

Company No. 07853934

ARTICLES OF ASSOCIATION

OF

WEALTHIFY GROUP LIMITED

(Adopted by special resolution passed on 4 June 2020)

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ARTICLES OF ASSOCIATION
OF
WEALTHIFY GROUP LIMITED
("Company")

(Adopted by special resolution passed on 4 June 2020)

1. DEFINITIONS AND INTERPRETATION

1.1 In these Articles, unless the context requires otherwise:

"Accepting Shareholder" has the meaning given to it in Article 19.5 (*Tag Along*);

"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;

"Allocation Notice" has the meaning given to it in Article 17.1 (*Transfers pursuant to Compulsory Transfer Notice*);

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

"Bad Leaver" means a Leaver:

- (a) who ceases to be and is no longer continuing as an Employee before the first anniversary of the Commencement Date for any reason except as a result of (i) his death, or (ii) his permanent incapacity due to ill health, or (iii) circumstances which constitute unfair dismissal; or
- (b) who ceases to be and is no longer continuing as an Employee in circumstances of (i) gross misconduct, fraud, gross negligence or being convicted of a serious criminal offence or (ii) material breach of, or in relation to, his obligations to any member of the Group;

"Business" means the business of the Company and its subsidiary undertakings from time to time, comprising the operation of a digital, business-to-consumer platform currently providing ISAs and general investment accounts direct to consumers;

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

"Chairman" has the meaning given to it in Article 28.1 (*Chairman of the Board*);

"Commencement Date" means the date on which these Articles are adopted;

"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 Seller" means a Shareholder on whom a Compulsory Transfer Notice is served;

"Compulsory Transfer Notice" has the meaning given in Article 13.1 (*Compulsory Transfers*);

"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;

"Defaulting Shareholder" has the meaning given to it in Article 20.1 (*Transfer provisions - Default by Shareholder*);

"Directors" means the Company's directors for the time being;

"Drag Along Notice", "Dragged Shareholders", "Dragged Shares" and "Dragging Shareholder" have the meanings given to them in Article 18.1 (*Drag Along*);

"Drag Buyer" means either:

- (a) a bona fide arm's length purchaser and/or any of its Connected Persons and/or any other persons with whom it is Acting in Concert; or
- (b) if the Majority Shareholder owns or controls 90 per cent or more of the Shares (excluding treasury shares), the Majority Shareholder itself or another member of the Majority Shareholder Group;

"Drag Completion Date" means the date of completion of the sale and purchase of the Dragged Shares;

"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;

"Employee" means an individual who is an employee and/or consultant of any Group Company and **"Employees"** and **"employment contract"** shall be construed accordingly;

"Excluded Shareholder" means (a) the Company when it holds Shares as treasury shares, and (b) a Shareholder whose Shares, in relation to any general meeting of the Company and any written resolution of the Shareholders and, pursuant to Articles 8.4 (*Transfer and transmission of Shares - General*) and/or 14 (*Compulsory Transfers - Suspended Rights*), do not, for the time being, confer any Suspended Rights;

"Expert Valuer" shall be the independent firm of Chartered Accountants appointed in accordance with Article 16.8 (*Compulsory Transfers – Expert Valuer*);

"Fair Value" has the meaning given to it in Article 15.3 (*Compulsory Transfers - Sale Price*);

"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 Leaver who is not a Bad Leaver;

"Group Company" means a subsidiary undertaking or parent undertaking of the Company, or a subsidiary undertaking of any parent undertaking of the Company and **"Group"** shall be construed accordingly;

"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 1.3.6.1 (*Definitions and interpretation*);

"Leaver" means an Employee who ceases to be and is no longer continuing as an Employee for any reason whatsoever (including death or bankruptcy);

"Leaver Cessation Date" means, in relation to a Leaver, the earlier of:

- (a) the date on which he becomes a Leaver; and
- (b) the date on which he gives or is given notice of termination of his employment contract or the date of occurrence of a repudiatory breach by him of such contract;

"Leaver Shareholders" in relation to a Leaver means: (a) that Leaver if he is a Shareholder and his Transmittees, (b) any Shareholder who has obtained Shares (directly or indirectly) from such a Leaver as a result of permitted transfer(s) under Article 10 (*Permitted Transfers - Other Shareholders*) and (where such a Shareholder is an individual) his Transmittees, and (c) any Shareholder who holds Shares for the benefit of the Leaver;

"Leaver Valuation Date" means, in relation to a Leaver:

- (a) the date on which he becomes a Leaver; or
- (b) if determined by written notice from the Majority Shareholder in its absolute discretion, the date on which he gives or is given notice of termination of his employment contract or the date of occurrence of a repudiatory breach by him of such contract;

"Majority Shareholder" means the holder of a majority of the Shares;

"Majority Shareholder Consent" means the written consent of the Majority Shareholder;

"Majority Shareholder Group" means the Majority Shareholder, any parent undertaking of the Majority Shareholder for the time being, and any undertaking which, in relation to the Majority Shareholder and/or any such parent undertaking, is a subsidiary undertaking for the time being, including each Group Company after the Commencement Date (and references to a **"member of the Majority Shareholder Group"** or, in the case of any member of the Majority Shareholder Group, to **"its group"** shall be construed accordingly);

"Member of the Same Group" in relation to an undertaking (**"Undertaking"**), means any parent undertaking of that Undertaking for the time being and any undertaking which, in

relation to the Undertaking and/or any such parent undertaking, is a subsidiary undertaking for the time being;

"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;

"Nominated Transferees" has the meaning given to it in Article 13 (*Compulsory Transfers*);

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

"Ordinary Shares" means the ordinary shares of £0.01 each in the Company;

"Other Shareholders" has the meaning given to it in Article 19.2 (*Tag Along*);

"participate", in relation to a Directors' meeting, has the meaning given to it in Article 26 (*Participation in Directors' Meetings*);

"Preference Amount" means a price per share equal to the amount Credited As Paid Up for such share;

"Preference Shareholders" means the holders of Preference Shares;

"Preference Shares" means the preference shares of £0.01 each in the Company;

"Proposed Sale" and **"Proposed Seller"** have the meanings given to them in Article 19.2 (*Tag Along*);

"proxy notice" has the meaning given to it in Model Article 38 (*Content of proxy notices*) applied by Article 51 (*Voting at General Meetings - Model Articles*);

"Sale Price" means the price to be paid for the Sale Shares in accordance with Articles 15 (*Compulsory Transfers - Sale Price*) to 16 (*Compulsory Transfers – Expert Valuer*);

"Sale Shares" means Shares which are the subject of a Compulsory Transfer Notice;

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

"Shareholder" means a person who is the holder of any Shares;

"Shares" means the shares in the Company from time to time, comprising as at the Commencement Date, the Ordinary Shares and the Preference Shares;

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

"Suspended Rights" in relation to a Share means rights:

- (a) to receive notice of and to attend and speak at any general meeting of the Company or any separate meeting of the holders of any class of Shares or to receive a copy of any proposed written resolution of the Shareholders or of a class of the Shareholders; and
- (b) to vote (either in person or by proxy and whether on a show of hands or on a poll at any general meeting of the Company or at any separate meeting of the holders

of any class of Shares or on a written resolution of the Shareholders or of a class of the Shareholders);

"Tag Buyer", "Tag Offer" and "Tagged Shares" have the meanings given to them in Article 19.2 (*Tag Along*);

"Transmittee" means a person entitled to a Share or any Interest in a Share due to the death or bankruptcy of a Shareholder or otherwise by operation of law; 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:
 - 1.3.1 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;
 - 1.3.2 the allotment of Securities or any similar expression 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;
 - 1.3.3 **"including", "to include", "includes" or "in particular"** shall be deemed to include the words "without limitation";
 - 1.3.4 the day on which a notice is given is to the day on which the notice is deemed received in accordance with Article 65 (*Service of notices on Shareholders or Directors*);
 - 1.3.5 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);
 - 1.3.6 a **"transfer"** of Shares or any similar expression shall be deemed to include any direction (by way of renunciation, assignment or otherwise) by a Shareholder entitled to an allotment, issue or transfer of Shares that a Share be allotted, issued 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:
 - 1.3.6.1 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"**);
 - 1.3.6.2 the sale or transfer by the Company of Shares held as treasury shares;
 - 1.3.6.3 the creation or granting of any mortgage, charge, pledge or other encumbrance or security interest or trust over any Interest; and
 - 1.3.6.4 any grant of an option to acquire any Interest,

whether effected by a Shareholder or otherwise, whether for consideration or otherwise and whether effected by an instrument in writing or otherwise;

1.3.7 **"bankruptcy"** shall include 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; and

1.3.8 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:

2.2.1 the terms defined in Article 1 (*Definitions and interpretation*) shall apply to such Model Article (notwithstanding that such terms may be in lower case in the Model Article); and

2.2.2 the terms defined in Model Article 1 (*Defined terms*) shall apply to such Model Article, unless those terms are otherwise defined in Article 1 (*Definitions and interpretation*).

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, the Preference Shares and the Ordinary Shares shall rank *pari passu* but they shall constitute separate classes of Shares.

