre-emption offer: second round

The following applies if the time limit for acceptance specified by the offer has expired, or the company has received notice in writing from the offeree declining to accept the equity securities offered

- (a) the company must make an offer to the holders of shares who or which have accepted all the equity securities which they are entitled to be allotted, to allot to them the balance of any equity securities offered to the holders of shares of that class which were not accepted;

- (b) if there is more than one such holder, the offer must be to allot to them the balance of those equity securities in a proportion that is as nearly practicable equal to the number of shares then held by each of them respectively, and
- (c) the company may not offer those equity securities on terms which are more favourable than those offered to the original offerees.

32.4 Communication of pre-emption offer

Any offer under this article must be made by notice in writing specifying:

- (a) the number and class of equity securities comprised in the offer,
- (b) the price at which those equity securities are offered,
- (c) the proposed terms of allotment, and
- (d) specify the time within which the offer must be accepted before it is deemed to have been declined. In respect of article 32.2, that period must be not less than 28 days unless the holder to whom the offer is to be made otherwise agrees in writing.

32.5 Directors' powers to dispose of remaining equity securities

If any equity securities.

- (a) are not applied for by the existing members; or
- (b) cannot in the directors' opinion be conveniently offered under this article,

the directors may offer them to such persons as it may select ("offerees") and, subject to these articles and to the provisions of the Companies Act 2006, such shares shall be at the disposal of the directors which may, subject to the consent of an Investor Director, allot, grant options over or otherwise dispose of them to such offerees at such times and generally on such terms and conditions as it thinks proper, provided that

- (c) no such shares shall be issued more than three months after the expiry of the second offer period specified in accordance with articles 32.3 and 32.4 unless the procedure set out in articles 32.2 and 32.3 is repeated in respect of such shares,
- (d) no such shares shall be issued at a price less than that at which, or on terms generally more favourable to the offerees than those upon which, they were initially offered to the existing members; and
- (e) if the directors are proposing to issue such shares wholly or partly for non-cash consideration, the fair market value of such consideration shall be as reasonably determined by the directors in good faith whose determination shall be final and binding on the company and each of its members

32.6 Pre-emption procedure does not apply to employees' share schemes

This article does not apply to the allotment of equity securities in the circumstances described in s566 Companies Act 2006 and in particular in respect of any equity incentive scheme adopted by the Company

INTERESTS IN SHARES

33 COMPANY NOT BOUND BY LESS THAN ABSOLUTE INTERESTS

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

34. SHARE CERTIFICATES

34.1 Obligation to issue share certificates

The company must issue each member, free of charge, with one or more certificates in respect of the shares which that member holds.

34.2 Content of certificates

Every certificate must specify:

- (a) in respect of how many shares, of what class, it is issued,
- (b) the nominal value of those shares,
- (c) the amount paid up on them, and
- (d) any distinguishing numbers assigned to them

34 3 Certificate may only cover one class of shares

No certificate may be issued in respect of shares of more than one class

34.4 Only one certificate for joint holders

If more than one person holds a share, only one certificate may be issued in respect of it

34 5 Execution of certificates

Certificates must:

- (a) have affixed to them the company's common seal; or
- (b) be otherwise executed in accordance with the Companies Acts.

35 REPLACEMENT SHARE CERTIFICATES

35 1 Right to a replacement certificate

If a certificate issued in respect of a member's shares is:

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

that member is entitled to be issued with a replacement certificate in respect of the same shares

35 2 Consequential rights and obligations

A member exercising the right to be issued with a replacement certificate:

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

PARTLY PAID SHARES

36 COMPANY'S LIEN OVER PARTLY PAID SHARES

36 1 Lien

The company has a lien (the "**company's lien**") over every share which is partly paid for any part of:

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

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

36 2 Priority and extent of lien

The company's lien over a share.

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

36 3 Share not subject to lien

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

37 ENFORCEMENT OF THE COMPANY'S LIEN

37.1 Power of sale

Subject to the provisions of this article, if

- (a) a lien enforcement notice has been given in respect of a share, and
- (b) the person to whom the notice is given has failed to comply with it, the company may sell that share in such manner as the directors decide

37 2 Lien enforcement notice

A lien enforcement notice

- (a) may only be given in respect of a share which is subject to the company's lien, in respect of which a sum is payable and the due date for payment of that sum has passed;
- (b) must specify the share concerned,
- (c) must require payment of the sum payable within 14 days of the notice,
- (d) must be addressed either to the holder of the share or to a transmittee, and
- (e) must state the company's intention to sell the share if the notice is not complied with.

37 3 Sale of shares

Where shares are sold under this article

- (a) the directors may authorise any person to execute an instrument of transfer of the shares to the purchaser or a person nominated by the purchaser; and
- (b) the transferee is not bound to see to the application of the consideration, and the transferee's title is not affected by any irregularity in or invalidity of the process leading to the sale

37 4 Application of proceeds

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

- (a) first, in payment of so much of the sum for which the lien exists as was payable at the date of the lien enforcement notice;

- (b) second, to the person entitled to the shares at the date of the sale, but only after the certificate for the shares sold has been surrendered to the company for cancellation or a suitable indemnity has been given for any lost, stolen or destroyed 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.

37 5 Effect of statutory declaration about sold shares

A statutory declaration by a director or the company secretary (if any) that the declarant is a director or the company secretary and that a share has been sold to satisfy the company's lien on a specified date

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

38 CALL NOTICES

38 1 Sending a call notice

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

38 2 Call notices

A call notice.

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

38 3 Compliance with a call notice

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

38 4 Changes to a call notice

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

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

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

39 LIABILITY TO PAY CALLS

39 1 Effect of share transfer

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

39 2 Liability of joint holders

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

39 3 Directors' powers when issuing shares

Subject to the terms on which shares are allotted, the directors may, when issuing shares, provide that call notices sent to the holders of those shares may require them to pay calls

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

40 WHEN CALL NOTICE NEED NOT BE ISSUED

40 1 When a call notice is not required

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) on

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

40 2 Consequences of non-payment

If the due date for payment of a sum referred to in article 40 1 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.

41 FAILURE TO COMPLY WITH CALL NOTICE: AUTOMATIC CONSEQUENCES

41.1 Consequences of non-compliance with a call notice

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

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

41.2 Interpretation

For the purposes of this article

- (a) the "**call payment date**" is the time when the call notice states that a call is payable, unless the directors give a notice specifying a later date, in which case the "**call payment date**" is that later date,
- (b) the "**relevant rate**" is.
 - (i) the rate fixed by the terms on which the share in respect of which the call is due was allotted,
 - (ii) such other rate as has been fixed in the call notice which required payment of the call, or has otherwise been decided by the directors; or
 - (iii) if no rate is fixed in either of these ways, five per cent a year

41.3 Directors' powers to waive interest payments

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

42 NOTICE OF INTENDED FORFEITURE

A notice of intended forfeiture

- (a) may be sent in respect of any share in respect of which a call has not been paid as required by a call notice;
- (b) must be sent to the holder of that share or to a person entitled to it by reason of the holder's death, bankruptcy or otherwise,
- (c) must require payment of the call and any accrued interest by a date which is not less than 14 days after the date of the notice,
- (d) must state how the payment is to be made; and
- (e) must state that if the notice is not complied with, the shares in respect of which the call is payable will be liable to be forfeited

43 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 has been given is forfeited, and the forfeiture is to include all dividends or other money payable in respect of the forfeited shares and not paid before the forfeiture.

