

ARTICLES OF ASSOCIATION
of
NOVALOANS LTD
(Company number 07639288)

(Amended by special resolution passed on 22 April 2020)



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THE COMPANIES ACT 2006

COMPANY NO: 07639288

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION
OF
NOVALOANS LTD

(Amended by special resolution passed on 22 April 2020)

1 Definitions and interpretation

1.1 In these Articles, unless the context requires otherwise:

"**Act**" means the Companies Act 2006;

"**Acting in Concert**" has the meaning given to it in the City Code on Takeovers and Mergers for the time being;

"**Appointor**" has the meaning given to it in Article 32.1;

"**Arrears**" means the whole amount payable on Shares pursuant to Article 5 which is unpaid for any reason on its due date for payment;

"**Articles**" means the Company's articles of association;

"**Bankruptcy**" or "**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 and "**bankrupt**" shall be construed accordingly;

"**Business Day**" means a day other than a Saturday or Sunday on which banks are open for general business in London;

"**Commencement Date**" means 9 May 2013;

"**Companies Acts**" means every statute for the time being in force concerning companies (including any statutory instrument or other subordinate legislation made under any such statute), so far as it applies to the Company;

"**Compulsory Transfer Date**" means where a Shareholder becomes Bankrupt, the date of the bankruptcy order made against him, or where a Shareholder makes a composition or

arrangement with his creditors, the date on which such composition or arrangement becomes effective;

"Compulsory Transfer Event" means, in relation to a Shareholder, being an individual, that Shareholder's Bankruptcy, or making of any arrangement or composition with his creditors;

"Compulsory Transfer Shares" means in relation to a Departing Shareholder, all Shares held by him immediately before the Compulsory Transfer Date;

"Connected Persons" has the meaning given to it in section 1122 of the Corporation Tax Act 2010;

"Credited as Paid Up" means amounts paid up or credited as paid up on a Share including both the nominal value and any share premium;

"Declined New Securities" has the meaning given to it in Article 8.4;

"Deemed Transfer Notice" has the meaning given to it in Article 11.1;

"Departing Shareholder" means a Shareholder in relation to whom a Compulsory Transfer Event has occurred;

"Directors" means the Company's directors for the time being and **"Director"** shall be construed accordingly;

"electronic form" and **"electronic means"** have the meanings given to them in section 1168 of the Act;

"Eligible Director" means:

- (a) in relation to a decision at a Directors' meeting, a Director who is able to be counted as participating for quorum and voting purposes in the decision at the meeting; and
- (b) in relation to a Directors' written resolution, a Director who would have been able to be counted as participating for quorum and voting purposes in the decision had the resolution or matter been proposed as a resolution at a Directors' meeting;

"Encumbrance" means any mortgage, charge, restriction, right to acquire, or other third party right or encumbrance of whatever nature;

"Excluded Equity Shareholder" means any member who pursuant to the terms of these Articles and/or Shareholders' Agreement, is at the relevant time, under an obligation to transfer an Interest in Shares;

"Extra New Securities" has the meaning given to it in Article 8.3;

"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;

"hard copy form" has the meaning given to it in section 1168 of the Act;

"holder" in relation to any Share means the person whose name is entered in the register of members as the holder of that Share;

"Interest" has the meaning given to it in Article 1.3(f)(i);

"Investors" means together, the Lead Investor and Marcus Swale Green and **"Investor"** shall mean either of them;

"Lead Investor" means Patrick Swale Green;

"Lead Investor Consent" means the prior written consent or approval of the Lead Investor which may be subject to those conditions imposed by the Lead Investor;

"Liquidation" means the passing of a resolution for the winding up of the Company;

"Listing" means:

- (a) the admission of all or any of the Shares to trading on a market for listed securities operated by a recognised investment exchange (as that term is defined in the Financial Services and Markets Act 2000), together with the admission of such Shares to the Official List of the UK Listing Authority;
- (b) the admission of all or any of the Shares to trading on the Alternative Investment Market of the London Stock Exchange plc;
- (c) the admission of all or any of the Shares to, or to trading on, any other market wherever situated agreed to by the Lead Investor, together, if necessary, with the admission of such Shares to listing on any official or otherwise prescribed list maintained by a competent or otherwise prescribed listing authority;

"Model Articles" means the model articles for public companies contained in schedule 3 of the Companies (Model Articles) Regulations 2008 (SI 2008/3229) as amended prior to the Commencement Date;

"New Securities" means Shares or rights to subscribe for, or to convert securities into, Shares;

"Non-Disclosable Interest" has the meaning given to it in Article 26.3;

"ordinary resolution" has the meaning given to it in section 282 of the Act;

"participate", in relation to a Directors' meeting, has the meaning given to it in Article 18;

"PG Director" means a Director appointed by (inter alia) the Lead Investor in accordance with these Articles;

"Pre-emptive Offer" has the meaning given to it in Article 8.2;

"Sale" means any transaction or series of transactions whereby any person or Connected Persons or group of persons Acting in Concert purchases or otherwise acquires or obtains all of the Shares;

"Sale Price" has the meaning given in Article 11.6;

"Share" means an ordinary share of £0.01 each in the capital of the Company;

"Shareholder" means a person who is the holder of a Share from time to time;

"Shareholders' Agreement" means any shareholders' agreement entered into in relation to the Company (as any such agreement may be amended, varied, supplemented, extended, restated, novated and/or replaced from time to time);

"SM Director" means a Director appointed by (inter alia) Steven George Murray in accordance with these Articles;

"special resolution" has the meaning given to it in section 283 of the Act;

"Swamping Event" means any of the following:

- (a) a breach (other than by an Investor) of any Shareholders' Agreement or the Articles which in the opinion of the Lead Investor has or is reasonable likely to have a material adverse effect on the Company;
- (b) the Company has not paid to the Lead Investor any dividend or other distribution within 20 Business Days of its due date for payment; or
- (c) in the opinion of the Lead Investor, any Shareholder who is a director, employee or consultant (excluding for these purposes any Nominated Director) of, or to, the Company is:
 - (i) guilty of fraud, bribery and/or gross misconduct in relation to the affairs or operation of, or dealings with, the Company; or
 - (ii) deliberately conceals from, or fails to disclose to, the Nominated Director and/or the Lead Investor, any such fraud, bribery and/or gross misconduct of any other director, employee or contractor of, or to, the Company;

"Transfer Notice" means a notice given by a Shareholder in respect of the transfer of his Shares;

"Transmittee" means a person entitled to a Share or any Interest in a Share due to the death of a Shareholder; and

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

1.2 Unless the context requires otherwise, other words or expressions contained in these Articles bear the same meaning as in the Act as in force on the Commencement Date.

1.3 In these Articles (unless the context requires otherwise), any reference to:

- (a) a numbered Article is to that numbered article of these Articles and to a numbered Model Article is to that numbered article of the Model Articles;

- (b) the allotment of New Securities includes the grant of a right to subscribe for, or to convert any securities into, Shares but excludes the allotment of Shares pursuant to any such right;
- (c) "including", "to include", "includes" or "in particular" shall be deemed to include the words "without limitation";
- (d) the day on which a notice is given is to the day on which the notice is deemed received in accordance with Article 56;
- (e) any gender includes all genders, the singular includes the plural (and vice versa), and persons includes individuals, bodies corporate, unincorporated associations and partnerships (whether or not any of them have a separate legal personality); and
- (f) a "transfer" of Shares or any similar expression (including, without limitation, reference to the sale and/or disposal of Shares) shall be deemed to include any direction (by way of renunciation, assignment or otherwise) by a Shareholder entitled to an allotment, issue, sale or transfer of Shares that a Share be allotted, issued, sold or transferred to some person other than himself and any reference to a "transfer" of Shares or any similar expression shall also be deemed to include:
 - (i) any sale, assignment or other disposition of the legal or equitable interest or any other right or interest in a Share (including any voting right attached to a Share) ("Interest");
 - (ii) the creation or granting of any mortgage, charge, pledge or other Encumbrance or security interest or trust over any Interest;
 - (iii) any grant of an option to acquire any Interest; and
 - (iv) any agreement or attempt to do any of the things described or referred to in Articles 1.3(f)(i) to 1.3(f)(iii) (inclusive),

whether effected by a Shareholder or otherwise, whether for consideration or otherwise and whether effected by an instrument in writing or otherwise; and
- (g) a statute or a statutory provision includes that statute or statutory provision as amended or re-enacted (with or without modification) and any subordinate

legislation made under it (in each case whether before, on or after the Commencement Date).