4.2 Subject to these 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 determined by special resolution.

4.3 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 terms, conditions and manner of redemption of any such Shares shall be set out in the Articles.

5. DISTRIBUTIONS

Any profits available for distribution which the Company determines to distribute shall be distributed amongst the holders of Shares in the order of priority and the amounts set out in Article 6 (*Return of capital*).

6. RETURN OF CAPITAL

6.1 On a distribution of assets on a liquidation or a return of capital (other than a conversion, redemption or purchase of Shares) the surplus assets of the Company remaining after payment of its liabilities shall be applied (to the extent that the Company is lawfully permitted to do so):

6.1.1 first in paying to each of the Preference Shares, in priority to any other classes of Shares, an amount per share held equal to the Preference Amount (provided that if there are insufficient surplus assets to pay the amounts per share equal to the Preference Amount, the remaining surplus assets shall be distributed to the Preference Shareholders pro rata to the amounts Credited as Paid Up on the Preference Shares); and

6.1.2 the balance of the surplus assets (if any) shall be distributed among the holders of Shares pro rata (as if the Shares constituted one and the same class) to the number of Shares held.

7. ISSUE OF SHARES

7.1 Model Article 44 (*Payment of commissions on subscription for shares*) shall apply.

7.2 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.

7.3 No Securities may be allotted by the Company to any person without the consent of the board of Directors or the approval of an ordinary resolution.

7.4 If such consent is given, any new Securities shall be offered to each of the Shareholders pro rata to their holding of Securities (a "**Subscription Offer**"), by notice from the Company to each of the Shareholders (the "**Subscription Offer Notice**"). Such notice shall contain the number of Securities for which each Shareholder is entitled to subscribe and the date after which the Subscription Offer, if not accepted, shall be deemed to have been declined.

7.5 A Subscription Offer may be accepted by each Shareholder as to all or part only of their pro rata holding of Securities within the period set out in the Subscription Offer Notice by notice in writing to the Company. Failing such acceptance by a Shareholder, the Subscription Offer will be deemed to have been declined by such Shareholder.

7.6 Where acceptances are received for less than all of the Securities which are the subject of the Subscription Offer, the Shareholders who have accepted their respective Subscription Offers (the "**Accepting Shareholders**") shall for a further period of 10 Business Days have the option, but not the obligation, to apply for all or some of the Securities which have been declined or which are deemed to have been declined (the "**Surplus Securities**") by notice in writing to the Company. If applications are made for the Surplus Securities by more than one Accepting Shareholder and such applications exceed the number of Surplus Securities, the allocation of Surplus Securities shall be made (unless otherwise agreed by all of the Accepting Shareholders) on a pro rata basis, according to the pro rata holding of Securities held by the Shareholders

applying for Surplus Securities as at the date of the Subscription Offer. Surplus Securities shall continue to be offered to the Accepting Shareholders until all of the Surplus Securities have been fully subscribed.

7.7 The Company shall allot the relevant number of Securities and issue share certificates to each Accepting Shareholder immediately after the capital increase has been duly registered.

7.8 The provisions of Articles 7.1 to 7.7 (inclusive) shall not apply to:

7.8.1 options to subscribe for Ordinary Shares under any employee incentivisation plan approved by the board of Directors;

7.8.2 Securities issued or granted in order for the Company to comply with its obligations under these Articles;

7.8.3 Securities issued in consideration of the acquisition by the Company of any company or business which has been approved in writing by the board of Directors or by ordinary resolution;

7.8.4 Securities which the board of Directors or the Company by ordinary resolution have agreed in writing should be issued without complying with the procedure set out in this Article 7;

7.8.5 Securities issued as a result of a bonus issue of shares; and

7.8.6 Securities issued or granted in order for the Company to comply with its obligations under any convertible debt arrangement approved by the board of Directors or by ordinary resolution.

8. TRANSFER AND TRANSMISSION OF SHARES - GENERAL

8.1 Shares may only be transferred:

8.1.1 in accordance with Articles 9 (*Permitted Transfers – Majority Shareholder*), 10 (*Permitted Transfers - Other Shareholders*) or 11 (*Permitted Transfers - Treasury Shares*);

8.1.2 pursuant to a Compulsory Transfer Notice;

8.1.3 pursuant to, and in accordance with, Article 18 (*Drag Along*); or

8.1.4 pursuant to, and in accordance with, Article 19 (*Tag Along*).

8.2 Notwithstanding any other provisions of these Articles, the Directors shall not register a transfer of Shares:

8.2.1 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;

8.2.2 (except with the consent of the board of Directors) if the Shares are not fully paid; or

8.2.3 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).

8.3 Model Article 63 (*Transfers 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" with the words "are not fully paid".

8.4 If title to a Share passes to a Transmitttee, the Company may only recognise the Transmitttee as having any title to that Share once it is transferred in accordance with these Articles. Pending such a transfer, the Transmitttee has the same rights as the transferor had in respect of such Share except for Suspended Rights unless the board of Directors otherwise directs in writing. Any transfer of a Share by a Transmitttee shall be treated as if it were made or executed by the person from whom the Transmitttee has derived rights in respect of the Share, and as if the event which gave rise to the transmission had not occurred.

9. PERMITTED TRANSFERS – MAJORITY SHAREHOLDER

The Majority Shareholder may transfer any Shares at any time to:

9.1 another member of the Majority Shareholder Group (or its trustee or nominee);

9.2 where the Majority Shareholder holds the Shares as a trustee or nominee, the beneficial owner of such Shares, another trustee or nominee of such beneficial owner and/or any other person(s) to whom the beneficial owner could have transferred any Shares under this Article 9 (*Permitted Transfers – Majority Shareholder*) if it had been a Majority Shareholder; and

9.3 any other person who is a bona fide purchaser on arm's length terms, provided the Majority Shareholder complies with Article 19 (*Tag Along*).

10. PERMITTED TRANSFERS - OTHER SHAREHOLDERS

Other than pursuant to and in accordance with Articles 18 (*Drag Along*), 19 (*Tag Along*), and/or 13 (*Compulsory Transfers*) to 16 (*Compulsory Transfers – Expert Valuer*), no Shareholder may transfer any of its Shares to any other person without Majority Shareholder Consent or the consent of the board of Directors.

11. PERMITTED TRANSFERS - TREASURY SHARES

Any Share held by the Company as a treasury share may be sold or transferred to any person or cancelled, in each case, in accordance with the Act.

12. CAPITAL CALLS

12.1 The Directors shall oversee the requirements of the Company for working capital to finance the Business from time to time and shall consider available options if additional working capital is required to finance the Business. In evaluating such options, the Directors shall consider

whether borrowings from banks and other similar sources would be more appropriate than recourse to the Shareholders through a capital call.

- 12.2 Notwithstanding the foregoing, the parties agree that the Majority Shareholder may (but is not obliged to) at any time choose to fund the Company by way of a loan on arm's length terms to meet the additional working capital requirements of the Company.

13. COMPULSORY TRANSFERS

- 13.1 The Majority Shareholder has the right by notice to the relevant Shareholder(s) referred to in Article 13.2 (*Compulsory Transfers*) ("**Compulsory Transfer Notice**") to require such Shareholder to transfer all or some of the Shares registered in his name or to which he is or may become entitled (whether as a result of his holding of Shares or otherwise) at the Sale Price to such person(s) as the Majority Shareholder may determine ("**Nominated Transferees**"), in accordance with Articles 13.2 (*Compulsory Transfers*) to 16 (*Compulsory Transfers – Expert Valuer*).

- 13.2 A Compulsory Transfer Notice may be given by the Majority Shareholder:

13.2.1 when an Employee becomes a Leaver, to the Leaver Shareholders within nine months after the Leaver Cessation Date, and from time to time to the Employee after the date on which the Employee becomes a Leaver; and

13.2.2 when a Shareholder who is not a Leaver (being an individual) becomes bankrupt, to that Shareholder or his Transmittes at any time and from time to time after such bankruptcy.

- 13.3 The Compulsory Transfer Notice may reserve to the Majority Shareholder the right by notice to finalise the identity of the Nominated Transferee(s) and the number of Sale Shares not later than 20 Business Days after the date of the agreement or determination of the Sale Price.

- 13.4 The relevant Shareholder(s) shall promptly notify the Company of any circumstances that arise which entitle the Majority Shareholder to give a Compulsory Transfer Notice, but no such notification shall be required if, or to the extent that, the Company is already aware of such circumstances.

- 13.5 The Majority Shareholder shall promptly send to the Company a copy of any Compulsory Transfer Notice given to a Shareholder for information purposes, but failure to provide such a copy shall not affect the validity of such a Compulsory Transfer Notice.