44. EFFECT OF FORFEITURE

44 1 Extinguishment of rights and liabilities

Subject to the articles, the forfeiture of a share extinguishes:

- (a) all interests in that share, and all claims and demands against the company in respect of it; and
- (b) all other rights and liabilities incidental to the share as between the person whose share it was before the forfeiture and the company.

44 2 Effect of forfeiture on share

Any share which is forfeited in accordance with the articles

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

44 3 Consequences of forfeiture

If a person's shares have been forfeited

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

44.4 Directors' power to cancel a forfeiture

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.

45. PROCEDURE FOLLOWING FORFEITURE

45.1 Transfer of forfeited share

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

45.2 Effect of statutory declaration about forfeited share

A statutory declaration by a director or the company secretary (if any) that the declarant is a director or the company secretary and that a share has been forfeited on a specified date

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

45.3 Transferee's responsibilities

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

45.4 Proceeds of sales

If the company sells a forfeited share, the person who held it before its forfeiture is entitled to receive from the company the proceeds of that sale, net of any commission, and excluding any amount which

- (a) was, or would have become, payable, and
- (b) had not, when that share was forfeited, been paid by that person in respect of that share,

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

46. SURRENDER OF SHARES

46.1 Member's right to surrender a share

A member may surrender any share

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

46.2 Directors' right to accept a surrender

The directors may accept the surrender of such a share

46.3 Effect of surrender

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

46.4 Dealing with a surrendered share

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

TRANSFER AND TRANSMISSION OF SHARES

47 FORMALITIES FOR SHARE TRANSFERS

47 1 Form of share transfers

Shares may be transferred by means of an instrument of transfer in any usual form or any other form approved by the directors, which is executed by or on behalf of

- (a) the transferor; and
- (b) (if any of the shares is partly paid) the transferee

47 2 No fee

No fee may be charged for registering any instrument of transfer or other document relating to or affecting the title to any share.

47 3 Retention of share transfers

The company may retain any instrument of transfer which is registered

47 4 When transferor ceases to hold a share

The transferor remains the holder of a share until the transferee's name is entered in the register of members as holder of it.

48 PERMITTED TRANSFERS

48.1 Permitted transferees

A member may at any time transfer all or any shares held by that member (without being subject to the provisions of article 49 (*Requirement for transfer notice*))

- (a) in the case of a member which is a corporation, to any other body corporate which is that member's associated company;
- (b) where an Investor is a corporation, to all or any of its shareholders,

- (c) where an Investor is, or holds shares or other securities in any company as trustee, custodian or nominee for, or otherwise on behalf of, a partnership, unit trust or other fund (however constituted), to
 - (i) the holders of units in, or partners in or members of or investors in such partnership, unit trust or fund,
 - (ii) a partnership, unit trust or fund which has the same general partner, manager or adviser as such partnership, unit trust or fund, or whose general partner, manager or adviser is a member of the same group as the general partner, manager or adviser of such partnership, unit trust or fund, or
 - (iii) a trustee, custodian or nominee for any such partnership, unit trust or fund as is referred to in paragraph (ii) above;
- (d) by an Investor to a "co-investment scheme", being a scheme under which certain officers, employees or partners of an Investor or of its adviser or manager are entitled (as individuals or through a body corporate or any other vehicle) to acquire shares,
- (e) by a co-investment scheme which holds shares through a body corporate or another vehicle to.
 - (i) another body corporate or another vehicle which holds or is to hold the shares for the co-investment scheme, or
 - (ii) an officer, employee or partner entitled to the shares under the co-investment scheme,
- (f) to that member's privileged relation,
- (g) to trustees to be held on that member's family trust,
- (h) by any member to the trustee(s) or nominee for the time being of an employee benefit trust or for the purposes of an employee share scheme (as defined in s1166 Companies Act 2006) or for the purposes of any other equity incentive scheme implemented by the Company;
 - (i) by the trustee(s) or nominee for the time being of an employee benefit trust to a beneficiary of such employee benefit trust, or
 - (j) by any member in consequence of the acceptance of a tag along offer made to that member pursuant to article 52 (*Tag along rights*) or pursuant to a drag along notice given in the circumstances described in article 53.1 (*Drag along*) (but not, for the avoidance of doubt, in the circumstances described in article 53.3)

48.2 Permitted transfers by trustees of a family trust

The following applies if shares have been transferred to trustees to be held on a member's family trust under this article. The trustees may at any time transfer all or any of the relevant shares to

- (a) new trustees where there is no change in the beneficial ownership in the shares in question, and
- (b) a beneficiary who is either any person to whom the settlor under the trust would have been permitted to transfer shares under this article (if that person had remained the holder of them) or the settlor.

48.3 If transferee ceases to be an associated company

The following applies if shares have been transferred to a member's associated company under this article. If the transferee subsequently ceases to be an associated company of the transferor, the transferee must immediately transfer the relevant shares to

- (a) the transferor, or
- (b) at the transferor's option, an associated company of the transferor

In either case, the original transferee will not be required to serve a transfer notice in respect of the shares in question

48.4 Failure to comply with requirements on ceasing to be an associated company

But, if the transferee fails to do so within 14 days of ceasing to be the transferor's associated company, it is deemed to have given a transfer notice in respect of all the relevant shares immediately before that person ceased to be the transferor's associated company. The transfer notice is irrevocable.

48.5 If transferee ceases to be a privileged relation

The following applies if shares have been transferred to a member's privileged relation or to trustees to be held on that member's family trust under this article. If:

- (a) the transferee subsequently ceases to be a privileged relation of the transferor for whatever reason; or
- (b) the relevant shares held by trustees cease to be held on family trust (otherwise than where an authorised transfer of those shares has been made),

the transferee is deemed to have given a transfer notice in respect of all the relevant shares. The transfer notice is deemed to have been given immediately before that person ceased to be the transferor's privileged relation and is irrevocable.

48 6 Requests for information about proposed transferees

The directors may require the transferor or proposed transferee to provide information and evidence for the purpose of ensuring that a transfer of shares is permitted under this article. If the information or evidence is not provided to the reasonable satisfaction of the directors within 21 days after the directors' request, they may refuse to register the transfer in question.