- 1.4 The contents list and headings in these Articles are included for ease of reference only and shall not affect the construction or interpretation of these Articles.

2 Model articles

- 2.1 These Articles and the Model Articles specifically applied to the Company by these Articles shall together constitute the articles of association of the Company.

- 2.2 When a Model Article specifically applies to the Company:

- (a) the terms defined in Article 1 shall apply to such Model Article (notwithstanding that such terms may be in lower case in the Model Article); and
- (b) otherwise, any terms defined in Model Article 1 shall apply to such Model Article.

- 2.3 Except to the extent that the Model Articles are specifically applied to the Company by these Articles, no regulations or articles set out in any statute, or in any statutory instrument or other subordinate legislation made under any statute, concerning companies shall apply as the regulations or articles of association of the Company.

3 Liability of members

Model Article 2 (*Liability of members*) shall apply.

4 Shares

- 4.1 Except as provided otherwise in these Articles, all Shares shall rank pari passu and as one class of share.
- 4.2 Subject to these Articles, but without prejudice to the rights attached to any existing Share, the Company may, with Lead Investor Consent, issue Shares with such rights or restrictions as may be determined by ordinary resolution.
- 4.3 The Company may, with Lead Investor Consent, issue Shares which are to be redeemed, or are liable to be redeemed at the option of the Company or the holder.

5 Distributions on shares

Subject always to the requirements of the Companies Acts as regards the declaration of any such distribution, any profits available for distribution which the Company determines to distribute shall be distributed amongst the shareholders pro rata as nearly as possible to the number of Shares held by them. The provisions of Article 45.1, and those Model Articles referred to in that Article, shall apply to any such distribution.

6 Return of capital

On a return of capital of the Company on Liquidation or otherwise (other than on any Sale or Listing or on any redemption of Shares or the purchase by the Company of its own Shares), the surplus assets and retained profits of the Company available for distribution among the Shareholders shall be applied between the Shareholders firstly, as to the amounts Credited as Paid Up on all Shares, together with an amount equal to all Arrears on any such Shares, and then as to the balance of the surplus assets and retained profits pro rata as nearly as possible to the number of Shares held by them.

7 Issue of shares - general

7.1 Except with Lead Investor Consent, the Directors must not allot New Securities unless either:

- (a) (as relevant) the allottee is a party to any Shareholders' Agreement as relevant to the Company, whether as an original party or by having executed a deed of adherence thereto; or
- (b) the allottee has, in a legally binding manner, entered into and delivered to the Company such a deed of adherence.

7.2 Model Article 44 (*Payment of commission on subscription for shares*) shall apply.

8 Issue of shares - pre-emptive rights

8.1 In accordance with section 567(1) of the Act, sections 561 and 562 of the Act shall not apply to an allotment of equity securities (within the meaning of section 560 of the Act) by the Company.

8.2 Unless waived or varied by way of special resolution, any New Securities proposed to be allotted shall be offered by the Company at the same price and on the same terms to the

Shareholders, but not to any Excluded Equity Shareholders, pro rata to their holdings of Shares (as nearly as possible without involving fractions) and, in determining such proportions, the Directors shall first deduct from the aggregate number of Shares those Shares held by an Excluded Equity Shareholder ("**Pre-emptive Offer**").

8.3 The Pre-emptive Offer shall:

- (a) be made by notice specifying the New Securities offered, the price for them, a time (being not less than 10 Business Days) within which the offer, if not accepted, shall be deemed to be declined and any other terms as are to apply to the Pre-emption Offer; and
- (b) invite each relevant eligible Shareholder to state in his acceptance any New Securities in excess of those offered to him ("**Extra New Securities**") that he wishes to apply for.

8.4 Any New Securities not accepted (or deemed to be declined) under the Pre-emptive Offer ("**Declined New Securities**") shall be used to satisfy such applications for Extra New Securities. If there are insufficient Declined New Securities to satisfy all such applications for Extra New Securities, then such Declined New Securities shall be allotted to the applicants of the Extra New Securities (as nearly as possible without involving fractions) as follows:

- (a) pro rata to their holdings of Shares immediately prior to the Pre-emptive Offer (as nearly as possible without increasing the number of Declined New Securities allotted to any Shareholder beyond the number of Extra New Securities applied for by him) and in determining such proportions, the Directors shall first deduct from the aggregate number of Shares those shares held by any Excluded Equity Shareholder; and
- (b) then, any remaining Declined New Securities to such applicants who have not yet been allotted the maximum number of Extra New Securities applied for by them pro rata to their holdings of Shares immediately prior to the Pre-emptive Offer (as nearly as possible without increasing the number of Declined New Securities allotted to any Shareholder beyond the number of Extra New Securities applied for by him and in determining such proportions, the Directors shall first deduct from the aggregate number of Shares those shares held by an Excluded Equity Shareholder). Any

remaining Declined New Securities shall continue to be allotted on the basis of this Article (b) until all Declined New Securities have been allotted.

- 8.5 The Directors may in their absolute discretion round up or down fractional entitlements under any Pre-emptive Offer, provided that the number of New Securities offered or allotted does not exceed the total number of New Securities offered and such rounding does not result in a Shareholder to whom the Pre-emptive Offer is made being allotted more New Securities than he has indicated he is willing to accept.
- 8.6 Any New Securities not taken up at the end of the procedures set out in Articles 8.1 to 8.5 for a Pre-emptive Offer may (with Lead Investor Consent to such offer and to the identity of the person(s) to whom such New Securities will be offered), within the period of three months from the end of the period for acceptance of the relevant Pre-emptive Offer, be offered by the Company to any other person(s) at no lesser price and on no more favourable terms than those on which they were offered under the relevant Pre-emptive Offer.

9 Transfer and transmission of shares - general

- 9.1 Notwithstanding any other provisions of these Articles, the Directors shall not register a transfer of Shares:
- (a) to any person who is bankrupt, is less than 18 years of age and/or does not have (or whom the Directors reasonably believe does not have) legal capacity to hold and/or transfer such Shares or to comply with these Articles;
 - (b) (except with Lead Investor Consent) if the Shares are not fully paid;
 - (c) if the instrument of transfer is not either duly stamped or duly certified (or otherwise shown to the satisfaction of the Directors to be exempt from stamp duty);
or
 - (d) (except with Lead Investor Consent) if the transferee (not being a party to any relevant Shareholder's Agreement, whether as an original party or by having executed a deed of adherence thereto) has not, in a legally binding manner, entered into and delivered to the Company a deed of adherence to any such Shareholders' Agreement.

- 9.2 Model Article 63 (*Transfer of certificated shares*) (other than 63(5)(a)) shall apply, except Model Article 63(1)(b) shall be modified by replacing the words "is partly paid" by "are not fully paid".

10 Transfer provisions - Evidence of compliance

- 10.1 For the purpose of ensuring that:

- (a) a transfer of Shares is permitted whether under the terms of these Articles or, pursuant to any Shareholders' Agreement as may be relevant; and/or
- (b) no circumstances have arisen which would require or entitle a person to require a transfer of Shares,

the Directors may (and shall if directed by the Lead Investor) require any Shareholder to provide, and/or procure that any person whom the Directors Lead Investor believes to have information and evidence relevant to such purpose provides, the Company with such information and evidence as the Lead Investor requires regarding any matter which they consider relevant for such purpose. Pending the provision of such information the Directors shall be entitled to refuse to register any relevant transfer.