14. COMPULSORY TRANSFERS - SUSPENDED RIGHTS

- 14.1 Unless and to the extent that the Majority Shareholder otherwise directs the Company in writing, any Shares in respect of which a Compulsory Transfer Notice is given and any Shares subsequently issued to any Shareholder(s) to whom a Compulsory Transfer Notice may be given by virtue of the exercise of any right or option granted or arising by virtue of such Shareholder's Shares shall (irrespective of whether a Compulsory Transfer Notice has been served) cease to confer any Suspended Rights (and such Shares shall not be counted in determining the total number of votes which may be cast at any general meeting of the Company or at any separate meeting of the holders of any class of Shares or required for the purposes of a written resolution of the Shareholders or of a class of the Shareholders) from the time at which the right to give a Compulsory Transfer Notice arises (or the date of issue of such Shares, if later) until registration of a transfer of such Shares made in accordance with these Articles.

15. COMPULSORY TRANSFERS - SALE PRICE

- 15.1 In relation to a Compulsory Transfer Notice given pursuant to Article 13.2.1 (*Compulsory Transfers*), the price for the Sale Shares shall be as follows:
- 15.1.1 if the Leaver is a Bad Leaver the nominal value of the Sale Shares; or
 - 15.1.2 if the Leaver is a Good Leaver, the price shall be the Fair Value of the Sale Shares on the Leaver Valuation Date.
- 15.2 In all other cases, the price for the Sale Shares shall be the Fair Value of the Sale Shares on the date of service of the Compulsory Transfer Notice.
- 15.3 The "**Fair Value**" of Sale Shares on the relevant date shall be as follows:
- 15.3.1 the amount agreed between the Compulsory Seller and the board of Directors in writing; or
 - 15.3.2 in the absence of agreement within 15 Business Days of the date of service of the Compulsory Transfer Notice (or within such longer period as may be determined by the Directors), the amount determined by an Expert Valuer that, in its opinion, represents their fair value on the relevant date on the basis set out in Article 16 (*Compulsory Transfers – Expert Valuer*).

16. COMPULSORY TRANSFERS – EXPERT VALUER

- 16.1 The Fair Value of the Sale Shares shall be determined by the Expert Valuer on the following assumptions and bases:
- 16.1.1 valuing the Sale Shares as on an arm's-length sale between a willing seller and a willing buyer on the basis of the net asset value of the Company;
 - 16.1.2 if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so;
 - 16.1.3 that the Sale Shares are capable of being transferred without restriction;
 - 16.1.4 valuing the Sale Shares as a rateable proportion of the total value of all the issued Shares (excluding any Shares held as treasury shares) without any premium or discount being attributable to the percentage of the issued share capital of the Company which they represent but taking account of the rights attaching to the Sale Shares; and
 - 16.1.5 to reflect any other factors which the Expert Valuer reasonably believes should be taken into account.
- 16.2 If any difficulty arises in applying any of these assumptions or bases then the Expert Valuer shall resolve that difficulty in whatever manner it shall in its absolute discretion think fit.
- 16.3 The Expert Valuer shall be requested to determine the Fair Value within 20 Business Days of its appointment and to notify the board of Directors of its determination.
- 16.4 The Expert Valuer shall act as an expert and not as an arbitrator and its determination shall be final and binding on the parties (in the absence of fraud or manifest error).

- 16.5 The board of Directors will give the Expert Valuer access to all accounting records or other relevant documents of the Company subject to it agreeing to such confidentiality provisions as the board of Directors may reasonably impose.
- 16.6 The Expert Valuer shall deliver its certificate to the Company. As soon as the Company receives the certificate it shall deliver a copy of it to the Compulsory Seller.
- 16.7 The cost of obtaining the certificate shall be paid by the Company unless the Sale Price certified by the Expert Valuer is less than the price (if any) offered by the Directors to the Compulsory Seller for the Sale Shares before the Expert Valuer was instructed, in which case the Compulsory Seller shall bear the cost.
- 16.8 The Expert Valuer shall be an independent firm of Chartered Accountants appointed by the Company.

17. TRANSFERS PURSUANT TO COMPULSORY TRANSFER NOTICE

- 17.1 Within 20 Business Days of the later of the agreement or determination of the Sale Price and (if relevant) the finalisation by notice by the Majority Shareholder of the identity of the Nominated Transferee(s) and the number of Sale Shares pursuant to Article 13.3 (*Compulsory Transfers*), the Company shall give notice ("**Allocation Notice**") to the Compulsory Seller and to each Nominated Transferee to whom any Sale Shares are to be transferred specifying:
- 17.1.1 the Sale Price per Sale Share;
 - 17.1.2 the number of Sale Shares to be acquired by each such Nominated Transferee; and
 - 17.1.3 the date (being not later than 20 Business Days after the date of the Allocation Notice) on, and place at, which the sale and purchase of such Sale Shares shall be completed.
- 17.2 Subject to Article 17.3 (*Transfers pursuant to Compulsory Transfer Notice*) (if applicable), completion of the transfer of such Sale Shares shall take place in accordance with the Allocation Notice when the Compulsory Seller shall:
- 17.2.1 transfer the entire legal and beneficial interest in those Sale Shares specified in the Allocation Notice to the relevant Nominated Transferee(s) free from all liens, charges and encumbrances and together with all rights attaching to them and deliver the relevant share certificates (or an indemnity in a form reasonably satisfactory to the Directors for any lost certificates) to the relevant Nominated Transferee(s); and
 - 17.2.2 subject to compliance with Article 17.2.1 (*Transfers pursuant to Compulsory Transfer Notice*), be paid the Sale Price for the Sale Shares sold.
- 17.3 No Sale Shares may be purchased by the Company in pursuance of these Articles until the terms of the purchase have been authorised by a resolution of the Company in accordance with the Companies Acts.

18. DRAG ALONG

- 18.1 If the Majority Shareholder ("**Dragging Shareholder**") wishes to transfer at any time and whether through a single transaction or a series of related transactions all of the Shares registered in its name (provided such transfer is a transfer of the ownership of more than 50 per

cent in nominal value of the Shares) to a Drag Buyer, then the Majority Shareholder shall have the right by notice ("**Drag Along Notice**") to each of the other Shareholders (other than the Company when it holds Shares as treasury shares) ("**Dragged Shareholders**") to require all such Dragged Shareholders to sell and transfer the legal and beneficial title to all of the Shares registered the Dragged Shareholder's name ("**Dragged Shares**") (free from all liens, charges and encumbrances and together with all rights attaching to them and with full title guarantee) to the Drag Buyer (or as the Drag Buyer may direct) in accordance with the provisions of this Article 18 (*Drag Along*).

- 18.2 A Drag Along Notice may be given to the Dragged Shareholders at any time before the completion of the transfer of the Dragging Shareholder's Shares to the Drag Buyer (or as the Drag Buyer may direct). It shall specify:

- 18.2.1 that the Dragged Shareholders are required to transfer all their Shares pursuant to this Article 18 (*Drag Along*);
- 18.2.2 the identity of the Drag Buyer (and, if relevant, the transferee(s) to whom the Drag Buyer directs the Dragged Shares are to be transferred);
- 18.2.3 the amount (if any) and form of consideration for which the Dragged Shares are to be transferred;
- 18.2.4 the proposed, place, date and time of transfer (or the mechanism in accordance with which any of them is to be determined); and
- 18.2.5 the other terms and conditions of sale to which the Dragged Shareholders are required to adhere to, which shall be determined in accordance with Article 18.8 (*Drag Along*),

and shall be accompanied by all documents required to be executed by the Dragged Shareholders to give effect to the relevant transfer and, if relevant, a form of election for any alternative consideration offered by the Drag Buyer pursuant to Article 18.7 (*Drag Along*).

- 18.3 A Drag Along Notice may be revoked by the Majority Shareholder at any time prior to the completion of the sale and purchase of the Dragged Shares by notice to the Dragged Shareholders.
- 18.4 The amount (if any) of consideration for which the Dragged Shareholders shall be obliged to sell each of their Dragged Shares shall be that to which they would be entitled if the aggregate value of the total consideration to be paid by the Drag Buyer for all of the Dragging Shareholders' Shares and the Dragged Shares as a whole was allocated to the Dragging Shareholders and the Dragged Shareholders in the order of priority set out in Article 6 (*Return of capital*). If any of the consideration to be paid by the Drag Buyer is to be deferred or is otherwise not payable until after completion of the sale of the Dragging Shareholders' Shares and the Dragged Shares to the Drag Buyer (or as the Drag Buyer may direct), any initial consideration to be paid at the time of such completion shall be allocated to the Dragging Shareholders and the Dragged Shareholders in the order of priority and in the amounts as described in Article 6 (*Return of capital*).
- 18.5 For the avoidance of doubt, "**total consideration**" for the purposes of Article 18.4 (*Drag Along*) shall be construed as meaning the value or worth of the total consideration regardless of the form of the total consideration and shall exclude any offer to subscribe for or acquire any share, debt instrument or other security in the capital of any Drag Buyer (or a Member of the

Same Group as the Drag Buyer) made to a Shareholder which is in addition to the consideration proposed to be paid by the Drag Buyer for all the Shares.