49. REQUIREMENT FOR TRANSFER NOTICE

49.1 All transfers to be in accordance with this article

No member may transfer any shares or interest in shares except in accordance with article 48 (*Permitted transfers*) or this article.

49 2 Seller must give transfer notice

Before a member transfers any shares or any interest in shares, it must give notice in writing (a "**transfer notice**") to the company of its intention to do so.

49.3 Transfer notice to specify sale shares

The transfer notice must specify the number and class of shares or interests in shares to be transferred (the "**sale shares**").

49 4 Transfer notice is irrevocable

Except as otherwise provided by the articles, the transfer notice can only be revoked with the prior consent in writing of the company. The directors may impose any conditions they think fit on the company's consent, including a condition that the seller pays the costs arising from the giving of the transfer notice and its revocation.

49 5 Transfer notice may cover all the sale shares

The transfer notice may contain a provision binding on the company that unless all the sale shares are sold under this article none will be sold. This does not apply where the transfer notice is given or deemed to be given under article 48 4 (*Failure to comply with requirements on ceasing to be an associated company*), article 52 (*Tag along rights*), article 53 (*Drag along rights*), article 54 (*Transfer notice on death, bankruptcy or insolvency*) or article 55 (*Deemed transfer notice on change of control*).

49 6 Company is seller's agent

The transfer notice is deemed to appoint the company (acting by its directors) as the seller's agent for the sale of the sale shares at the price specified by the seller in the transfer notice (the "**sale price**").

49.7 If no price specified in transfer notice

If no price is specified in the transfer notice, the sale shares shall be sold at the price agreed between the seller and the company and **"sale price"** shall be interpreted accordingly.

49 8 Where seller and company do not agree on sale price

If the seller and company do not reach agreement within five days of the date of the transfer notice, the sale shares shall be sold at the price equal to the fair market value of the sale shares decided in accordance with article 50 (*Determination of fair value for sale shares*) and **"sale price"** shall be interpreted accordingly

49 9 Offer to other members

As soon as the sale price has been specified, agreed or decided in accordance with the articles, the company will immediately by notice in writing (the **"offer notice"**) make an offer to the other members holding shares (other than the seller) to sell the sale shares to them at the sale price. If there is more than one of them, the offer must be made on a pro-rata basis according to their existing holdings. The company will not make the offer if the seller has withdrawn the transfer notice under article 50 6 (*Seller's right to withdraw transfer notice*)

49 10 Period of offer

The offer must be open for a period of 28 days from the date of the offer notice (the **"acceptance period"**)

49 11 Second offer to other members

After the expiry of the acceptance period, if any sale shares remain after all applicants have been satisfied in full, the company will immediately by notice in writing (the **"second offer notice"**) make an offer to the holders of shares who or which have accepted all the sale shares which they are entitled to accept to sell the remaining sale shares to them at the sale price. If there is more than one of them, the offer must be made on a pro-rata basis according to their existing holdings.

49 12 Period of second offer

The offer must be open for a period of 14 days from the date of the second offer notice (the **"second acceptance period"**)

49 13 Contents of offer notice

The offer notice and any second offer notice must.

- (a) specify the number of sale shares covered by them and the sale price; and
- (b) refer to any provision included in the transfer notice pursuant to article 49 5 that, unless all the sale shares are sold, none will be sold and the relevant offer must be interpreted accordingly

49.14 Circumstances where no offer notice is to be issued

The company will not give an offer notice or any second offer notice to a member in respect of whose shares a transfer notice must be given or is deemed to have been given under article 48 4 (*Failure to comply with requirements on ceasing to be an associated company*), article 51 (*Compulsory transfer*), article 52 (*Tag along rights*), article 53 (*Drag along rights*), article 54 (*Transfer notice on death, bankruptcy or insolvency*) or article 55 (*Deemed transfer notice on change of control*)

49.15 Acceptance of offer

The following applies if any of the other members accept the offer of any sale shares within the acceptance period or any second acceptance period. The company will immediately give notice in writing (the "**acceptance notice**") of that acceptance to the seller and those members (the "**transferees**")

49.16 Contents of acceptance notice

Each acceptance notice must specify the place and time at which the sale shares applied for will be completed. That time must be no earlier than seven and no later than 21 days after the date of the acceptance notice

49.17 Seller bound to transfer sale shares

Subject to article 49 5, at the time and place specified in the acceptance notice

- (a) the seller must transfer to the transferees, and
- (b) the transferees must pay the company as the seller's agent for the sale shares applied for

49.18 If seller fails to transfer sale shares

Article 49.17 and article 49 18 apply if the seller fails to transfer any sale shares applied for by the time specified in the acceptance notice

49.19 Seller appoints agent to complete share transfer

The chairman or failing him any other director will be deemed to have been appointed as the seller's agent with full power to execute, complete and deliver, in the name of and on behalf of the seller, a transfer of the sale shares applied for to the transferees against payment of the sale price. The appointment is irrevocable and is given by way of security for the performance of the obligations of the seller's obligations under the articles

49.20 Transferees entitled to be entered in register of members

On payment to the company of the sale price (and payment of any applicable stamp duty) and on execution and delivery of the relevant transfers, the respective names of the transferees must be entered in the register of members as the holders of the sale shares applied for.

49.21 Payment of sale price

The company is trustee for any moneys which it receives from the transferees in payment of the sale price and will promptly pay them to the seller together with any balancing share certificate to which the seller may be entitled. Before doing so, the company is entitled to apply those moneys in settling any costs or expenses required to be paid by the seller under the articles.

49.22 Rejection of offer

If, by the end of the second acceptance period, the offer for the sale shares at the sale price is not accepted, or is accepted in part only, by the members to whom it is made, the company will immediately give notice in writing to the seller giving details of the sale shares which have not been accepted.

49.23 Partial rejection of offer

Where the offer is accepted in part only, if the transfer notice included a provision pursuant to article 49.5 that, unless all the sale shares are sold, none will be sold, all the sale shares are deemed not to have been accepted and the company's notice must refer to that fact.

49.24 Sale shares not paid for

If, by the date for completion specified in the acceptance notice, the transferees do not pay for any of the sale shares allocated to them respectively, the company will immediately give notice in writing to the seller giving details of the sale shares which have not been paid for. If the transfer notice included a provision pursuant to article 49.5 that, unless all the sale shares are sold, none will be sold:

- (a) all the sale shares are deemed not to have been accepted and the company's notice must refer to that fact; and
- (b) the company will promptly return any moneys which it has received in payment of the sale price to the transferees who paid those moneys in due proportion.

49.25 Transfer of rejected sale shares

The seller may give notice in writing to the company (the "**election notice**"), within 14 days of the date of the rejection notice, electing to transfer all (and not some only) of the rejected sale shares to any person at a price not lower than the sale price. The seller must transfer the rejected sale shares within three months of the date of the election notice.