- 10.2 Failing such information or evidence referred to in Article 10.1 being provided to the reasonable satisfaction of the Lead Investor within 15 Business Days of being requested, the Directors may (and shall if directed by the Nominated Director) notify the relevant Shareholder in writing of that fact. If the Shareholder fails to provide, or procure the provision of, such information or evidence to the reasonable satisfaction of the Lead Investor within a further 15 Business Days of receipt of such written notice, then (unless and to the extent that the Lead Investor otherwise directs the Company in writing) any Shares held by the relevant Shareholder shall automatically cease to confer the right to receive notice of, attend and vote at any general meeting of the Company, or on any written resolution of the Shareholders, and such Shares will not be counted in determining the total number of votes which may be cast at any such meeting or for the purposes of approving any written resolution of the Shareholders until the failure to provide, or procure the provision of, such information or evidence is remedied to the reasonable satisfaction of the Lead Investor. For so long as any Shares are disenfranchised pursuant to this Article 10.2, the voting rights attaching to the Shares will be varied so that the other Shareholders shall

be entitled to cast such percentage of votes as they would otherwise have been entitled to cast prior to the suspension of voting rights of the disenfranchised Shares.

10.3 If as a result of the provision of such information and evidence or otherwise, the Lead Investor is reasonably satisfied that:

- (a) a transfer of Shares has taken place which is not permitted; or
- (b) circumstances have arisen which would require or entitle a person to require a transfer of Shares,

the Directors may (and shall if directed by the Lead Investor) notify the relevant Shareholder in writing of that fact. If the Shareholder fails to remedy the situation to the reasonable satisfaction of the Lead Investor within 10 Business Days of receipt of such written notice, then the Lead Investor request such further action as he sees fit.

11 Compulsory Transfers

11.1 If a Compulsory Transfer Event occurs in relation to a Shareholder (the "**Departing Shareholder**") a Transfer Notice shall be deemed to have been served on the Company at the time prescribed in Article 11.2 in respect of all Compulsory Transfer Shares ("**Deemed Transfer Notice**").

11.2 A Deemed Transfer Notice shall be deemed to have been served under Article 11.1 at 5.30pm on the Compulsory Transfer Date in respect of all the Compulsory Transfer Shares.

11.3 The Compulsory Transfer Shares shall remain Departing Shareholder's Shares until they have been validly transferred under this Article 11.

11.4 Notwithstanding any other provision of these Articles, unless the Directors resolve otherwise, any Compulsory Transfer Shares shall, with effect from the Compulsory Transfer Date, cease to confer upon the holder thereof:

- (a) any right to receive notice of, or attend, speak or vote at, any general meeting of the Company (or at any meeting of the holders of any class of Shares) or any right to receive or vote on any written resolution of the Company (or the holders of any class of Shares);
- (b) to receive dividends or other distributions otherwise attaching to those Shares; or

(c) to participate in any future issue of Shares,

until such time as another person is entered in the register of members of the Company as the holder of those Compulsory Transfer Shares.

11.5 Deemed Transfer Notices shall constitute the Company as the Departing Shareholder's agent for the sale of the Compulsory Transfer Shares in one or more lots at the discretion of the directors at the Sale Price.

11.6 The Sale Price shall be the nominal value of the Compulsory Transfer Shares.

11.7 The Compulsory Transfer Shares will be offered to all holders of Shares other than the Departing Shareholder.

11.8 The offer under Article 11.7 shall be in writing, specifying:

(a) the number of Compulsory Transfer Shares on offer and the Sale Price;

(b) the fact that the sale is pursuant to a Deemed Transfer Notice; and

(c) the date by which the application to purchase the Compulsory Transfer Shares has to be received by the Company (being a date not less than 14 days and no more than 21 days after the date of the notice).

The notice shall set out the method of allocation of the Compulsory Transfer Shares and shall invite each Shareholder to apply in writing to the Company for as many of the Compulsory Transfer Shares (if any) as that Shareholder would like to purchase.

11.9 If the total number of Compulsory Transfer Shares applied for by the Shareholders is equal to or less than the number of Compulsory Transfer Shares available, the Compulsory Transfer Shares shall be allocated in satisfaction of the applications received.

11.10 If the total number of Compulsory Transfer Shares applied for is more than the number of Compulsory Transfer Shares available, the directors shall allocate Compulsory Transfer Shares in satisfaction of each Shareholder's application for Compulsory Transfer Shares in accordance with the following formula (rounded down to the nearest whole number of Shares). This formula shall be applied repeatedly until there are no Compulsory Transfer Shares left to be allocated. Each application of the formula is an "iteration".

$$A = \frac{B \times D}{C}$$

A is the number of Compulsory Transfer Shares to be allocated to the relevant Shareholder in the iteration.

B is the number of Shares held by the Shareholder.

C is the number of Shares held by all Shareholders to whom the iteration is being applied.

D is the number of Compulsory Transfer Shares or, after the first iteration, the number of Compulsory Transfer Shares remaining unallocated by previous iterations.

If, in any iteration, a Shareholder would be allocated all or more than all of the Compulsory Transfer Shares for which he applied (including allocations from previous iterations) then any excess will not be allocated to that Shareholder. That Shareholder will cease to take part in any further iterations and the excess Compulsory Transfer Shares will be available for allocation in the next iteration.

- 11.11 The Company shall notify the Departing Shareholder and each Shareholder who applied for Compulsory Transfer Shares of the number of Compulsory Transfer Shares that have been allocated and the persons to whom they have been allocated. The notification shall include the place and time (being not later than 14 days after the date by which applications had to be received) at which the sale of the Compulsory Transfer Shares shall be completed.
- 11.12 If the Company finds purchasers for all or any of the Compulsory Transfer Shares under this Article 11, the Departing Shareholder shall, on receipt of the Sale Price, transfer the Compulsory Transfer Shares (or those Compulsory Transfer Shares for which the Company has found purchasers) to those purchasers. If the purchase is by the Company, the Departing Shareholder will also sign any purchase contract required under the Act (that contract containing no obligations on the Departing Shareholder other than those consistent with transferring good title to the Compulsory Transfer Shares). If the Departing Shareholder does not perform his obligations under this Article 11.12, the Company shall:
 - (a) (if so required by the persons willing to purchase the Compulsory Transfer Shares) receive and give a good discharge for the purchase money on behalf of the Departing Shareholder;

- (b) authorise some person to execute transfers of the Compulsory Transfer Shares in favour of the purchaser and the purchase contract; and
- (c) enter the name(s) of the purchaser(s) in the Company's register of Shareholders as the holder of the Compulsory Transfer Shares that were transferred to them.

11.13 If the Company does not find purchasers for all of the Compulsory Transfer Shares under this Article 11, the Departing Shareholder may, within six months after the date of the offer by the Company to its Shareholders, sell and transfer the Compulsory Transfer Shares that have not been sold under this Article 11 to the persons specified in the Transfer Notice (provided that any such person is not in the reasonable opinion of the directors a competitor of the Company) at a price which is no less than the Sale Price. However, if the Compulsory Transfer Shares were offered under a Deemed Transfer Notice, they may not be sold or transferred to any third party unless the transfer is otherwise permitted pursuant to these Articles.

11.14 Any purported transfer of Shares which is not in accordance with these Articles is void.

12 Transmission

12.1 In the event of the death of a Shareholder, title of those Shares registered in his name shall pass to a Transmitttee, and the Company may only recognise the Transmitttee as having any title to such Shares.

12.2 A Transmitttee who produces such evidence of entitlement to Shares as the Directors may properly require:

- (a) may, subject to Articles 12.4 to 12.6 (inclusive), choose either to become the holder of those Shares or to have them transferred to another person; and
- (b) subject to these Articles, and pending any transfer of the shares to another person, has the same rights as the holder had.

12.3 Subject to Article 12.8, Transmitttees 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, unless they become the holders of those Shares.

12.4 Transmitttees who wish to become the holders of Shares to which they have become entitled must notify the Company in writing of that wish.