- 18.6 The amount of consideration (if any) to be paid by the Drag Buyer for the Dragged Shares (as determined in accordance with Article 18.4 (*Drag Along*)) shall be paid in cash or in such other form of non-cash consideration with or without an equivalent cash value as shall be elected by the Drag Buyer.
- 18.7 The Drag Buyer may also offer all of the Dragged Shareholders another form of consideration and a different proportion of cash and/or non-cash consideration which they may in their absolute discretion elect to receive as an alternative in whole or in part to the consideration set out in the Drag Along Notice.
- 18.8 Subject to Articles 18.4 (*Drag Along*) to 18.7 (*Drag Along*), the Dragged Shares shall be acquired on the same, or no more onerous, terms and conditions (including the same, or no more onerous, representations, warranties, covenants, undertakings, indemnities and requirements relating to contributing to any retention (if any)) for which the Dragging Shareholder is selling its Shares, disregarding any terms and conditions which are not directly related to the sale of the Dragging Shareholder's Shares.
- 18.9 Completion of the sale and purchase of the Dragged Shares shall take place on the same date and at the same time and place as the sale of the Dragging Shareholder's Shares to the Drag Buyer (or as the Drag Buyer may direct) unless all of the Dragged Shareholders and the Dragging Shareholder otherwise agree, in which case completion of the sale and purchase of the Dragged Shares shall take place on a date that is no more than 20 Business Days later.
- 18.10 On or before the Drag Completion Date each Dragged Shareholder shall deliver to the Company:
- 18.10.1 duly executed transfers of the Dragged Shares registered in its name in favour of the Drag Buyer (or as the Drag Buyer directs in the Drag Along Notice);
 - 18.10.2 the relevant share certificate(s) in respect of those Dragged Shares (or an indemnity in a form reasonably satisfactory to the Directors for any lost certificates);
 - 18.10.3 a duly executed sale agreement (in a form agreed by the Dragging Shareholder, unless none is required as specified in the Drag Along Notice); and
 - 18.10.4 any other related documents required by the Majority Shareholder to be executed by the Dragged Shareholders.
- 18.11 Subject to compliance with Article 18.10 (*Drag Along*) and to the extent only that the Drag Buyer has put the Company in the requisite cleared funds or other form of consideration, the Company shall on the Drag Completion Date pay, on behalf of the Drag Buyer, to each of the Dragged Shareholders in respect of its Dragged Shares the consideration (if any) it is due in accordance with Articles 18.4 (*Drag Along*) to 18.7, (*Drag Along*) less any amount that is to be deducted from such consideration pursuant to Article 18.13 (*Drag Along*). Payment to the Dragged Shareholder shall be made to the relevant Dragged Shareholder's last known address on the Company's register of members. The Company's receipt of the requisite cleared funds or other form of consideration from the Drag Buyer shall be a good discharge to the relevant Drag Buyer. Pending compliance by each Dragged Shareholder with its obligations in Article 18.10 (*Drag Along*), the Company shall hold the funds or other form of consideration received from the Drag Buyer in respect of the Dragged Shares (less any amount that is to be

deducted from such funds pursuant to Article 18.13 (*Drag Along*)) on trust for the Dragged Shareholders, without any obligation to pay interest.

- 18.12 Unless the Majority Shareholder otherwise directs the Company in writing, upon any person (other than the Drag Buyer or its nominee), following the date of service of a Drag Along Notice, becoming a Shareholder (or increasing an existing shareholding in the Company) including pursuant to the exercise of any option, warrant or other right to acquire or subscribe for, or to convert any security into, Shares ("**New Shareholder**"):

18.12.1 a Drag Along Notice on the same terms as the previous Drag Along Notice shall be deemed to have been served upon the New Shareholder, who shall then be bound to sell and transfer the legal and beneficial title to all such Shares acquired by him (free from all liens, charges and encumbrances and together with all rights attaching to them and with full title guarantee) to the Drag Buyer (or as the Drag Buyer may direct); and

18.12.2 the provisions of this Article 18 (*Drag Along*) shall apply (with necessary modifications) to the New Shareholder as if it were a Dragged Shareholder, except that, where completion of the sale and purchase of the Dragged Shares to the Drag Buyer (or as the Drag Buyer may direct) has already taken place, the completion date of the sale and purchase of the Shares shall take place on such date as the Drag Buyer shall determine.

- 18.13 The reasonable transaction fees, costs and expenses incurred by the Dragging Shareholders and the Dragged Shareholders that (as determined by the Majority Shareholder) are attributable to the transfer of Shares made in accordance with this Article 18 (*Drag Along*) shall be borne by each of the Dragging Shareholders and the Dragged Shareholders pro rata to the consideration payable for the transfer of Shares. An amount equal to the Dragged Shareholders' proportionate share of such fees, costs and expenses shall, if the Majority Shareholder so requires, be deducted by the Company from the amount of consideration which the Dragged Shareholders are entitled to receive for their Dragged Shares (as determined in accordance with Article 18.4 (*Drag Along*)) and shall be used to pay their proportionate share of such fees, costs and expenses.

19. TAG ALONG

- 19.1 This Article 19 (*Tag Along*) shall not apply to a Proposed Sale in respect of which a Drag Along Notice has been served or which is in accordance with Article 9 (*Permitted Transfers – Majority Shareholder*) other than Article 9.3, Article 10 (*Permitted Transfers – Other Shareholders*) or Article 11 (*Permitted Transfers – Treasury Shares*).

- 19.2 If the Majority Shareholder ("**Proposed Seller**") proposes to transfer (at any time after the second anniversary of the Commencement Date) to any person (whether through a single transaction or a series of related transactions) such number of Shares which would, if registered, result in such person (together with its Connected Persons and any other persons with whom it is Acting in Concert) (together, the "**Tag Buyer**") obtaining the ownership of not less than 50 per cent in nominal value of the Shares (including any Shares held as treasury shares) ("**Proposed Sale**"), the Proposed Seller shall not be entitled to transfer such Shares and no such Shares shall be capable of being purchased or transferred unless the Tag Buyer (or the Company in its capacity as agent for the Tag Buyer) shall have offered ("**Tag Offer**"), in accordance with this Article 19 (*Tag Along*), to purchase from each of the other Shareholders, other than any Excluded Shareholders, (not being a Tag Buyer) ("**Other Shareholders**") all of the Shares registered in each Other Shareholder's name ("**Tagged Shares**").

- 19.3 A Tag Offer shall be made by notice specifying:
- 19.3.1 the identity of the Tag Buyer;
 - 19.3.2 the number of Shares that the Proposed Seller is proposing to transfer to the Tag Buyer and the proportion that this bears to the Proposed Seller's total holding of Shares and the number of Shares that the Tag Buyer is therefore offering to purchase from the Other Shareholders;
 - 19.3.3 the amount and form of consideration and the proportion of cash and/or securities that the Tag Buyer is proposing to pay for each of those Shares (determined in accordance with Article 19.4 (*Tag Along*)) provided that the total consideration paid by the Tag Buyer in respect of the Shares is distributed to the Proposed Seller and the Other Shareholders in accordance with the provisions of Article 6 (*Return of capital*);
 - 19.3.4 the proposed, place, date and time of transfer;
 - 19.3.5 a time (being not less than 10 Business Days) within which the offer, if not accepted, shall be deemed to be declined; and
 - 19.3.6 to the extent not set out in the accompanying documents, any other terms and conditions of sale on which the Tag Buyer is proposing to purchase the Proposed Seller's and the Accepting Shareholders' Shares,
- and shall be accompanied by all documents required to be executed by the Other Shareholders if they accept the Tag Offer.
- 19.4 The amount and form of consideration and the proportion of cash and/or securities which the Tag Buyer shall offer and is proposing to pay for each of the Tagged Shares shall be the same as that offered and to be paid for the Proposed Seller's Shares being transferred to the Tag Buyer pursuant to the Proposed Sale provided that the total consideration paid by the Tag Buyer in respect of the Shares is distributed to the Proposed Seller and the Other Shareholders in accordance with the provisions of Article 6 (*Return of capital*).
- 19.5 Each Other Shareholder who accepts the Tag Offer within the offer period ("**Accepting Shareholder**") shall be required to:
- 19.5.1 transfer the legal and beneficial title to all of his Tagged Shares to the Tag Buyer free from all liens, charges and encumbrances and together with all rights attaching to them and with full title guarantee;
 - 19.5.2 subject to Article 19.4 (*Tag Along*), sell his Tagged Shares on the same terms and conditions (including the same representations, warranties, covenants, undertakings, indemnities and requirements relating to contributing to any retention) as are to be given to and by the Proposed Seller pursuant to the Proposed Sale;
 - 19.5.3 deliver to the Tag Buyer the share certificates for his Tagged Shares (or an indemnity in a form reasonably satisfactory to the Directors for lost certificates) and a duly executed sale agreement (in a form agreed by the Proposed Seller) setting out the relevant terms and conditions of sale; and