49.26 Interpretation

In this article:

- (a) "**rejection notice**" means a notice given by the company under article 49.22 or article 49.24; and

- (b) **"rejected sale shares"** means any sale shares which are not or are deemed not to have been accepted (or which have not been paid for as referred to in a notice given by the company under article 49.22 or 49 24).

49 27 Non-participation of interested director in meetings concerning sale shares

If any director wishes to purchase any sale shares or holds shares comprising sale shares, that person is not to be counted as participating in any directors' meeting, or part of a directors' meeting, concerned with the sale or transfer of those shares for quorum purposes and he or she may not vote at that meeting or part of a meeting

49 28 Excluded persons

If any member becomes an excluded person the directors may at any time thereafter by notice in writing to that member revoke any transfer notice given by that member prior to it becoming an excluded person. These articles shall thereafter operate as if no such notice had been given, provided that such revocation shall be without prejudice to any sale of shares the subject of the transfer notice completed prior to such revocation

50 DETERMINATION OF FAIR VALUE FOR SALE SHARES

50 1 Auditors to determine fair value

If article 49 8 (*Where seller and company do not agree on sale price*) applies, at the expiry of the period of five days of the date of a transfer notice, the directors will immediately instruct the company's auditors to decide what is in their opinion the fair market value of the sale shares as at the date when the transfer notice is given (the **"fair value"**).

50 2 Status of auditors

The auditors.

- (a) will act as experts not as arbitrators, and
- (b) in the absence of fraud, will not be liable to any person by reason of their decision or for anything done or omitted to be done by them for the purpose of or in connection with it.

50.3 Principles of valuing sale shares

The auditors will value the sale shares as on an arms' length sale between a willing seller and willing buyer. They will have regard to the fair value of the business and undertaking of the company and any subsidiaries as a going concern but without taking into account:

- (a) if that is the case, that the sale shares constitute a majority or a minority interest, or
- (b) of any special rights or liabilities attaching to the sale shares under the articles or any other agreement to which the seller is a party.

50.4 Costs

The company will pay the auditors' costs. But, if the seller withdraws the transfer notice under article 50 6, it will pay those costs

50 5 Auditors' decision

The company will notify the seller as soon as it receives the auditors' written decision and supply the seller with a copy of it. The decision is binding on the seller, the company and the proposed transferees

50 6 Seller's right to withdraw transfer notice

The seller may withdraw the transfer notice by notice in writing to the company at any time within 21 days of receiving a copy of the auditors' written decision. But this does not apply if the transfer notice is given or deemed to be given under article 48.4 (*Failure to comply with requirements on ceasing to be an associated company*), article 52 (*Tag along rights*), article 53 (*Drag along rights*), article 54 (*Transfer notice on death, bankruptcy or insolvency*) or article 55 (*Deemed transfer notice on change of control*)

51 COMPULSORY TRANSFER

51 1 Transfer notice

If any Founder ceases to be a Consultant, the Investor Director may by notice in writing given at any time following the date of cessation require that Founder and each related party of such person who holds shares (together the "**compulsory sellers**") to give a transfer notice in respect of

- (a) if the Founder was a good leaver, 50% of the shares,
- (b) if the Founder was a bad leaver under (a) of the definition of bad leaver in article 2.1 in the fourth or fifth year following adoption of these articles, 50% of the shares, and
- (c) if the Founder was a bad leaver (save in the circumstances set out in article 51 1(b)), all shares,

registered in their respective names (irrespective of whether the shares were so registered at the date of cessation, or were registered subsequently)

51 2 Contents of transfer notice

If a transfer notice is given under the provisions of this article 51 (or deemed given under this article 51 by virtue of article 51.4).

- (a) the transfer notice shall not specify a sale price, the sale price shall be agreed by the Investor Director and the compulsory seller(s) or (in default of agreement within 14 days of service, or deemed service, of the transfer notice) shall be determined as follows:

- (i) if the Founder was a good leaver, the sale price shall be determined in accordance with article 49.8 (*Where seller and company do not agree on sale price*), or
- (ii) if the Founder was a bad leaver, the sale price shall be the lower of
 - (A) the value of the shares in question determined in accordance with article 49.8 (*Where seller and company do not agree on sale price*), and
 - (B) the subscription price of those shares,

and "sale price" shall be interpreted accordingly, and

- (b) the transfer notice shall not be capable of revocation but shall only be effective (and the relevant Shares transferred) on receipt in full by the relevant person who is subject to this article 51 of the sale price in cash and until such receipt, the relevant shares shall remain registered in that person's name. In the event the sale price (the "**original sale price**") is not paid on its agreement or determination (as applicable), in respect of a good leaver, and remains unpaid for a period in excess of 90 days, the sale price shall be referred to the Auditors for determination under Article 50 on the Company confirming it has cash available to pay the original sale price (and the original sale price shall be superseded by the subsequent determination of the applicable sale price)

51.3 Waiver

The restrictions imposed by this article 51 may be waived with the consent of all members who, but for such waiver, would or might have been entitled to have had shares offered to them in accordance with article 49 (*Requirement for transfer notice*)

51.4 Deemed transfer notice

If a member is bound by article 51.1 to give a transfer notice in respect of any shares, if that transfer notice is not duly given within a reasonable period (to be determined at the sole discretion of the directors) of the obligation arising, a transfer notice shall be deemed to have been given at the expiration of that period. Such a deemed transfer notice shall not be capable of revocation under article 49.4 (*Transfer notice is irrevocable*)

51.5 Cessation of entitlement to vote

In the event that any Founder ceases to be a Consultant, but remains a member, by virtue of the operation of article 51.1, article 51.3 or any failure by the Investor Director to serve a compulsory transfer notice in accordance with article 51.1, all shares registered in his or her name (and in the name of each related party of such Founder holding shares transferred to it (directly or indirectly) by such Founder) at the date of the cessation of his or her consultancy shall cease to carry any entitlement to vote.

52 TAG ALONG RIGHTS

52.1 Tag along

Other than as permitted pursuant to article 48 (*Permitted transfers*), no sale by any of the non-Investor members (the "**proposed seller(s)**") of some or all of their shares (whether by one transaction or a series of transactions) to a purchaser (together with its Associated Companies) (the "**purchaser**") shall be effective or registered by the company unless, before the transfer of such shares is lodged for registration, the purchaser shall have made a written offer (a "**tag along offer**") to the Investors to an equivalent percentage proportion of the shares held by each of them for the same price per share and otherwise on the same financial terms as those applying to the sale by the proposed seller(s) of their shares to the purchaser

52.2 Contents of tag along offer

Any tag along offer shall specify

- (a) the price for the shares and any other principal financial terms of the sale,
- (b) the period (being no less than 10 days) for acceptance by the Investors, and
- (c) that the Investors shall not be required to give any warranties or indemnities in respect of the company or any subsidiary of the company,

and shall, for the avoidance of doubt, be transmitted to the Investors together with a notice to the Investors under article 49 2 (*Seller must give transfer notice*)

52.3 Sale proceeds on same basis

If, within the period specified in the tag along offer, the Investors accept the offer in writing, then the sale shall proceed on the same financial terms (including price per share) and at the same time as the sale of the proposed seller(s)'s shares to the purchaser.