- 12.5 If the Transmittee wishes to have a Share transferred to another person, the Transmittee must execute an instrument of transfer in respect of it.
- 12.6 Any transfer made or executed under this Article 12 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.
- 12.7 If a notice is given to a Shareholder in respect of Shares and a Transmittee is entitled to those Shares, the Transmittee is bound by the notice if it was given to the Shareholder before the Transmittee's name has been entered in the register of members.
- 12.8 Where a Transmittee is not already a Shareholder (and has not previously become a Shareholder by virtue of the provisions of this Article 12) such Transmittee shall not have the right to attend or vote at a general meeting, or agree to a proposed written resolution, even once such Transmittee has become a holder of Shares pursuant to this Article 12.

13 Directors' powers and responsibilities - Model Articles

- 13.1 The following Model Articles apply:

3	Directors' general authority
4	Members' reserve power
5, except that the Directors shall not exercise any rights under Model Article 5 without Lead Investor Consent.	Directors may delegate
6, except that the Directors shall not exercise any rights under Model Article 6(2) without Lead Investor Consent.	Committees

14 Number of Directors

Unless and until otherwise determined by ordinary resolution, the number of Directors (other than alternate directors) is not subject to any maximum and the minimum is one.

15 Directors to take decisions collectively

- 15.1 Decisions of the Directors must be taken by:

- (a) a majority decision at a meeting; or

- (b) a majority decision by a Directors' written resolution adopted in accordance with Article 16.

15.2 If, and for so long as, the Company has only one Director and provided that the Director (unless he is the PG Director) has given notice in writing to the Lead Investor that he is the only Director:

- (a) that sole Director may take decisions without regard to any of the provisions of these Articles relating to Directors' decision-making (Articles 15 to 24); and
- (b) all references in these Articles to "**Directors**" (other than in those provisions which govern the decision-making by Directors (Articles 15 to 24) and Directors' interests (Articles 25 to 27)) shall be construed as a reference to that sole Director.

16 Directors' written resolutions

- 16.1 Any Director may propose a Directors' written resolution and the company secretary (if any, failing which the other Directors) must propose a Directors' written resolution if a Director so requests.
- 16.2 Subject to Article 16.3, a Directors' written resolution is proposed by giving notice in writing of the proposed resolution to each Director unless the Director (other than the Nominated Director) is absent from the United Kingdom and has not given the Company an address to which notice may be given by electronic means during his absence.
- 16.3 Any Director may waive his entitlement to notice of any proposed Directors' written resolution, either prospectively or retrospectively, and any retrospective waiver shall not affect the validity of the Directors' written resolution.
- 16.4 A proposed Directors' written resolution is adopted when all of the Eligible Directors have signed one or more copies of it, provided that those Directors would have formed a quorum at a Directors' meeting had the resolution been proposed at such a meeting.
- 16.5 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 these Articles.

16.6 An alternate director may sign a proposed Directors' written resolution (in addition to signing it in his capacity as a Director in his own right, if relevant) on behalf of each of his Appointors who:

- (a) have not signed or are not to sign the Directors' written resolution; and
- (b) are Eligible Directors in relation to the Directors' written resolution,

provided that (a) the alternate director is himself an Eligible Director in relation to the Directors' written resolution and (b) those persons actually signing the Directors' written resolution would have formed a quorum at a Directors' meeting had the resolution been proposed at such a meeting.

17 Calling a Directors' meeting

17.1 Any Director may call a Directors' meeting by giving notice of the meeting to the Directors or by authorising the company secretary (if any) to give such notice.

17.2 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.

17.3 Subject to Article 17.4, notice of a Directors' meeting must be given to each Director unless the Director (other than the PG Director or the SM Director) is absent from the United Kingdom and has not given the Company an address to which notice may be given by electronic means during his absence. Notice does not need to be in writing. A Director who participates in a meeting shall be deemed to have received proper notice of the meeting.

17.4 Any Director may waive his entitlement to notice of any Directors' meeting, either prospectively or retrospectively, and any retrospective waiver shall not affect the validity of the meeting or of any business conducted at it.

18 Participation in Directors' meetings

18.1 Subject to these 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 these 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.

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

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

19 Quorum for Directors' meetings

19.1 At a Directors' meeting, unless a quorum is participating, no proposal is to be voted on or a decision is to be taken.

19.2 The quorum for Directors' meetings (other than Directors' meetings that are adjourned in accordance with Article 19.7) will be:

- (a) unless one of the circumstances set out in Article 17.3 as regards the PG Director or Article 19.4 as regards the SM Director has arisen or applies, for such time there are two or more Directors appointed the quorum shall be two and shall require, if both a PG Director and a SM Director are appointed, both the PG Director and the SM Director (or their respective alternatives); or
- (b) if one of the circumstances set out in Article 19.3 as regards the PG Director or Article 19.4 as regards the SM Director has arisen or applies, or for such time as there is no PG Director or, as the case may be, no SM Director appointed, the quorum for a meeting of the Directors shall be one director.

19.3 The circumstances referred to in Articles 19.2 and 19.7 are:

- (a) where Lead Investor Consent is given;
- (b) where there is no Nominated Director in office; or

- (c) in respect of a decision at a Directors' meeting for the purposes of authorising a matter under section 175 of the Act in respect of the PF Director.

19.4 The circumstances referred to in Articles 19.2 and 19.7 are:

- (a) where the appointor of the SM Director gives his prior written consent;
- (b) where there is no SM Director in office;
- (c) in respect of a decision at a Director's meeting for the purposes of authorising a matter under section 175 of the Act in respect of the SM Director; or
- (d) where the SM Director has not attended two consecutive meetings of the Directors or otherwise has prevented a quorate meeting of the Directors being held on two consecutive occasions.

19.5 Subject to these Articles, a person who is an alternate director, but is not a Director in his own right, may be counted as participating for the purposes of determining whether a quorum is participating in any decision at a Directors' meeting, provided that his Appointor (or one of his Appointors):

- (a) is not participating in the decision at the Directors' meeting; and
- (b) would have been an Eligible Director in relation to the decision if he had been participating in it.

19.6 No alternate director may be counted as more than one Director for the purposes of determining whether a quorum is participating in any decision at a Directors' meeting.

19.7 If the necessary quorum is not present within 10 minutes of the time at which the Directors' meeting was due to start, or if during the meeting a quorum ceases to be present, the meeting shall be adjourned for the consideration of the same business until the same time and place the next following week when those Directors or the Director present, provided that (save in the circumstances set out in Article 19.3) one of them or the one Director is a PG Director or his alternate director, shall constitute a quorum.

20 Chairman of the Directors

- 20.1 The PG Director shall be the chairman of all Directors' meetings unless the Lead Investor agrees that some other director is to be chairman. Should no PG Director be in office then a majority of Directors shall have the right to appoint one of their number to be chairman of Directors and to remove him from that office and to appoint a replacement.
- 20.2 The relevant chairman shall preside at every Directors' meeting in which he is participating, but if no chairman has been appointed, or if he is unwilling to preside at a Directors' meeting or he is not participating in a Directors' meeting within 10 minutes of the time it was to start, a majority of the directors present may choose one of their number to preside as chairman of the meeting.

21 Voting at Directors' meetings

- 21.1 Subject to these Articles, a decision is taken at a Directors' meeting by a majority of the votes of the Eligible Directors participating in the decision at the meeting.
- 21.2 Subject to these Articles, each Director participating in a decision at a Directors' meeting has one vote.
- 21.3 Subject to these Articles, an alternate director shall have one vote (in addition to his own vote in his capacity as a Director in his own right, if relevant) on any decision at a Directors' meeting for each of his Appointors who:
- (a) are not participating in the decision at the Directors' meeting; and
 - (b) would have been Eligible Directors in relation to the decision if they had been participating in it.
- 21.4 If the numbers of votes for and against a proposal at a Directors' meeting are equal, the PG Director shall have a casting vote but this does not apply if, in accordance with these Articles, the PG Director is not an Eligible Director in relation to the decision. For such time as there is no PG Director in office, or he is not Eligible Director in relation to a decision, the chairman of the meeting shall not have a casting vote.