- 19.5.4 pay his proportionate share of such fees, costs and expenses that are to be borne by the Accepting Shareholders pursuant to Article 19.9 (*Tag Along*).
- 19.6 Completion of the sale and purchase of any Tagged Shares in respect of which the Tag Offer has been accepted shall be conditional upon, and shall take place on the same date and at the same time and place as, the completion of the Proposed Sale (unless any of the Accepting Shareholders and the Tag Buyer agree otherwise), save that if any Accepting Shareholder fails to comply with his obligations under Article 19.5 (*Tag Along*) on or before the completion of the Proposed Sale:
- 19.6.1 the completion of the Proposed Sale may be made without the completion of the sale and purchase of that Accepting Shareholder's Tagged Shares (provided that it shall be on no more favourable terms and conditions to the Proposed Seller than those stated in the original Tag Offer); and
- 19.6.2 the Tag Buyer shall not be under any further obligation to purchase those Tagged Shares.
- 19.7 If some or all of the Other Shareholders do not accept the Tag Offer within the offer period, the completion of the Proposed Sale may be made within three months of the end of that period (provided that it shall be on no more favourable terms and conditions to the Proposed Seller than those stated in the original Tag Offer).
- 19.8 If a Compulsory Transfer Notice is served on an Accepting Shareholder before the transfer of that Accepting Shareholder's Tagged Shares to the Tag Buyer, the Tag Buyer shall be entitled to either:
- 19.8.1 continue with the purchase of those Tagged Shares, subject to changing the price to the price determined in accordance with Article 15 (*Compulsory Transfers - Sale Price*), in which case the Compulsory Transfer Notice shall automatically be revoked upon the completion of the sale and purchase of such Tagged Shares to the Tag Buyer; or
- 19.8.2 continue with the completion of the Proposed Sale without the completion of the sale and purchase of those Accepting Shareholder's Tagged Shares, in which case the Tag Buyer shall not be under any further obligation to purchase those Tagged Shares and the Compulsory Transfer Notice shall continue to apply.
- 19.9 The reasonable transaction fees, costs and expenses incurred by the Proposed Seller and the Accepting Shareholders that (as determined by the Majority Shareholder) are attributable to the transfer of Shares made in accordance with this Article 19 (*Tag Along*) shall be borne by each of the Proposed Seller and the Accepting Shareholders pro rata to the consideration payable for the transfer of Shares.

20. TRANSFER PROVISIONS - DEFAULT BY SHAREHOLDER

- 20.1 This Article 20 (*Transfer provisions - Default by Shareholder*) applies when a Shareholder is in default of its obligations under Articles 17.2 (*Transfers pursuant to Compulsory Transfer Notice*) or 18.10 (*Drag Along*) ("**Defaulting Shareholder**").

- 20.2 The Company may (and shall if directed by the Majority Shareholder) act as agent of the Defaulting Shareholder with full power and authority in the Defaulting Shareholder's name and on its behalf to:
- 20.2.1 approve, sign and execute any agreements, documents and/or instruments and undertake any action, which the Company in its absolute discretion considers necessary or desirable in order for such Defaulting Shareholder to give effect to the transfer of the relevant Shares to the relevant transferee and to otherwise comply with and perform its obligations under Articles 17.2 (*Transfers pursuant to Compulsory Transfer Notice*) or 18.10 (*Drag Along*); and
 - 20.2.2 (as appropriate) deliver any such agreements, documents and/or instruments to the relevant transferee against receipt by the Company of the consideration (if any) payable for the relevant Shares (to be held on trust for the Defaulting Shareholder without any obligation to pay interest) (such receipt being a good discharge to the relevant transferee who shall not be bound to see to the application of such payment).
- 20.3 The Directors shall, notwithstanding any failure of the Defaulting Shareholder to deliver up its certificate (or an indemnity in a form reasonably satisfactory to the Directors for any lost certificates) for the relevant Shares, subject to due stamping:
- 20.3.1 ensure that any relevant Sale Shares purchased by the Company are either cancelled or held by the Company in treasury, in each case, in accordance with the Companies Acts; and
 - 20.3.2 authorise the registration of the transfer(s) and of the relevant transferee(s) (or, where relevant, the Company) as the holder(s) of the relevant Shares so transferred.
- 20.4 The cancellation of the relevant Shares or the registration of the relevant transferee(s) (or, where relevant, the Company) as the registered holder(s) of such Shares shall not be affected by any irregularity in, or invalidity of, such proceedings, and shall not be questioned by any person. The Defaulting Shareholder shall be entitled to receive the consideration for such Shares, less (in the case of a transfer pursuant to Article 18 (*Drag Along*)) any amount that is to be deducted from such consideration pursuant to Article 18.13 (*Drag Along*), when he delivers up his certificate (or an indemnity in a form reasonably satisfactory to the Directors for any lost certificates) for the relevant Shares to the Company.
- 20.5 The authority given pursuant to this Article 20 (*Transfer provisions - Default by Shareholder*) shall be irrevocable and is given by way of security for the performance of the obligations of the Defaulting Shareholder under Articles 17.2 (*Transfers pursuant to Compulsory Transfer Notice*) or 18.10 (*Drag Along*).

21. TRANSFER PROVISIONS - EVIDENCE OF COMPLIANCE

For the purpose of ensuring that:

- 21.1 a transfer of Shares is permitted under these Articles;
- 21.2 no circumstances have arisen which entitle the Majority Shareholder to give a Compulsory Transfer Notice; and/or
- 21.3 no circumstances have arisen whereby a transfer of Shares is required to be or ought to have been made,

the Directors may require any Shareholder to provide, and/or procure that any other person provides, the Company with such information and evidence as the Directors require 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.

22. DIRECTORS' POWERS AND RESPONSIBILITIES - MODEL ARTICLES

22.1 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 Majority Shareholder Consent.	Directors may delegate
6, except that the Directors shall not exercise any rights under Model Article 6(2) without Majority Shareholder Consent.	Committees

23. DIRECTORS TO TAKE DECISIONS COLLECTIVELY

23.1 Decisions of the Directors must be taken by:

- 23.1.1 a majority decision at a meeting in accordance with Article 29 (*Voting at Directors' meetings*); or
- 23.1.2 a majority decision by a Directors' written resolution adopted in accordance with Article 24 (*Directors' written resolutions*).

24. DIRECTORS' WRITTEN RESOLUTIONS

- 24.1 Any Director may propose a Directors' written resolution and the company secretary (if any) must propose a Directors' written resolution if a Director so requests.
- 24.2 Subject to Article 24.3 (*Directors' written resolutions*), a Directors' written resolution is proposed by giving notice in writing of the proposed resolution to each Director.
- 24.3 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.
- 24.4 A proposed Directors' written resolution is adopted when a majority 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.
- 24.5 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.

25. CALLING A DIRECTORS' MEETING

25.1 Directors' meetings must be held at regular intervals and not less than four times a year.

- 25.2 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.
- 25.3 Notice of any Directors' meeting must indicate:
- 25.3.1 its proposed date and time;
 - 25.3.2 where it is to take place; and
 - 25.3.3 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.
- 25.4 No business shall be transacted at any Director's meeting except that specified in the agenda for such meeting unless at least two Director(s) are present and agree to the transaction of such other business.
- 25.5 Subject to Article 25.6 (*Calling a Directors' meeting*), notice of a Directors' meeting must be given to each Director. 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.
- 25.6 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.

26. PARTICIPATION IN DIRECTORS' MEETINGS

- 26.1 Subject to these Articles, Directors participate in a Directors' meeting, or part of a Directors' meeting, when:
- 26.1.1 the meeting has been called and takes place in accordance with these Articles; and
 - 26.1.2 they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.
- 26.2 In determining whether Directors are participating in a Directors' meeting, it is irrelevant where any Director is or how they communicate with each other.
- 26.3 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.

27. QUORUM FOR DIRECTORS' MEETINGS

- 27.1 At a Directors' meeting, unless a quorum is participating, no proposal is to be voted on or a decision is to be taken, except a proposal to call another meeting or a decision taken in accordance with Article 27.4 (*Quorum for Directors' meetings*).
- 27.2 The quorum for Directors' meetings (other than Directors' meetings that are adjourned in accordance with Article 27.3 (*Quorum for Directors' meetings*)) is two Directors.
- 27.3 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 shall constitute a quorum.

- 27.4 If the total number of Directors in office for the time being is less than the number for the time being of Directors required to form a quorum in accordance with Article 27.2 (*Quorum for Directors' meetings*), the remaining Director or Directors must not take any decision other than a decision to appoint sufficient Directors to make up the required quorum or to call a general meeting to do so.

28. CHAIRMAN OF THE BOARD

- 28.1 A majority of Directors shall have the right to appoint one of their number to be chairman of the board of Directors ("**Chairman**") and to remove him from that office and to appoint a replacement.
- 28.2 The Director so appointed as 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.

29. VOTING AT DIRECTORS' MEETINGS

- 29.1 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.
- 29.2 Each Director participating in a decision at a Directors' meeting has one vote.
- 29.3 If the numbers of votes for and against a proposal at a Directors' meeting are equal, the Chairman shall not have a casting vote.