53 DRAG ALONG RIGHTS

53.1 Drag along

If, at any time, members who hold at least 50% of the shares (the "**drag along sellers**") propose(s) to sell all of its or their respective shares by way of a bona fide transfer (or, but for this article 53, bona fide proposed transfer), the drag along sellers shall have the right ("**drag along right**"), subject to the prior written consent of Herald, to require all of the other shareholders and every person holding an option (or other right) to subscribe for shares ("**called members**") to sell all of their shares to the proposed purchaser (or his nominee) ("**offeror**") at the price per share specified in the drag along notice ("**drag along offer**").

53.2 Drag along notice

The drag along right may be exercised by the drag along sellers serving notice to that effect ("**drag along notice**") on the called members, specifying the price for shares and any other principal financial terms of the sale.

53.3 Drag along notice irrevocable/lapse

A drag along notice once given shall be irrevocable but shall lapse (and the obligations thereunder shall lapse) in the event that for any reason the drag along sellers do not transfer the shares which they were proposing to sell to the offeror prior to the date which is 30 days after the service of the drag along notice

53.4 Transfer on same terms

The transfer of shares by the called members must be on the same terms and conditions as shall have been agreed between the drag along sellers and the proposed transferee, save that it being understood that, whether or not those terms and conditions between the drag along sellers and proposed transferee include the giving of warranties, the called members may be required to provide warranties to the proposed transferee save for any called member who is an Investor

53.5 Acceptance

Upon the exercise of the drag along right in accordance with this article 53 each of the called members shall be bound to accept the drag along offer made to him in respect of his entire holding of shares in the company and to comply with the obligations assumed by virtue of such acceptance provided that

- (a) each called member will receive cash or marketable securities in consideration for the sale of his shares, and
- (b) the Investors will not be required to provide to the offeror any representations or warranties regarding the company (or to provide an indemnity to any person in respect of any such representations or warranties which may have been given by the company or its directors in connection with the sale), and
- (c) the Investors will not be required to provide any undertakings or covenants to the offeror (for example, as to the avoidance of subsequent competition with the company or subsequent solicitation of its employees)

53.6 Default by called member

In the event that any called member fails to accept the drag along offer made to him or, having accepted such drag along offer, fails to complete the sale of any of his shares pursuant to the drag along offer, or otherwise fails to take any action required of him under the terms of the drag along offer the directors (or any of them) may authorise any person to accept the drag along offer on behalf of the called member in question or undertake any action required under the terms of the drag along offer on the part of a called member who has accepted the drag along offer. The directors may in particular authorise any person to execute a transfer of any shares held by a called member in favour of the offeror and the company may give a good receipt for the

purchase price of such shares and may register the offeror as holder thereof and issue to it certificates for the same. The called member shall in such case be bound to deliver up his certificate for his shares to the company whereupon the called member shall be entitled to receive the purchase price for such shares which shall in the meantime be held by the company on trust for the called member, but without interest. After the name of the offeror has been entered in the register in purported exercise of these powers, the validity of the proceedings shall not be questioned by any person.

54 TRANSFER NOTICE ON DEATH, BANKRUPTCY OR INSOLVENCY

54.1 Application of this article

This article applies if, in relation to the property of a member

- (a) (unless article 48 (*Permitted transfers*) applies), a member dies and legal personal representatives are appointed,
- (b) a trustee in bankruptcy is appointed,
- (c) a receiver is appointed with a power of sale, or
- (d) a liquidator, administrative receiver, administrator or other similar officer takes possession or is appointed, or an encumbrancer takes possession

54.2 Company may require transfer notice

The company may give notice in writing to the legal personal representative, trustee in bankruptcy, liquidator, administrative receiver, administrator (or other similar officer) or encumbrancer requiring them to give a transfer notice in respect of all the shares registered in the member's name

54.3 Transfer provisions apply

Article 49 (*Requirement for transfer notice*) and article 50 (*Determination of fair value for sale shares*) apply when a transfer notice is given under this article except that the transfer notice is irrevocable

55. DEEMED TRANSFER NOTICE ON CHANGE OF CONTROL

If there is a change of control of a corporate member, the member is deemed to have given a transfer notice in respect of all shares held by it.

56 WAIVER OF SHARE TRANSFER REQUIREMENTS

56.1 Application of this article

This article applies to article 48 (*Permitted transfers*), article 49 (*Requirement for transfer notice*), article 50 (*Determination of fair value for sale shares*), article 51 (*Compulsory transfer*), article 52 (*Tag along rights*), article 53 (*Drag along rights*), article 54 (*Transfer notice on death, bankruptcy or insolvency*) and article 55 (*Deemed transfer notice on change of control*)

56.2 Application of share transfer requirements to beneficial owners

Those articles apply to a person entitled to transfer shares registered in the name of a member in the same way as they apply to a member

56.3 Waiver of share transfer requirements

If all the members agree in writing, all or any of the provisions of those articles may be waived in any particular case.

57. DIRECTORS' POWER TO REFUSE TRANSFERS

57.1 When directors may refuse transfers

The directors may refuse to register the transfer of a share for any reason but the directors may only refuse to register a transfer of a share under article 48 (*Permitted transfers*), article 49 (*Requirement for a transfer notice*), article 51 (*Compulsory transfer*), article 53 (*Drag along rights*) or article 52 (*Tag along rights*) if

- (a) the share is not fully paid;
- (b) the transfer is not lodged at the company's registered office or such other place as the directors have appointed,
- (c) the transfer is not accompanied by the certificate for the shares to which it relates, and such other evidence as the directors may reasonably require to show the transferor's right to make the transfer or the right of someone other than the transferor to make the transfer on the transferor's behalf;
- (d) the transfer is in respect of more than one class of share; or
- (e) the transfer is in favour of more than four transferees

57.2 Return of transfer instrument

If the directors refuse to register the transfer of a share, the instrument of transfer must be returned to the transferee with the notice of refusal unless they suspect that the proposed transfer may be fraudulent

58 TRANSMISSION OF SHARES

58.1 Transmittee's title to shares

Subject to the articles, if title to a share passes to a transmittee, the company may only recognise the transmittee as having any title to that share

58.2 No release from liabilities

Nothing in the articles releases the estate of a deceased member from any liability in respect of a share solely or jointly held by that member

58 3 Transmittee's rights

A transmittee who produces such evidence of entitlement to shares as the directors may properly require.