22 Participating and voting when Director interested

22.1 A Director shall not be counted as participating for quorum and voting purposes in a decision at a Directors' meeting to authorise a matter for the purposes of section 175 of the Act if, in accordance with section 175(6) of the Act, the matter is such that the authorisation would only be effective if:

- (a) any requirement as to the quorum at the Directors' meeting at which the matter is considered is met without him counting; and
- (b) the matter was agreed to without him voting or would have been agreed to if his vote had not been counted.

22.2 Without prejudice to the obligations of any Director:

- (a) to disclose any interest in proposed or existing transactions or arrangements with the Company in accordance with the Companies Acts; and
- (b) to disclose any interest in accordance with Article 26.1,

and subject always to Article 22.1 and the terms on which any authorisation by the Directors for the purposes of section 175 of the Act has been given, a Director shall be counted as participating for quorum and voting purposes in any decision at a Directors' meeting that is concerned with a matter in which he has, directly or indirectly, an interest provided that he has first obtained Lead Investor Consent (unless the Director concerned is the PF Director (or his alternate director), in which case no such consent shall be required).

22.3 If any question arises at a Directors' meeting as to the right of a Director to be counted as participating for quorum or voting purposes in the meeting (or part of the meeting), the question may, before the conclusion of the meeting, be referred to the PF Director whose ruling in relation to any Director is to be final and conclusive.

23 Directors' discretion to make further rules

Subject to these Articles and any Shareholders' Agreement as may be relevant, the Directors may (with Lead Investor Consent) 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.

24 Records of Directors' decisions to be kept

The Directors must ensure that the Company keeps a record, in writing, for at least 10 years from the date of the decision recorded, of every decision taken by the Directors.

25 Transactions or arrangements with the Company

Subject to:

25.1 compliance with the Companies Acts (including sections 177 (*Duty to declare interest in proposed transaction or arrangement*) and 182 (*Declaration of interest in existing transaction or arrangement*) of the Act); and

25.2 (other than in the case of a Nominated Director (or his alternate director)) Lead Investor Consent,

a Director may be a party to, or otherwise (directly or indirectly) interested in, any transaction or arrangement with the Company.

26 Directors' conflicts of interest

26.1 Subject to Article 26.2, for the purposes of section 175 of the Act:

(a) a Director (and his alternate director) shall be authorised to hold office as a director or other officer of, be employed or engaged by, hold shares or other securities in, or otherwise be interested in, whether directly or indirectly, any undertaking in which the Company is otherwise (directly or indirectly) interested from time to time;

(b) the PG Director (and his alternate director) and any other Investor (or his alternate) who is a Director of the Company from time to time shall be authorised to hold office as a director, member, designated member or other officer of, be employed or engaged by, hold shares or other securities or interests in, or otherwise be interested in, whether directly or indirectly:

(i) any other undertaking in which the Lead Investor and/or any Investor also holds shares or other securities or is otherwise (directly or indirectly) interested;

(ii) Uncle Buck Payday Loans LLP (registration number OC356091);

- (iii) any other undertaking in which Uncle Buck Payday Loans LLP is (directly or indirectly) interested and/or any undertaking to which Uncle Buck Payday Loans LLP transfers its business and/or assets from time to time; or
 - (iv) any other undertaking in which the Lead Investor and/or any Investor also holds shares or other securities or is otherwise (directly or indirectly) interested and which is a member of Uncle Buck Payday Loans LLP from time to time;
- (c) the SM Director (and his alternate director) and any other Investor (or his alternate) who is a Director of the Company from time to time shall be authorised to hold office as a director, member, designated member or other officer of, be employed or engaged by, hold shares or other securities or interests in, or otherwise be interested in, whether directly or indirectly:
 - (i) Uncle Buck Payday Loans LLP (registration number OC356091); or
 - (ii) any other undertaking in which Uncle Buck Payday Loans LLP is (directly or indirectly) interested and/or any undertaking to which Uncle Buck Payday Loans LLP transfers its business and/or assets from time to time;
- (d) (without limiting Articles 26.1(b) and 26.1(c)) a Director (or his alternate) shall be authorised to hold office as a director, member, designated member or other officer of, be employed by, hold shares or securities in, or otherwise be interested in, whether directly or indirectly, Uncle Buck Payday Loans LLP (registration number OC356091) and/or any other undertaking in which such entity is (directly or indirectly) interested and/or any undertaking to which Uncle Buck Payday Loans LLP transfers its business and/or assets from time to time;
- (e) a Director shall be authorised to enter into, or otherwise be interested in, whether directly or indirectly, any transaction or arrangement in which the Company is (directly or indirectly) interested (other than a transaction or arrangement with the Company); and
- (f) a Director shall be authorised to be a party to any transaction or arrangement with any other undertaking in which the Company is otherwise (directly or indirectly) interested.

- 26.2 In the case of any Director (other than a PG Director (or his alternate director)) any authorisation pursuant to Article 26.1 is subject to:
- (a) Lead Investor Consent; and
 - (b) the Director declaring the nature and extent of his interest (other than a Non-Disclosable Interest) to the other Directors.
- 26.3 For the purposes of this Article 26, a "**Non-Disclosable Interest**" is an interest which cannot reasonably be regarded as likely to give rise to a conflict of interest or one that the other Directors are already aware of or ought reasonably to be aware of.
- 26.4 For the purposes of section 175 of the Act, where an office, employment, engagement, position or interest held by a Director (or his alternate director) in another entity has been authorised pursuant to Article 26.1 and his relationship with an entity gives rise to an actual or potential conflict of interest (or any actual or potential conflict of interest may reasonably be expected to arise out of the matter so authorised), a Director (and/or his alternate director) shall be authorised to:
- (a) attend and vote at meetings of the Directors (or any committee of Directors) at which any matter relating to the actual or potential conflict of interest will or may be discussed and receive board papers or other documents relating to such meeting;
 - (b) receive confidential information and other documents and information relating to the Company or any other undertaking in which the Company is interested, use and apply such information in performing his duties as a director, officer or employee of, or consultant to any entity to which Article 26.1 relates or is concerned and disclose that information to third parties in accordance with these Articles and/or the provisions of any Shareholders' Agreement; and
 - (c) as regards the Nominated Director only, give or withhold consent or give any approval, direction, opinion, request, decision, determination or notice which is required to be given or may be given by them pursuant to any Shareholders' Agreement and/or these Articles.

26.5 The following provisions of this Article apply to any authorisation of a matter by the Directors for the purposes of section 175 of the Act:

- (a) an authorisation may extend to any actual or potential conflict of interest (including a conflict of interest and duty and a conflict of duties) which may reasonably be expected to arise out of the matter so authorised;
- (b) an authorisation shall be subject to such conditions or limitations as the Directors may determine, whether at the time such authorisation is given or subsequently, and may be terminated by the Directors at any time; and
- (c) a Director must comply with any obligations imposed on him by the Directors pursuant to any authorisation.

26.6 If a matter, office, employment, engagement, position, transaction or arrangement or interest has been authorised either pursuant to Article 26.1 or by the Directors in accordance with section 175 of the Act, then the Director in question shall not be required to disclose to the Company any confidential information received by him (other than by virtue of his position as a Director) relating to such matter, office, employment, engagement, position, transaction or arrangement or interest, or to use such information in relation to the Company's affairs, if to do so would result in a breach of a duty or obligation of confidence owed by him in relation to or in connection with that matter, office, employment, engagement, position, transaction or arrangement or interest.

26.7 For the purposes of this Article 26, a conflict of interest includes a conflict of interest and duty and a conflict of duties.

27 Accounting for profit when interested

27.1 Subject to compliance with the Companies Acts (including section 177 (*Duty to declare interest in proposed transaction or arrangement*) and 182 (*Declaration of interest in existing transaction or arrangement*) of the Act) and (other than in the case of, or in relation to, the PG Director (or his alternate director)) to Lead Investor Consent:

- (a) a Director shall not be accountable to the Company for any profit, remuneration or other benefit which he (or a person connected with him as defined in section 252 of the Act) derives from or in connection with any interest (whether directly or indirectly) in any transaction or arrangement with the Company;

- (b) no such transaction or arrangement shall be liable to be avoided on the grounds of any such interest, profit, remuneration or benefit; and
- (c) the receipt of any such profit, remuneration or other benefit shall not constitute a breach of his duty under section 176 of the Act.