30. PARTICIPATING AND VOTING WHEN DIRECTOR INTERESTED

- 30.1 Without prejudice to the obligation of a Director to disclose his interest in accordance with Article 37 (*Directors' interests - Declaration of interests in proposed or existing transactions or arrangements with the Company*), a Director may vote at any meeting of Directors or of a committee of Directors on any resolution concerning a matter in relation to which he has, directly or indirectly, an interest or duty, subject always to Article 35.2 (*Directors' interests - Authorisation under section 175 of the Act*) and the terms on which any such authorisation is given. Subject to the foregoing, the relevant Director shall be counted in the quorum present at a meeting when any such resolution is under consideration and, if he votes, his vote shall be counted.
- 30.2 If any question arises at a Directors' meeting as to the right of a Director (other than the Chairman) 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 Chairman whose ruling in relation to any Director (other than the Chairman) is to be final and conclusive.
- 30.3 If any question arises at a Directors' meeting as to the right of the Chairman to be counted as participating for quorum or voting purposes in the meeting (or part of the meeting), the question is to be decided by a decision of the Directors at that meeting, for which purpose the Chairman is not to be counted as participating for quorum or voting purposes.

31. DIRECTORS' DISCRETION TO MAKE FURTHER RULES

Subject to these Articles, the Directors may 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.

32. 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.

33. TRANSACTIONS OR ARRANGEMENTS WITH THE COMPANY

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

34. DIRECTORS' INTERESTS – GROUP COMPANIES

34.1 A Director shall be authorised for the purposes of section 175 of the Act to act or continue to act as a Director notwithstanding that at the time of his appointment or subsequently he also:

34.1.1 holds office as a director of any other Group Company;

34.1.2 holds any other office or employment with any other Group Company;

34.1.3 participates in any scheme, transaction or arrangement for the benefit of the Employees or former Employees of the Company or any other Group Company (including any pension fund or retirement, death or disability scheme or other bonus or employee benefit scheme); or

34.1.4 is interested directly or indirectly in any Shares or debentures (or any rights to acquire Shares or debentures) in the Company or any other Group Company.

35. DIRECTORS' INTERESTS - AUTHORISATION UNDER SECTION 175 OF THE ACT

35.1 The Directors may authorise any matter proposed to them which would, if not so authorised, involve a breach of duty by a Director under section 175 of the Act.

35.2 Any authorisation under Article 35.1 (*Directors' interests - Authorisation under section 175 of the Act*) will be effective only if:

35.2.1 any requirement as to the quorum at the meeting at which the matter is considered is met without counting the Director in question or any other Director interested in the matter under consideration; and

35.2.2 the matter was agreed to without their voting or would have been agreed to if their votes had not been counted.

35.3 The Directors may give any authorisation under Article 35.1 (*Directors' interests - Authorisation under section 175 of the Act*) upon such terms as they think fit. The Directors may vary or terminate any such authorisation at any time.

35.4 For the purposes of this Article 35 (*Directors' interests - Authorisation under section 175 of the Act*), a conflict of interest includes a conflict of interest and duty and a conflict of duties, and interest includes both direct and indirect interests.

36. DIRECTORS' INTERESTS - CONFIDENTIAL INFORMATION AND ATTENDANCE AT BOARD MEETINGS

36.1 A Director shall be under no duty to the Company with respect to any information which he obtains or has obtained otherwise than as a Director and in respect of which he owes a duty of confidentiality to another person. In particular the Director shall not be in breach of the general duties he owes to the Company by virtue of sections 171 to 177 of the Act if he:

36.1.1 fails to disclose any such information to the Directors or to any Director or other officer or Employee of the Company; or

36.1.2 does not use or apply any such information in performing his duties as a Director,

however, to the extent that his relationship with that other person gives rise to a conflict of interest or possible conflict of interest, this Article 36.1 (*Directors' interests - Confidential information and attendance at board meetings*) applies only if the existence of that relationship has been authorised pursuant to Article 34.1 (*Directors' interests – Group Companies*), authorised by the Directors pursuant to Article 35.1 (*Directors' interests - Authorisation under section 175 of the Act*) or authorised by the Shareholders (subject, in any such case, to any terms upon which such authorisation was given).

36.2 Where the existence of a Director's relationship with another person has been authorised pursuant to Article 34.1 (*Directors' interests – Group Companies*), authorised by the Directors pursuant to Article 35.1 (*Directors' interests - Authorisation under section 175 of the Act*) or authorised by the Shareholders and his relationship with that person gives rise to a conflict of interest or possible conflict of interest, the Director shall not be in breach of the general duties he owes to the Company by virtue of sections 171 to 177 of the Act if at his discretion or at the request or direction of the Directors or any committee of Directors he:

36.2.1 absents himself from a meeting of Directors or a committee of Directors at which any matter relating to the conflict of interest or possible conflict of interest will or may be discussed or from the discussion of any such matter at a meeting or otherwise; or

36.2.2 makes arrangements not to receive documents and information relating to any matter which gives rise to the conflict of interest or possible conflict of interest sent or supplied by or on behalf of the Company or for such documents and information to be received and read by a professional adviser on his behalf,

for so long as he reasonably believes such conflict of interest (or possible conflict of interest) subsists.

36.3 The provisions of Articles 36.1 (*Directors' interests - Confidential information and attendance at board meetings*) and 36.2 (*Directors' interests - Confidential information and attendance at board meetings*) are without prejudice to any equitable principle or rule of law which may excuse the Director from:

36.3.1 disclosing information, in circumstances where disclosure would otherwise be required under these Articles; or

36.3.2 attending meetings or discussions or receiving documents and information as referred to in Article 36.2 (*Directors' interests - Confidential information and attendance at board meetings*), in circumstances where such attendance or

receiving such documents and information would otherwise be required under these Articles.

37. DIRECTORS' INTERESTS - DECLARATION OF INTERESTS IN PROPOSED OR EXISTING TRANSACTIONS OR ARRANGEMENTS WITH THE COMPANY

- 37.1 A Director who is in any way, directly or indirectly, interested in a proposed transaction or arrangement with the Company shall declare the nature and extent of his interest to the other Directors before the Company enters into the transaction or arrangement.
- 37.2 A Director who is in any way, directly or indirectly, interested in a transaction or arrangement that has been entered into by the Company shall declare the nature and extent of his interest to the other Directors as soon as is reasonably practicable, unless the interest has already been declared under Article 37.1 (*Directors' interests - Declaration of interests in proposed or existing transactions or arrangements with the Company*).
- 37.3 Any declaration required by Article 37.1 (*Directors' interests - Declaration of interests in proposed or existing transactions or arrangements with the Company*) may (but need not) be made at a meeting of the Directors or by notice in writing in accordance with section 184 of the Act or by general notice in accordance with section 185 of the Act. Any declaration required by Article 37.2 (*Directors' interests - Declaration of interests in proposed or existing transactions or arrangements with the Company*) must be made at a meeting of the Directors or by notice in writing in accordance with section 184 of the Act or by general notice in accordance with section 185 of the Act.
- 37.4 If a declaration made under Article 37.1 (*Directors' interests - Declaration of interests in proposed or existing transactions or arrangements with the Company*) or 37.2 (*Directors' interests - Declaration of interests in proposed or existing transactions or arrangements with the Company*) proves to be, or becomes, inaccurate or incomplete, a further declaration must be made under Article 37.1 (*Directors' interests - Declaration of interests in proposed or existing transactions or arrangements with the Company*) or 37.2 (*Directors' interests - Declaration of interests in proposed or existing transactions or arrangements with the Company*), as appropriate.
- 37.5 A Director need not declare an interest under this Article 37 (*Directors' interests - Declaration of interests in proposed or existing transactions or arrangements with the Company*):
- 37.5.1 if it cannot reasonably be regarded as likely to give rise to a conflict of interest;
 - 37.5.2 if, or to the extent that, the other Directors are already aware of it (and for this purpose the other Directors are treated as aware of anything of which they ought reasonably to be aware);
 - 37.5.3 if, or to the extent that, it concerns terms of his service contract that have been or are to be considered by a meeting of the Directors or by a committee of the Directors appointed for the purpose under these Articles; or
 - 37.5.4 if the Director is not aware of his interest or is not aware of the transaction or arrangement in question (and for this purpose a Director is treated as being aware of matters of which he ought reasonably to be aware).

38. DIRECTORS' INTERESTS - ABILITY TO ENTER INTO TRANSACTIONS AND ARRANGEMENTS WITH THE COMPANY NOTWITHSTANDING INTEREST

38.1 Subject to the provisions of the Act and provided that he has declared the nature and extent of any direct or indirect interest of his in accordance with Article 37 (*Directors' interests - Declaration of interests in proposed or existing transactions or arrangements with the Company*) or where Article 37.5 (*Directors' interests - Declaration of interests in proposed or existing transactions or arrangements with the Company*) applies and no declaration of interest is required or where Article 34.1 (*Directors' interests – Group Companies*) applies, a Director notwithstanding his office:

38.1.1 may be a party to, or otherwise be interested in, any transaction or arrangement with the Company or in which the Company is directly or indirectly interested;

38.1.2 may act by himself or through his firm in a professional capacity for the Company (otherwise than as auditor), and in any such case on such terms as to remuneration and otherwise as the Directors may decide; or

38.1.3 may be a director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise be interested in, any body corporate in which the Company is directly or indirectly interested.

39. REMUNERATION, BENEFITS AND EXPENSES

39.1 The Directors shall be entitled to such remuneration as the Company may by ordinary resolution determine and, unless the resolution provides otherwise, the remuneration shall be deemed to accrue from day to day.