- (a) may, subject to the articles, choose either to become the holder of those shares or to have them transferred to another person, and
- (b) subject to the articles, and pending any transfer of the shares to another person, has the same rights as the holder had.

58 4 When certain rights may be exercised

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

58 5 Directors may give notice to transmittee

The directors may

- (a) at any time give notice requiring a transmittee to choose either to become the holder of a share or to have it transferred to another person, and
- (b) (if the transmittee has not complied with the notice within 90 days starting on the day after it is given or such longer period as the directors may decide) withhold payment of all dividends or other money payable in respect of the share until the requirements of the notice have been complied with

59 EXERCISE OF TRANSMITTEES' RIGHTS

59.1 How transmittee becomes a shareholder

Transmittees who wish to become the holders of shares to which they have become entitled must notify the company in writing of that wish.

59 2 How transmittee transfers a share

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

59.3 Effect of transfer executed by a transmittee

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

60 TRANSMITTEES BOUND BY PRIOR NOTICES

If a notice is given to a member in respect of shares and a transmittee is entitled to those shares, the transmittee is bound by the notice if it was given to the member before the transmittee's name has been entered in the register of members.

CONSOLIDATION OR DIVISION OF SHARES

61. SHARES RESULTING FROM A SUB-DIVISION

Any resolution authorising the company to sub-divide its shares or any of them may determine that, as between the shares resulting from the sub-division, any of them may have any preference or advantage or be subject to any restriction as compared with the others

62. PROCEDURE FOR DISPOSING OF FRACTIONS OF SHARES

62 1 Application

This article applies where:

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

62 2 Directors' powers

The directors may:

- (a) sell the shares representing the fractions to any person including the company for the best price reasonably obtainable,
- (b) authorise any person to execute an instrument of transfer of the shares to the purchaser or a person nominated by the purchaser, and
- (c) distribute the net proceeds of sale in due proportion among the holders of the shares

62 3 Distribution to a charity

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

62 4 Transferee's obligations

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

62 5 Irregularities

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

DIVIDENDS AND OTHER DISTRIBUTIONS

63 PROCEDURE FOR DECLARING DIVIDENDS

63 1 Power to declare or pay dividends

Subject to the consent of Herald and the provisions of the Act, the company may by ordinary resolution declare dividends, and the directors (subject to the approval of the Investor Director) may decide to pay interim dividends

63.2 Directors' recommendation as to amount

A dividend must not be declared unless the directors (with the approval of the Investor Director) have made a recommendation as to its amount. Such a dividend must not exceed the amount recommended by the directors

63 3 Shareholders' rights

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

63 4 Basis of calculating dividends

Unless the members' resolution to declare or directors' decision to pay a dividend, or the terms on which shares are issued, specify otherwise, it must be paid by reference to each member's holding of shares on the date of the resolution or decision to declare or pay it.

63 5 Payment of interim dividends

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

63 6 Fixed rate dividends

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

63 7 Entitlement to a dividend

The person entitled to any dividend is the holder of the share on the date decided by

- (a) the resolution declaring the dividend in respect of that share, or
- (b) (in the case of any interim dividend) the directors

63 8 Directors' liability

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

64. CALCULATION OF DIVIDENDS

64 1 How dividends calculated

Except as otherwise provided by the articles or the rights attached to shares, all dividends must be.

- (a) declared and paid according to the amounts paid up on the shares on which the dividend is paid; and
- (b) apportioned and paid proportionately to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid

64 2 Ranking for dividends

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

64.3 No account taken of advanced payments

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

65. PAYMENT OF DIVIDENDS AND OTHER DISTRIBUTIONS

65.1 Methods of payment

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

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

- (d) any other means of payment as the directors agree with the distribution recipient either in writing or by such other means as the directors decide

65.2 Definition of "distribution recipient"

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

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

66 DEDUCTIONS FROM DISTRIBUTIONS IN RESPECT OF SUMS OWED TO THE COMPANY

66 1 Deductions

If:

- (a) a share is subject to the company's lien, and
- (b) the directors are entitled to issue a lien enforcement notice in respect of it,

the directors 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

66 2 Use of money deducted

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

66 3 Notice to distribution recipient

The company must notify the distribution recipient in writing of:

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

67. NO INTEREST ON DISTRIBUTIONS

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

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

68. UNCLAIMED DISTRIBUTIONS

68.1 Use of unclaimed distributions

All dividends or other sums which are.

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

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

68.2 Company not a trustee

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

68.3 Forfeiture of unclaimed distributions

If

- (a) 12 years have passed from the date on which a dividend or other sum became due for payment; and
- (b) the distribution recipient has not claimed it,

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

69. NON-CASH DISTRIBUTIONS

69.1 Power to make non-cash distributions

Subject to the terms of issue of a share, the company may, by ordinary resolution on the recommendation of the directors, decide to pay all or part of a dividend or other distribution payable in respect of the share by transferring non-cash assets of equivalent value (including shares or other securities in any company)

69.2 Directors' powers to make arrangements

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

- (a) fixing the value of any assets;

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

70. WAIVER OF DISTRIBUTIONS

Distribution recipients may waive their entitlement to a dividend or other distribution payable in respect of a share by giving the company notice in writing to that effect. But if:

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

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

CAPITALISATION OF PROFITS

71 AUTHORITY TO CAPITALISE AND APPROPRIATION OF CAPITALISED SUMS

71 1 Directors' capitalisation and appropriation powers

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

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

71 2 Basis of application

Capitalised sums must be applied.

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

71 3 New shares

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

71.4 Existing shares and new debentures

A capitalised sum which has been appropriated from profits available for distribution may be applied:

- (a) in or towards paying up any amounts unpaid on existing shares held by the persons entitled, or
- (b) in paying up new debentures of the company which are then allotted credited as fully paid to the persons entitled or as they may direct

71.5 Directors' supplementary powers

Subject to the articles, the directors may.

- (a) apply capitalised sums in accordance with article 71.3 and 71.4 partly in one way and partly in another;
- (b) make such arrangements as they think fit to deal with shares or debentures becoming distributable in fractions under this article (including the issuing of fractional certificates or the making of cash payments), and
- (c) authorise any person to enter into an agreement with the company on behalf of all the persons entitled which is binding on them in respect of the allotment of shares and debentures to them under this article.