27.2 Subject always to the obligation of the Director to disclose his interest in accordance with Article 26.2(b) and to the terms on which any authorisation for the purposes of section 175 of the Act has been given and (other than in the case of a PG Director (or his alternate director)) to Lead Investor Consent:

- (a) a Director shall not be accountable to the Company for any profit, remuneration or other benefit which he (or a person connected with him as defined in section 252 of the Act) derives from or in connection with anything authorised pursuant to Article 26.1 or by the Directors for the purposes of section 175 of the Act;
- (b) no such thing authorised shall be liable to be avoided on the grounds of any such interest, profit, remuneration or benefit; and
- (c) the receipt of any such profit, remuneration or other benefit shall not constitute a breach of his duty under section 176 of the Act.

28 Methods of appointing Directors

28.1 Without limitation to the provisions of Article 31 and the appointment of PF Directors and SM Directors, any person who is willing to act as a Director, and is permitted by law to do so, may (subject to Lead Investor Consent) be appointed to be a Director:

- (a) by ordinary resolution;
- (b) by notice in writing to the Company signed by (or, in the case of a corporation, signed on its behalf by a director or by a person authorised by a decision of the directors or other governing body) the holder or holders of such number of Shares as confer the right to a majority of the votes at a general meeting or on a written resolution of the Shareholders (and may consist of several documents in similar form each signed by or on behalf of one or more holders), such appointment to take effect when the notice is received by the Company or on such later date (if any) specified in the notice; or

(c) by a decision of the Directors.

28.2 In any case where, as a result of death or bankruptcy, the Company has no Shareholders and no Directors, the Transmittree(s) of the last Shareholder to have died or to have a bankruptcy order made against him (as the case may be) have the right, by notice in writing to the Company, to appoint a person who is willing to act as a Director, and is permitted by law to do so, to be a Director, such appointment to take effect when the notice is received by the Company or on such later date (if any) specified in the notice.

28.3 For the purposes of Article 28.2, 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.

29 Termination of Director's appointment

A person ceases to be a Director as soon as:

29.1 (other than in the case of a PG Director (or his alternate director) or a SM Director (or his alternate) for so long as their respective appointors have the right to appoint and maintain in office a PG Director, as the case may be, a SM Director) that person is removed as a Director:

(a) by ordinary resolution; or

(b) by notice in writing to the Company signed by (or, in the case of a corporation, signed on its behalf by a director or by a person authorised by a decision of the directors or other governing body) the holder or holders of such number of Shares as confer the right to a majority of the votes at a general meeting or on a written resolution of the Shareholders (and may consist of several documents in similar form each signed by or on behalf of one or more holders), such removal to take effect when the notice is received by the Company or on such later date (if any) specified in the notice,

provided that any such removal shall be without prejudice to any claim such Director may have for breach of any contract of service between him and the Company;

29.2 that person ceases to be a Director by virtue of any provision of the Companies Acts (including pursuant to section 168 of the Act) or is prohibited from being a Director by law;

- 29.3 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 a continuous period of 90 days in any six months;
- 29.4 as regards a SM Director, or other Director (but not any PG Director), the provisions of any Shareholders' Agreement require, in any given circumstances, the resignation, or deem the resignation of a SM Director or other Director as the case may be;
- 29.5 notice in writing is received by the Company from the Director that he is resigning from office, and such resignation has taken effect in accordance with its terms;
- 29.6 (other than in the case of a PG Director (or his alternate director)) that person has for more than six consecutive months been absent without permission of the Directors from Directors' meetings held during that period and his alternate director (if any) has not during that period attended any such meetings instead of him; or
- 29.7 (other than in the case of a PG Director (or his alternate director or a SM Director (or his alternate director) for so long as their respective appointors have the right to appoint and maintain in office a PG Director or, as the case may be, a SM Director) notice in writing signed by all of the other Directors (with Lead Investor Consent) removing that person from office is received by that person; or
- 29.8 (other than in the case of a PG Director) a Director being an executive Director, he ceases for any reason (including death or bankruptcy) to be an employee and/or director or consultant of the Company, or though still an employee, director or consultant of or to the Company, he becomes eligible for benefits under a permanent health insurance policy; or
- 29.9 notwithstanding the provisions of article 29.8, a Bankruptcy order is made against him, or a composition is made with that person's creditors generally in satisfaction of that person's debts.

30 Directors' remuneration and expenses

Model Articles 23 (Directors' remuneration) and 24 (Directors' expenses) apply.

31 PG directors and Sm directors

- 31.1 For so long as the Lead Investor together with any person to whom he is permitted to transfer Shares pursuant to these Articles or otherwise holds not less than 15% of the

Shares, the Lead Investor shall be entitled in his absolute discretion to appoint and maintain in office a director as a member of the board, and to remove such director and appoint a replacement (any such appointed person being the "**PG Director**"). Any such appointment must be effected by notice in writing to the Company by the Lead Investor who may, in similar manner, remove from office any PG Director so appointed and appoint a person in place of any such PG Director so removed, any such appointment or removal to take effect when such notice is received by the Company or such later date (if any) specified in the notice.

- 31.2 Other than following any of the circumstances set out in Article 29.3 arising in which event this Article 29.2 and the rights contained herein shall cease to apply, for so long as Steven George Murray ("**SM**") together with any person to whom he is permitted to transfer Shares pursuant to these Articles or otherwise holds not less than 15% of the Shares, SM shall, provided the Lead Investor has consented to the identity of the person to be appointed as the SM Director (such consent to be unreasonably withheld), be entitled in his absolute discretion to appoint and maintain in office a director as a member of the board, and to remove such director and appoint a replacement (any such appointed person being the "**SM Director**"). Any such appointment must be effected by notice in writing to the Company by SM who may, in similar manner, remove from office any SM Director so appointed and appoint a person in place of any such SM Director so removed, any such appointment or removal to take effect when such notice is received by the Company or such later date (if any) specified in the notice.

- 31.3 Should a SM Director not attend two consecutive meetings of the Directors or otherwise prevent a quorate meeting of the Directors occurring on two consecutive occasions, the right provided to SM in Article 29.2 shall immediately lapse and shall from that point forward cease to apply and the provisions of Articles as regards the appointment and removal of directors and the holding and conduct of Board meetings shall then be construed accordingly.
- 31.4 No business shall be transacted at any meeting of the Directors except that specified in the agenda for such meeting unless both the PG Director and the SM Director are present and agreed to the transaction of such other business.
- 31.5 Both the PG Director and the SM Director (if any) shall be entitled to attend and address all meetings of the Directors and of the members of the Company.
- 31.6 Should a SM Director not attend two consecutive meetings of the Directors or otherwise prevent a quorate Director meeting occurring on two consecutive occasions, the provisions of Articles 29.4 and 29.5 shall cease to apply or be relevant to the SM Director and SM.
- 31.7 The PG Director and the SM Director shall be entitled to be appointed to any committee of the Directors and to the board of directors, and to any committee of the directors of any such board, of any undertaking in which the Company is interested from time to time.
- 31.8 Any consent or approval, direction, opinion, request, decision, determination or notice which is required to be given or may be given by the PG Director pursuant to these Articles may consist of several documents in similar form each signed by or on behalf of the PG Director and may be subject to conditions as such may impose.
- 31.9 When there is no PG Director in office:
- (a) any reference in these Articles to any matter that requires the consent or approval of the PG Director shall take effect as and be deemed to be satisfied by Lead Investor Consent; and
 - (b) any references to any direction, opinion, request, decision or determination of, or notice by, the PG Director shall be construed accordingly.
- 31.10 For so long as the Lead Investor or, as the case may be, SM, has the right to appoint and maintain in office a Director, on any resolution of the Shareholders pursuant to section 168

of the Act to remove a PG Director or, as the case may be, the SM Director, the Shares held by, as the case may be, the Lead Investor or SM and/or with those Shares held by persons to whom they are permitted by these Articles or otherwise to transfer Shares, the Shares of such holders as vote at general meeting or on any such written resolution, will carry together one vote in excess of 50 per cent of all the other votes exercisable at the general meeting at which such resolution is proposed, and if any such PG Director or SM Director is removed pursuant to section 168 of the Act or otherwise, the Lead Investor or SM (as the case may be) may reappoint him or any other person as a Director.