39.2 A Director who, at the request of the Directors, goes or resides abroad, makes a special journey or performs a special service on behalf of the Company may be paid such reasonable additional remuneration (whether by way of salary, percentage of profits or otherwise) and expenses as the Directors may decide.

39.3 The Directors may be paid all travelling, hotel and other expenses properly incurred by them in connection with their attendance at meetings of Directors or committees of Directors or general meetings or separate meetings of the holders of any class of Shares or of debentures of the Company or otherwise in connection with the discharge of their duties. Subject to the Act, the Directors shall have the power to make arrangements to provide a Director with funds to meet expenditure incurred or to be incurred by him for the purposes of the Company or for the purpose of enabling him properly to perform his duties as an officer of the Company or to enable him to avoid incurring any such expenditure.

39.4 A Director shall not, by reason of his office, be accountable to the Company for any remuneration or other benefit which he derives from any office or employment or from any transaction or arrangement or from any interest in any body corporate:

39.4.1 the acceptance, entry into or existence of which has been authorised pursuant to Article 34.1 (*Directors' interests – Group Companies*);

39.4.2 authorised by the Directors pursuant to Article 35.1 (*Directors' interests - Authorisation under section 175 of the Act*);

39.4.3 authorised by the Shareholders (subject, in any such case, to any terms upon which such authorisation was given);

39.4.4 which he is permitted to hold or enter into pursuant to Article 38.1 (*Directors' interests - Ability to enter into transactions and arrangements with the Company notwithstanding interest*); or

39.4.5 otherwise pursuant to these Articles,

nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the Act. No transaction or arrangement authorised or permitted pursuant to Article 34.1 (*Directors' interests – Group Companies*), 35.1 (*Directors' interests - Authorisation under section 175 of the Act*) or 38.1 (*Directors' interests - Ability to enter into transactions and arrangements with the Company notwithstanding interest*) or otherwise pursuant to these Articles shall be liable to be avoided on the ground of any such interest or benefit.

40. TERMINATION OF DIRECTOR'S APPOINTMENT

A person ceases to be a Director as soon as:

- 40.1 that person is removed;
- 40.2 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;
- 40.3 a bankruptcy order is made against that person;
- 40.4 a composition or arrangement is made with that person's creditors generally in satisfaction of that person's debts;
- 40.5 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; or
- 40.6 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.

41. APPOINTMENT OF DIRECTORS AND EXECUTIVE DIRECTORS

- 41.1 Any person who is willing to act as a director, and is permitted by law to do so, may be appointed to be a director:
 - 41.1.1 by ordinary resolution; or
 - 41.1.2 by a decision of the Directors.
- 41.2 The Majority Shareholder shall also have the right to appoint and maintain in office one or more directors and to remove any Directors so appointed and upon their removal to appoint such other directors in any such Director's place by notice in writing to the Company and any such appointment or removal shall take effect when such notice is received by the Company at its registered office or at any meeting of the Directors or committee thereof or on such later date (if any) specified in the notice.
- 41.3 Subject to the Act, the Directors may appoint one or more of their number to the office of managing director or to any other executive office under the Company and may enter into an agreement or arrangement with any Director for his employment by the Company or for the

provision by him of any services outside the scope of the ordinary duties of a Director. Any such appointment, agreement or arrangement may be made upon such terms as the Directors determine and they may remunerate any such Director for his services as they think fit. Any appointment of a Director to an executive office shall determine if he ceases to be a Director but without prejudice to any claim for damages for breach of the contract of service between the Director and the Company.

42. ALTERNATE DIRECTORS

No Director may appoint a person 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.

43. WRITTEN RESOLUTIONS

- 43.1 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.
- 43.2 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).

44. CALLING GENERAL MEETINGS

- 44.1 The Majority Shareholder acting alone may call a general meeting.
- 44.2 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.
- 44.3 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.

45. QUORUM FOR GENERAL MEETINGS

- 45.1 Subject to Article 45.2 (*Quorum for general meetings*), the quorum for a general meeting shall be as stated in the Act.
- 45.2 If a general meeting is adjourned pursuant to Model Article 33(1) (*Adjournment*) (applied by Article 51 (*Voting at General Meetings - Model Articles*)) and at such an 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, or if during such an adjourned meeting a quorum ceases to be present, then the quorum shall be the Majority Shareholder present in person or by proxy.

46. VOTING RESTRICTIONS

- 46.1 The voting rights of Shareholders as stated in the Act are subject to Article 48 (*Voting - Shares*) and the voting rights of Shareholders as stated in the Act and in Article 48 (*Voting - Shares*) are subject to:
 - 46.1.1 Article 8.4 (*Transfer and transmission of Shares - General*);
 - 46.1.2 Article 14 (*Compulsory Transfers - Suspended Rights*); and
 - 46.1.3 Article 47 (*No voting of Shares on which money due and payable*).

47. NO VOTING OF SHARES ON WHICH MONEY DUE AND PAYABLE

Unless the Directors 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.

48. VOTING - SHARES

48.1 Subject to Article 46 (*Voting restrictions*), 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.

48.2 Subject to Article 46 (*Voting restrictions*), 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.

49. DELIVERY OF PROXY NOTICES

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

49.2 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:

49.2.1 on a show of hands, be invalid; and

49.2.2 on a poll, be invalid to the extent that such person votes in respect of the Shares to which the proxy notice relates.

49.3 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.

49.4 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.

49.5 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.

50. 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:

- 50.1 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;
- 50.2 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
- 50.3 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.

51. VOTING AT GENERAL MEETINGS - MODEL ARTICLES

- 51.1 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(1) shall be subject to Article 45.2.	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 directs.	Procedure on a poll
38	Content of proxy notices
40	Amendments to resolutions

52. VARIATION OF SHARE RIGHTS

- 52.1 The rights attached to any class of Shares may not be varied without Majority Shareholder Consent.

52.2 Subject to Article 52.1 (*Variation of Share rights*), the rights attached to any class of Shares may be varied:

52.2.1 with the consent in writing from the holders for the time being of more than 50 per cent in nominal value of the Shares of that class that are eligible to vote at a separate meeting of the holders of that class; or

52.2.2 by an ordinary resolution passed at a separate meeting of the holders of that class sanctioning the variation.

52.3 The allotment of, or the grant of rights to subscribe for, or to convert any securities into, Shares which have preferential rights to one or more existing classes of Shares shall not constitute an alteration of the rights attached to any such existing classes of Shares.

53. CLASS MEETINGS

The provisions of these Articles relating to general meetings apply, with any necessary modifications, to meetings of the holders of any class of Shares. In particular, any separate meeting for the holders of any class of Shares shall be called and conducted in all respects as nearly as possible in the same way as a general meeting of the Company, provided that:

53.1 no Shareholder, other than a Director, shall be entitled to notice of, or to attend or speak at, any such meeting unless he is a holder of Shares of that class;

53.2 the quorum at any such meeting (other than an adjourned meeting) shall be one person present in person or by proxy holding or representing by proxy at least one-third in nominal value of the Shares of that class (excluding any shares of that class held as treasury shares);

53.3 the quorum at any adjourned meeting shall be one person holding Shares of that class who is present in person or by proxy; and

53.4 a poll may be demanded by any person holding Shares of that class who is present in person or by proxy and entitled to vote at the meeting and, subject to these Articles, on a poll, every Shareholder who is present in person or by proxy shall have one vote for every Share of that class he holds.

54. DISTRIBUTIONS - MODEL ARTICLES

Subject to Article 5 (*Distributions*), the following Model Articles apply:

70	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 distributions

55. INTEREST IN SHARES

Model Article 45 (*Company not bound by less than absolute interests*) shall apply.

56. LIENS, CALLS ON SHARES, FORFEITURE AND SURRENDER

The following Model Articles apply:

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

57. CAPITALISATION

Model Article 78 (*Authority to capitalise and appropriation of capitalised sums*) 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) and, for the purposes of Model Article 78 (*Authority to capitalise and appropriation of capitalised sums*), unless the relevant ordinary resolution provides otherwise, if the Company holds treasury shares of the relevant class, it shall be treated as if it were entitled to receive the dividends in respect of those treasury shares which would have been payable if those treasury shares had been held by a person other than the Company.

58. FRACTIONS ARISING ON CONSOLIDATION AND DIVISION

58.1 Model Article 69 (*Procedure for disposing of fractions of shares*) shall apply.

58.2 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, 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:

58.2.1 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) (*Authority to capitalise and appropriation of capitalised sums*); and

- 58.2.2 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
- 58.2.3 generally do all acts and things required to give effect to any capitalisation pursuant to this Article 58 (*Fractions arising on consolidation and division*).

59. 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.

60. 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 share 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

61. 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.

62. NOTICES TO THE COMPANY

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

- 62.1 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;
- 62.2 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;
- 62.3 by sending or supplying it by electronic means to an address specified by the Company from time to time for that purpose; or
- 62.4 by any other means authorised in writing by the Company.