PART 4 DECISION-MAKING BY MEMBERS

ORGANISATION OF GENERAL MEETINGS

72. ATTENDANCE AND SPEAKING AT GENERAL MEETINGS

72.1 Ability to exercise a speaking right

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

72.2 Ability to exercise a voting right

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

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

72.3 Directors' power to make arrangements

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

72 4 Immateriality of attending at different places

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

72 5 Attendance when at different places

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

73 QUORUM FOR GENERAL MEETINGS

73 1 Quorum

Two qualifying persons present at a general meeting are a quorum if at least one is Herald or its permitted transferee in accordance with article 48 (*Permitted transfers*) (or a proxy or corporate representative of the same)

73 2 Business if quorum not present

No business other than the appointment of the chairman of the meeting is to be transacted at a general meeting if the persons attending it do not constitute a quorum

74 CHAIRING GENERAL MEETINGS

74 1 The chairman to chair general meetings

If the directors have appointed a chairman, the chairman (or in that person's absence some other director nominated by the Investor Director) is entitled to chair general meetings if present and willing to do so

74 2 Alternative chairman

If the directors have not appointed a chairman, or if the chairman is unwilling to chair the meeting or the chairman or other Investor Director nominated in accordance with article 74 1 is not present within 10 minutes of the time at which a meeting was due to start

(a) the directors present; or

(b) (if no directors are present), the meeting,

must appoint a director or member to chair the meeting, and the appointment of the chairman of the meeting must be the first business of the meeting.

74 3 Interpretation: chairman of the meeting

The person chairing a meeting in accordance with this article is referred to as the "**chairman of the meeting**"

75 ATTENDANCE AND SPEAKING BY DIRECTORS AND NON-MEMBERS

75 1 Directors' rights to attend and speak

Directors may attend and speak at general meetings, whether or not they are members

75 2 Non-members' rights to attend and speak

The chairman of the meeting may permit other persons who are not:

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

to attend and speak at a general meeting

76 ADJOURNMENT

76 1 Lack of quorum

If the persons attending a general meeting within half an hour of the time at which the meeting was due to start do not constitute a quorum, or if during a meeting a quorum ceases to be present.

- (a) the meeting is dissolved if the members or any of them required the meeting to be called or the members or any of them called the meeting, or
- (b) otherwise:
 - (i) the chairman of the meeting must adjourn it, and
 - (ii) if at the adjourned meeting a quorum is not present or ceases to be present, one qualifying person (provided it is Herald or its permitted transferee in accordance with article 48 (*Permitted transfers*)) present is a quorum.

76 2 Chairman's power to adjourn

The chairman of the meeting may adjourn a general meeting at which a quorum is present if:

- (a) the meeting consents to an adjournment, or
- (b) it appears to the chairman of the meeting that an adjournment is necessary to
 - (i) protect the safety of any person attending the meeting,

- (ii) ensure that the business of the meeting is conducted in an orderly manner; or
- (iii) enable all the members present to take part in the debate and to vote.

76 3 Power of meeting to require adjournment

The chairman of the meeting must adjourn a general meeting if directed to do so by the meeting

76 4 Time, date and place of adjourned meeting

When adjourning a general meeting, the chairman of the meeting must

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

76 5 Notice of an adjourned meeting

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

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

76 6 Business at an adjourned meeting

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

VOTING AT GENERAL MEETINGS

77. VOTING: GENERAL

77 1 Voting methods

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

77.2 Votes of members on a show of hands

On a show of hands, each member present in person has one vote.

77 3 Votes of proxies on a show of hands

Each proxy present in person who has been duly appointed by one or more members entitled to vote on a resolution has one vote

77.4 Votes of proxies on a show of hands where multiple appointors

But each proxy present in person has one vote for and one vote against a resolution if the proxy has been duly appointed by more than one member entitled to vote on the resolution and

- (a) the proxy has been instructed by one or more of those members to vote for the resolution and by one or more other of those members to vote against it;
- (b) the proxy has been instructed by one or more of those members to vote for the resolution and has been given any discretion by one or more other of those members to vote and the proxy exercises that discretion to vote against it; or
- (c) the proxy has been instructed by one or more of those members to vote against the resolution and has been given any discretion by one or more other of those members to vote and the proxy exercises that discretion to vote for it

77.5 Votes of corporate representatives on a show of hands

Each duly authorised representative present in person of a member that is a corporation has one vote.

77.6 Votes on a poll

On a poll, each member present in person or by proxy or (being a corporation) by a duly authorised representative has one vote for each share held by the member.

77.7 Interpretation

But articles 77.2 to 77.6 are subject to any rights or restrictions attached to any shares

77.8 Votes on removal of director

On any vote for the removal of the Investor Director, only the shares held by the Investors shall carry a vote

77.9 A proxy's obligations to vote

The company is entitled to assume without enquiry that a proxy has complied with any obligation to vote in accordance with instructions given by the member by whom the proxy is appointed. The validity of anything done at a meeting is not affected by any failure by a proxy to comply with such an obligation

78. ERRORS AND DISPUTES

78.1 Voting objections

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

78.2 Chairman to decide on voting objections

Any objection permitted by article 78.1 must be referred to the chairman of the meeting, whose decision is final

79 POLL VOTES

79.1 When a poll can be demanded

A poll on a resolution may be demanded either before a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared

79.2 Who may demand a poll

A poll may be demanded by.

- (a) the chairman of the meeting,
- (b) at least two directors,
- (c) at least two members having the right to vote on the resolution,
- (d) a member or members representing not less than 10 per cent of the total voting rights of all the members having the right to vote on the resolution, or
- (e) a member or members holding shares conferring a right to vote on the resolution, being shares on which an aggregate sum has been paid up equal to not less than 10 per cent of the total sum paid up on all the shares conferring that right.

79.3 Withdrawal of a demand for a poll

A demand for a poll may be withdrawn if

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

80 PROCEDURE ON A POLL

80.1 Chairman's power

Subject to the articles, polls at general meetings must be taken when, where and in such manner as the chairman of the meeting directs.

80.2 Scrutineers

The chairman of the meeting may appoint scrutineers (who need not be members) and decide how and when the result of the poll is to be declared.

80.3 Poll result

The result of a poll is to be treated as the decision of the meeting in respect of the resolution on which the poll is demanded

80.4 Polls to be taken immediately

A poll on.

(a) the election of the chairman of the meeting, or

(b) a question of adjournment,

must be taken immediately.

80.5 Timing of other polls

Other polls must be taken within 30 days of their being demanded.