32 Appointment and removal of alternate directors

32.1 Any Director (other than an alternate director) ("**Appointor**") may appoint any of the following as an alternate to exercise that Director's powers and carry out that Director's responsibilities in relation to the taking of decisions by the Directors in the absence of the alternate's Appointor, and may remove from office an alternate so appointed by him:

- (a) in the case of a Nominated Director, any person willing to act; and
- (b) in the case of any other Director, any other Director or any other person willing to act who is approved by resolution of the Directors (with Lead Investor Consent).

32.2 Any appointment or removal of an alternate must be effected by notice in writing to the Company signed by the Appointor, or in any other manner approved by the Directors. The appointment or removal shall take effect, subject to any required approval of the Directors, when the notice is received by the Company or on such later date (if any) specified in the notice.

32.3 The notice must:

- (a) identify the proposed or existing alternate; and
- (b) in the case of a notice of appointment, contain (or be accompanied by) a statement signed by the proposed alternate that the proposed alternate is willing to act as the alternate of the Director giving the notice.

32.4 A person may act as an alternate for more than one Director.

33 Rights and responsibilities of alternate directors

33.1 Except as these Articles specify otherwise, alternate directors:

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

33.2 An alternate director is not entitled to receive any remuneration from the Company for serving as an alternate director, except such part of his Appointor's remuneration as the Appointor may direct by notice in writing made to the Company.

33.3 Subject to these Articles, an alternate director has the same rights in relation to any decision of the Directors and any meetings of committees of Directors as each of the alternate's Appointors. In particular, each alternate director is entitled to receive notice of all proposed Directors' written resolutions and of all Directors' meetings and meetings of committees of Directors which each of his Appointors is entitled to receive (disregarding for these purposes, any absence of such Appointor from the United Kingdom) unless the alternate director (other than an alternate director appointed by an Investor Director) is absent from the United Kingdom and has not given the Company an address to which notice may be given by electronic means during his absence.

34 Termination of alternate directorship

An alternate director's appointment as an alternate for an Appointor terminates:

- 34.1 when that Appointor removes his alternate director in accordance with Article 32;
- 34.2 on the occurrence in relation to the alternate director of any event which, if it occurred in relation to that Appointor, would result in the termination of that Appointor's appointment as a Director;
- 34.3 on the death of that Appointor;
- 34.4 when that Appointor's appointment as a Director terminates; or

- 34.5 when notice in writing is received by the Company from the alternate director that he is resigning as an alternate director of that Appointor, and such resignation has taken effect in accordance with its terms.

35 Directors' indemnity and insurance

To the extent permitted by the Companies Acts, the Company may:

- 35.1 indemnify any Director of the Company or of any associated company against any liability;
- 35.2 purchase and maintain insurance against any liability for any Director of the Company or of any associated company.

36 Written resolutions

- 36.1 A resolution of the Shareholders (or a class of Shareholders) may be passed as a written resolution in accordance with Chapter 2 of Part 13 of the Act.
- 36.2 A proposed written resolution lapses if it is not passed before the end of the period of 28 days beginning with the circulation date (as defined in section 290 of the Act).

37 Calling general meetings

- 37.1 The Nominated Director acting alone may call a general meeting.
- 37.2 If, and for so long as, the Company has only a single Shareholder, such Shareholder shall be entitled at any time to call a general meeting.
- 37.3 A Shareholder present in person or by proxy at a general meeting shall be deemed to have received proper notice of the meeting and, if required, of the purposes for which it was called.

38 Quorum for general meetings

- 38.1 Subject to Articles 38.2 and 41.3, the quorum for a general meeting shall be as stated in the Act but the quorum must include:
- (a) the Lead Investor present in person or by proxy; or
 - (b) should the Lead Investor have transferred all of his Shares to persons to whom he is permitted, any one such permitted transferee present in person or by proxy.

38.2 If a general meeting is adjourned pursuant to Model Article 33(1) and at such adjourned meeting the persons attending within half an hour of the time at which the meeting was due to start do not constitute a quorum, then the quorum shall be:

- (a) the Lead Investor present in person or by proxy; or
- (b) should the Lead Investor have transferred all of his Shares to persons to whom he is permitted, any such permitted transferee present in person or by proxy.

39 Voting restrictions

The voting rights of Shareholders as stated in the Act are subject to Article 41 and the voting rights of Shareholders as stated in the Act and in Article 41 are subject to:

- 39.1 Article 10 (*Transfer provisions - Evidence of compliance*);
- 39.2 Article 40 (*No voting of Shares on which money due and payable*);
- 39.3 Article 29.10; and
- 39.4 Article 41.3.

40 No voting of Shares on which money due and payable

Unless the Directors (with Lead Investor Consent) otherwise determine, no voting rights attached to a Share may be exercised unless all amounts (including the nominal value and any share premium) due and payable to the Company in respect of that Share have been paid.

41 Voting

- 41.1 Subject to Articles 37, and 41.3, the Shareholders shall (in that capacity) be entitled to receive notice of, and to attend, speak and vote at, general meetings of the Company and to vote on any written resolution of the Shareholders.
- 41.2 Subject to Articles 37 and 39.3, upon any resolution proposed at a general meeting of the Company on a show of hands and on a poll every Shareholder who is present in person or by proxy shall have one vote in respect of each Share registered in his name and on a vote on a written resolution of the Shareholders every Shareholder shall have one vote in respect of each Share registered in his name.

41.3 If a Swamping Event has occurred and the Lead Investor serves a notice in writing to that effect on the Company then, with effect from when the notice is received by the Company until such notice is withdrawn by further notice in writing to the Company from the Lead Investor:

- (a) the quorum for any general meetings of the Company shall be one and shall be:
 - (i) the Lead Investor present in person or by proxy; or
 - (ii) should the Lead Investor have transferred all of his Shares to persons to whom he is permitted to transfer Shares in accordance with these Articles or otherwise, any one such permitted transferee present in person or by proxy; and
- (b) the Lead Investor, or should he have transferred all of his Shares to persons to whom he is permitted, such holders of those Shares as vote at general meeting or on any such written resolution, shall in voting at every general meeting of the Company and in voting on every written resolution of the Shareholders represent 95 per cent of the voting rights attaching to all shares after the application of this Article.

42 Delivery of proxy notices

42.1 A proxy notice must be received by the Company before the commencement of the general meeting or adjourned meeting to which it relates.

42.2 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. However, if that person votes at the meeting or adjourned meeting on a resolution, then as regards that resolution any proxy notice delivered to the Company by or on behalf of that person shall:

- (a) on a show of hands, be invalid;
- (b) on a poll, be invalid to the extent that such person votes in respect of the Shares to which the proxy notice relates.

- 42.3 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. A notice revoking a proxy appointment only takes effect if it is received by the Company before the commencement of the meeting or adjourned meeting to which it relates.
- 42.4 When two or more valid but different proxy notices are received in respect of the same Share for use at the same meeting or adjourned meeting, the one which is last validly received (regardless of its date or the date of its execution) shall be treated as replacing and revoking the other(s) as regards that Share. If the Company is unable to determine which was last received, none of them shall be treated as valid in respect of that Share.
- 42.5 If a proxy notice or notice of revocation of a proxy notice is not signed by the person appointing or revoking 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.

43 Corporate representatives

Where a Shareholder that is a corporation has authorised a representative or representatives to act on its behalf at a general meeting or at any separate meeting of the holders of any class of Share in accordance with the Act:

- 43.1 the corporation shall, for the purposes of these Articles, be deemed to be present in person at any such meeting if any such representative is present at it, and all references to attendance and voting in person shall be construed accordingly;
- 43.2 a Director or the company secretary (if any) may require any such representative to produce a certified copy of such authority before such representative is entitled to exercise any power on behalf of the corporation which he represents; and
- 43.3 a vote given or poll demanded by such representative at a general meeting or adjourned meeting (or at any separate meeting of the holders of any class of Share) shall be valid even though his authority has previously terminated unless notice in writing of the termination was received by the Company before the commencement of that meeting.