80.6 Continuance of general meeting

A demand for a poll does not prevent a general meeting from continuing, except as regards the question on which the poll was demanded

80.7 When notice of poll not required

No notice need be given of a poll not taken immediately if the time, date and place at which it is to be taken are announced at the meeting at which it is demanded

80.8 Notice of a poll

In any other case, at least seven clear days' notice (that is, excluding the day on which the poll is to be taken and the day on which the notice is given) must be given specifying the time, date and place at which the poll is to be taken

81. CONTENT OF PROXY NOTICES

81.1 Content requirement

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

(a) states the name and address of the member appointing the proxy,

(b) identifies the person appointed to be that member's proxy and the general meeting in relation to which that person is appointed,

(c) is signed by or on behalf of the member appointing the proxy; and

(d) is delivered to the company in accordance with the articles and any instructions contained in the notice of the general meeting to which they relate

81 2 Form of proxy notices

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

81 3 Proxy voting

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

81 4 Ancillary rights of proxies

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

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

82 DELIVERY OF PROXY NOTICES

82 1 Proxy notification address

A notice of a general meeting must specify the address or addresses (each a "**proxy notification address**") at which the company will receive proxy notices relating to that meeting, or any adjournment of it, delivered in hard copy or (unless the directors decide otherwise in relation to a specific general meeting) electronic form

82.2 Rights of appointor

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

82 3 Delivery before a meeting or adjourned meeting

Subject to article 82 4 and 82.5, a proxy notice must be delivered to a proxy notification address not less than 48 hours before the general meeting or adjourned meeting to which it relates.

82 4 Delivery before a poll taken more than 48 hours after a demand

In the case of a poll taken more than 48 hours after it is demanded, the proxy notice must be delivered to a proxy notification address not less than 24 hours before the time appointed for the taking of the poll.

82 5 Delivery before a poll taken in other cases

In the case of a poll not taken during the meeting but taken not more than 48 hours after it was demanded, the proxy notice must be delivered.

- (a) in accordance with article 82 3; or
- (b) at the meeting at which the poll was demanded to the chairman, secretary (if any) or any director.

82 6 Calculating periods of time

In calculating the periods mentioned in article 82 3 and 82 4, no account is to be taken of any part of a day that is not a working day, unless the directors decide otherwise in relation to a specific general meeting.

82 7 Revocation of proxy appointment

An appointment under a proxy notice may be revoked by delivering to the company a notice in writing given by or on behalf of the person by whom or on whose behalf the proxy notice was given to a proxy notification address.

82 8 When revocation takes effect

A notice revoking a proxy appointment only takes effect if it is delivered before

- (a) the start of the meeting or adjourned meeting to which it relates; or
- (b) (in the case of a poll not taken on the same day as the meeting or adjourned meeting) the time appointed for taking the poll to which it relates.

82 9 Supporting evidence

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

83 AMENDMENTS TO RESOLUTIONS

83 1 Ordinary resolutions

An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if

- (a) notice of the proposed amendment is given to the company in writing by a person entitled to vote at the general meeting at which it is to be proposed not less than 48 hours before the meeting is to take place (or such later time as the chairman of the meeting may decide); and
- (b) the proposed amendment does not, in the reasonable opinion of the chairman of the meeting, materially alter the scope of the resolution

83 2 Special resolutions

A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if.

- (a) the chairman of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed; and
- (b) the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.

83 3 Chairman's decisions

If the chairman of the meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the chairman's error does not invalidate the vote on that resolution

RESTRICTIONS ON MEMBERS' RIGHTS

84. NO VOTING OF SHARES ON WHICH MONEY OWED TO COMPANY

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

APPLICATION OF RULES TO CLASS MEETINGS

85 CLASS MEETINGS

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

PART 5 ADMINISTRATIVE ARRANGEMENTS

86 MEANS OF COMMUNICATION TO BE USED

86 1 Communications by or to the company

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

86 2 Website communication by the company

Subject to the articles, anything sent or supplied by the company (whether or not under the articles) may be sent or supplied by making it available on a website in accordance with the Companies Act 2006

86 3 Members with no registered address in the United Kingdom

A member who (having no registered address in the United Kingdom) has not supplied to the company an address within the United Kingdom for the service of documents and information is not entitled to receive any document or information from the company

86.4 Deemed delivery of documents and information

Subject to the articles, anything sent or supplied by the company (whether or not under the articles) is deemed to have been received by the intended recipient at the time when the Companies Act 2006 provides for it to have been deemed received by that person except that

- (a) in calculating a period of hours for this purpose, it is immaterial whether a day is a working day or not; and
- (b) if anything is sent by post (whether in hard copy or electronic form) to an address in the United Kingdom and the company is able to show that it was properly addressed, prepaid and posted, it is deemed to have been received by the intended recipient on the day after the day on which it was posted (unless it was sent by second class post in which case it is deemed to have been received on the day next but one after it was posted).

86.5 Joint holders

In relation to documents or information to be sent or supplied to joint holders of shares, anything to be agreed or specified by all the joint holders may be agreed or specified by the joint holder whose name appears first in the register of members

86.6 Communications to directors

Subject to the articles, any notice or document to be sent or supplied to a director in connection with the taking of decisions by directors may also be sent or supplied by the means by which that director has asked to be sent or supplied with such notices or documents for the time being

86.7 Deemed receipt of communications to directors

A director may agree with the company that notices or documents sent to that director in a particular way are to be deemed to have been received within a specified time of their being sent, and for the specified time to be less than 48 hours

87. COMPANY SEALS

87.1 Directors must authorise use of seal

Any common seal may only be used by the authority of the directors.

87.2 Directors to decide on use of seal

The directors may decide by what means and in what form any common seal is to be used

87.3 Affixing of seal

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

87.4 Who is an authorised person

For the purposes of this article, an authorised person is:

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

88. NO RIGHT TO INSPECT ACCOUNTS AND OTHER RECORDS

Except as provided by law or authorised by the directors or an ordinary resolution of the company, no person is entitled to inspect any of the company's accounting or other records or documents merely by virtue of being a member.

89 PROVISION FOR EMPLOYEES ON CESSATION OF BUSINESS

The directors may decide to make provision for the benefit of persons employed or formerly employed by the company or any of its subsidiaries (other than a director or former director or shadow director) in connection with the cessation or transfer to any person of the whole or part of the undertaking of the company or that subsidiary.

90 AUTHENTICATION OF DOCUMENTS

Any director or the company secretary (if any) or any person appointed by the directors for the purpose may authenticate any documents which are required to be authenticated by the company

DIRECTORS' INDEMNITY AND INSURANCE

91 INDEMNITY

91.1 Ability to be indemnified

Subject to article 91.2, a relevant director of the company or an associated company may be indemnified out of the company's assets against:

- (a) any liability incurred by that director in connection with any negligence, default, breach of duty or breach of trust in relation to the company or an associated company;
- (b) any liability incurred by that director in connection with the activities of the company or an associated company in its capacity as a trustee of an occupational pension scheme (as defined in s235(6) Companies Act 2006), or
- (c) any other liability incurred by that director as an officer of the company or an associated company.

91.2 Exception

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

91.3 Interpretation

In this article

- (a) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate, and
- (b) a **"relevant director"** means any director or former director of the company or an associated company

92. INSURANCE

92.1 Directors' power to purchase insurance

The directors may decide to purchase and maintain insurance, at the expense of the company, for the benefit of any relevant director in respect of any relevant loss

92.2 Interpretation

In this article

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