44 Voting at General meetings - model articles

- 44.1 The following Model Articles apply:

29	Attendance and speaking at general meetings
30	Quorum for general meetings
31	Chairing general meetings
32	Attendance and speaking by directors and non-members
33, except that Model Article 33(6) shall be subject to Article 38.2.	Adjournment
34	Voting: general
35	Errors and disputes
36	Demanding a poll
37, except that polls must be taken immediately and in such manner as the chairman of the meeting directs.	Procedure on a poll
38	Content of proxy notices
40	Amendments to resolutions

45 **Distributions - model articles**

45.1 Subject to Article 5, the following Model Articles apply:

70, except that the Directors may not exercise their powers under Model Article 70(1) to pay interim dividends without Lead Investor Consent.	Procedure for declaring dividends
71	Calculation of dividends
72	Payment of dividends and other distributions
73	Deductions from distributions in respect of sums owed to the company
74	No interest on distributions
75	Unclaimed distributions
76	Non-cash distributions

77	Waiver of distribution
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46 Interests in shares

Model Article 43 (*Company not bound by less than absolute interests*) shall apply.

47 Liens, calls on shares, forfeiture and surrender

The following Model Articles apply, except that the Directors may not exercise their powers under Model Articles 52(3), 53(1), 54, 57, 59 or 60 without Lead Investor Consent:

52, except that the company's lien shall apply to every share which is not fully paid	Company's lien over partly paid shares
53	Enforcement of the company's lien
54	Call notices
55	Liability to pay calls
56	When call notice need not be issued
57	Failure to comply with call notice: automatic consequences
58	Notice of intended forfeiture
59	Directors' power to forfeit shares
60	Effect of forfeiture
61	Procedure following forfeiture
62	Surrender of shares

48 Capitalisation

Model Article 78 shall apply, but any Shares allotted pursuant to Model Article 78(3) can only be allotted to the persons entitled (and not as they direct).

49 Fractions arising on consolidation and division

- 49.1 Model Article 69 (*Procedure for disposing of fractions of shares*) shall apply, except that the Directors may not exercise their powers under Model Article 69(1)(a) without Lead Investor Consent.

49.2 Whenever, as the result of any consolidation or consolidation and division of Shares, any Shareholders would become entitled to fractions of Shares, the Directors may (with Lead Investor Consent), subject to the provisions of the Companies Acts, allot to each such Shareholder, credited as fully paid by way of capitalisation, the minimum number of new Shares required to round up his holding following the consolidation to a whole number (such allotment being deemed to have been effected immediately before consolidation). For such purpose, the Directors may:

- (a) capitalise a sum equal to the aggregate nominal amount of the new Shares to be allotted on that basis out of any profits or reserve of the nature referred to in Model Article 78(1); and
- (b) appropriate and apply such sum in paying up in full the appropriate number of new Shares for allotment and distribution to such Shareholders on that basis; and
- (c) generally do all acts and things required to give effect to any capitalisation pursuant to this Article 49.

50 Company Secretary

The Directors may appoint any person who is willing to act to be the company secretary for such term and on such conditions as they think fit, and may remove any company secretary so appointed.

51 Share certificates, company seal and records

The following Model Articles apply:

46	Certificates to be issued except in certain circumstances
47 except 47(2)(a)	Contents and execution of certificates
48	Consolidated certificates
49	Replacement share certificates
81, except to the extent relating to security seals	Company seals
83	No right to inspect accounts and other records

52 Form of notice

Any notice or other document to be given pursuant to these Articles (other than a notice calling a meeting of the Directors) must be in writing.

53 Notices to the Company

Any notice, document or other information may be served on or sent or supplied to the Company by anyone:

- 53.1 by sending it through the post in a prepaid envelope addressed to the Company or any officer of the Company at its registered office or such other place in the United Kingdom as may from time to time be specified by the Company for that purpose;
- 53.2 by delivering it by hand to or leaving it at its registered office or such other place in the United Kingdom as may from time to time be specified by the Company for that purpose in an envelope addressed to the Company or any officer of the Company;
- 53.3 by sending or supplying it by electronic means to an address specified by the Company from time to time for that purpose; or
- 53.4 by any other means authorised in writing by the Company.

54 Notices to Shareholders and Transmittees

54.1 Any notice, document or other information may be served on or sent or supplied to any Shareholder:

- (a) personally;
- (b) by sending it through the post in a prepaid envelope addressed to the Shareholder at his registered address;
- (c) by delivering it by hand to or leaving it at that address in an envelope addressed to the Shareholder;
- (d) by sending or supplying it by electronic means to an address notified by the Shareholder to the Company from time to time for that purpose; or
- (e) by any other means authorised in writing by the relevant Shareholder.

54.2 Nothing in Article 54.1 shall affect any provision of the Companies Acts requiring offers, notices or documents to be served on or sent or supplied to a Shareholder in a particular way.

54.3 In the case of joint holders of a Share:

- (a) all notices, documents or other information shall be served on or sent or supplied to the person named first in the register in respect of the joint holding, and notice so given shall be sufficient notice to all joint holders; and
- (b) any request for consent to the receipt of communications in electronic form shall be sent or supplied to the person named first in the register in respect of the joint holding, and any express consent given by such holder to the receipt of communications in such manner shall bind all joint holders.

54.4 If a notice, document or other information is served on or sent or supplied to a Shareholder in respect of Shares and a Transmittree is entitled to those Shares, the Transmittree is bound by the notice.

54.5 Notices, documents or other information to be served on or sent or supplied to a Transmittree may be served on or sent or supplied to him by name, or by the title of the representative of the deceased or trustee of the bankrupt (or by any like description), at an address supplied for the purpose by him. Articles 54.1 and 56 shall apply to any notice, document or information so served, sent or supplied as if references in those Articles to:

- (a) "Shareholder" are to the Transmittree; and
- (b) a Shareholder's "registered address" or "address" are to the address so supplied.

This Article 54.4 is without prejudice to paragraph 17 of schedule 5 to the Act.

55 Notices to Directors

Any notice, document or other information may be served on or sent or supplied to a Director by the Company or by any other Director or the company secretary (if any):

55.1 personally;

55.2 (other than a notice of a proposed Directors' written resolution) by word of mouth;

- 55.3 by sending it through the post in a prepaid envelope addressed to the Director at his registered address or such other postal address as may from time to time be specified by him for that purpose;
- 55.4 by delivering it by hand to or leaving it at that address in an envelope addressed to him;
- 55.5 by sending or supplying it by electronic means to an address specified from time to time by the Director for that purpose; or
- 55.6 by any other means authorised in writing by the Director.

56 Service of notices on Shareholders or Directors

Any notice, document or other information (other than any notice, document or other information given to the Company including, for the avoidance of doubt, the appointment of a proxy):

- 56.1 addressed to a Shareholder or a Director in the manner prescribed by these Articles shall, if sent by post (whether in hard copy form or electronic form), be deemed to have been received:
 - (a) (if prepaid as first class) 24 hours after it was posted;
 - (b) (if prepaid as second class) 48 hours after it was posted;
 - (c) (if prepaid as airmail) 72 hours after it was posted,

and, in proving such receipt, it shall be sufficient to prove that the envelope containing such notice, document or other information was properly addressed, prepaid and put in the post;

- 56.2 not sent by post, but addressed to a Shareholder or a Director and delivered by hand to or left at an address in accordance with these Articles, shall be deemed to have been received on the day it was so delivered or left;
- 56.3 served, sent or supplied to a Shareholder or a Director by electronic means shall be deemed to have been received on the day it was sent, and, in proving such receipt, it shall be sufficient to show that such notice, document or information was properly addressed;

56.4 served, sent or supplied by any other means authorised in writing by the Shareholder or the Director shall be deemed to have been received when the Company has carried out the action it has been authorised to take for that purpose.