63. NOTICES TO SHAREHOLDERS AND TRANSMITTEES

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

63.1.1 personally;

63.1.2 by sending it through the post in a prepaid envelope addressed to the Shareholder at his registered address;

63.1.3 by delivering it by hand to or leaving it at that address in an envelope addressed to the Shareholder;

63.1.4 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

63.1.5 by any other means authorised in writing by the relevant Shareholder.

63.2 Nothing in Article 63.1 (*Notices to Shareholders and Transmittees*) 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.

63.3 In the case of joint holders of a Share:

63.3.1 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

63.3.2 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.

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

63.5 Notices, documents or other information to be served on or sent or supplied to a Transmitttee 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 63.1 (*Notices to Shareholders and Transmittees*) and 65 (*Service of notices on Shareholders or Directors*) shall apply to any notice, document or information so served, sent or supplied as if references in those Articles to:

63.5.1 "**Shareholder**" are to the Transmitttee; and

63.5.2 a Shareholder's "**registered address**" or "**address**" are to the address so supplied.

This Article 63.5 (*Notices to Shareholders and Transmitttees*) is without prejudice to paragraph 17 of Schedule 5 to the Act.

64. 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):

- 64.1 personally;
- 64.2 (other than a notice of a proposed Directors' written resolution) by word of mouth;
- 64.3 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;
- 64.4 by delivering it by hand to or leaving it at that address in an envelope addressed to him;
- 64.5 by sending or supplying it by electronic means to an address specified from time to time by the Director for that purpose; or
- 64.6 by any other means authorised in writing by the Director.

65. 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):

- 65.1 addressed to a Shareholder or a Director in the manner prescribed by these Articles shall, if sent by post, be deemed to have been received:
 - 65.1.1 (if prepaid as first class) 24 hours after it was posted;
 - 65.1.2 (if prepaid as second class) 48 hours after it was posted; and
 - 65.1.3 (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;
- 65.2 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;
- 65.3 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; and
- 65.4 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.

66. INDEMNITY OF OFFICERS AND FUNDING DIRECTORS' DEFENCE COSTS

- 66.1 To the extent permitted by the Act and without prejudice to any indemnity to which he may otherwise be entitled, every person who is or was a Director or other officer of the Company

or an associated company (other than any person (whether or not an officer of the Company or an associated company) engaged by the Company or an associated company as auditor) shall be and shall be kept indemnified out of the assets of the Company against all costs, charges, losses and liabilities incurred by him (whether in connection with any negligence, default, breach of duty or breach of trust by him or otherwise as a Director or such other officer of the Company or an associated company) in relation to the Company or an associated company or their affairs provided that such indemnity shall not apply in respect of any liability incurred by him:

- 66.1.1 to the Company or to any associated company;
 - 66.1.2 to pay a fine imposed in criminal proceedings;
 - 66.1.3 to pay a sum payable to a regulatory authority by way of a penalty in respect of non-compliance with any requirement of a regulatory nature (howsoever arising);
 - 66.1.4 in defending any criminal proceedings in which he is convicted;
 - 66.1.5 in defending any civil proceedings brought by the Company, or an associated company, in which judgment is given against him; or
 - 66.1.6 in connection with any application under any of the following provisions in which the court refuses to grant him relief, namely:
 - 66.1.6.1 section 661(3) or (4) of the Act (*acquisition of shares by innocent nominee*); or
 - 66.1.6.2 section 1157 of the Act (*general power to grant relief in case of honest and reasonable conduct*).
- 66.2 In Article 66.1.4 (*Indemnity of officers and funding Directors' defence costs*), 66.1.5 (*Indemnity of officers and funding Directors' defence costs*) or 66.1.6 (*Indemnity of officers and funding Directors' defence costs*) the reference to a conviction, judgment or refusal of relief is a reference to one that has become final. A conviction, judgment or refusal of relief becomes final:
- 66.2.1 if not appealed against, at the end of the period for bringing an appeal, or
 - 66.2.2 if appealed against, at the time when the appeal (or any further appeal) is disposed of.
- 66.3 An appeal is disposed of:
- 66.3.1 if it is determined and the period for bringing any further appeal has ended, or
 - 66.3.2 if it is abandoned or otherwise ceases to have effect.
- 66.4 To the extent permitted by the Act and without prejudice to any indemnity to which he may otherwise be entitled, every person who is or was a Director acting in its capacity as a trustee of an occupational pension scheme shall be and shall be kept indemnified out of the assets of the Company against all costs, charges, losses and liabilities incurred by him in connection with the Company's activities as trustee of the scheme provided that such indemnity shall not apply in respect of any liability incurred by him:

- 66.4.1 to pay a fine imposed in criminal proceedings; or
 - 66.4.2 to pay a sum payable to a regulatory authority by way of a penalty in respect of non-compliance with any requirement of a regulatory nature (howsoever arising); or
 - 66.4.3 in defending criminal proceedings in which he is convicted.
- 66.5 For the purposes of Article 66.4 (*Indemnity of officers and funding Directors' defence costs*), a reference to a conviction is to the final decision in the proceedings. The provisions of Article 66.2(*Indemnity of officers and funding Directors' defence costs*) shall apply in determining when a conviction becomes final.
- 66.6 Without prejudice to Article 66.1 or to any indemnity to which a Director may otherwise be entitled, and to the extent permitted by the Act and otherwise upon such terms and subject to such conditions as the Directors may in their absolute discretion think fit, the Directors shall have the power to make arrangements to provide a Director with funds to meet expenditure incurred or to be incurred by him in defending any criminal or civil proceedings or in connection with an application under section 661(3) or (4) of the Act (*acquisition of shares by innocent nominee*) or section 1157 of the Act (*general power to grant relief in case of honest and reasonable conduct*) or in defending himself in an investigation by a regulatory authority or against action proposed to be taken by a regulatory authority or to enable a Director to avoid incurring any such expenditure.

67. POWER TO PURCHASE INSURANCE

- 67.1 To the extent permitted by the Act, the Directors may exercise all the powers of the Company to purchase and maintain insurance for the benefit of a person who is or was:
- 67.1.1 a Director, alternate director or a secretary of the Company or of a company which is or was a subsidiary undertaking of the Company or in which the Company has or had an interest (whether direct or indirect); or
 - 67.1.2 trustee of a retirement benefits scheme or other trust in which a person referred to in the preceding paragraph is or has been interested,
- indemnifying him and keeping him indemnified against liability for negligence, default, breach of duty or breach of trust or other liability which may lawfully be insured against by the Company.

68. SOLE SHAREHOLDER OF THE COMPANY

- 68.1 If and for so long as the Company has only one Shareholder:
- 68.1.1 the sole Shareholder may agree that any general meeting, other than a meeting called for the passing of an elective resolution, be called by shorter notice than that provided for by the Articles; and
 - 68.1.2 all other provisions of the Articles apply with any necessary modification (unless the provision expressly provides otherwise).

69. CATEGORIES OF INSURANCE BUSINESS

The Directors may from time to time distinguish any part of the insurance business transacted by the Company as a separate category of business by reference to any criteria whatsoever and may from time to time sub-divide any such category into two or more separate categories or consolidate any two or more categories into a single category and create separate funds and sub-funds for the purposes of such category and create separate funds and sub-funds for the purposes of such categories of business. Separate accounts shall be kept for each category of insurance business and the Directors may from time to time determine what assets to appropriate to any category of insurance business or any fund or sub-fund, the extent to which such assets and liabilities attributable to such category of business or fund are segregated from other assets and liabilities of the Company, the percentage and type of with- profits entitlements to be applied in respect of policies and contracts issued in pursuance of the long term business of the Company with a participation in profits, and such other matters in respect of any category or categories of the insurance business of the Company as the Directors consider desirable.

70. ORDINARY LONG-TERM INSURANCE BUSINESS PROFITS

The Directors shall, every twelve months, cause an actuary to investigate the financial condition of the Company in respect of its life assurance and annuity business and of any other ordinary long-term insurance business (as defined by the Financial Services and Markets Act 2000, or any statutory amendment or re-enactment thereof) for the time being carried on by the Company. The profit (if any) of each of the said businesses shall be ascertained by such methods as the Directors, on the advice of the actuary, shall think fit and, after making such provisions as they shall think desirable for any special or reserve funds, the Directors shall determine in their discretion the amount of such profit (if any) which may be distributed.

71. STAKEHOLDER PENSIONS

- 71.1 The Directors shall maintain a separate sub-fund within the life assurance and annuity business for the purposes of the stakeholder pensions business (known as the "**Stakeholder Fund**"). The liabilities of the Stakeholder Fund shall be segregated from all other liabilities relating to the long-term business of the Company. The Directors shall keep separate and distinct accounts of receipts and expenditure for the Stakeholder Fund. Only all receipts in respect of the stakeholder pensions business shall be carried to the Stakeholder Fund and only all moneys expended in respect of the stakeholder pensions business shall be paid out of the Stakeholder Fund. To avoid any doubt, receipts include but are not limited to reinsurance premiums relating to stakeholder policies that are reinsurance contracts.
- 71.2 The holder of each stakeholder policy shall only be entitled to a percentage of the profit (if any) or other attribution (if any) arising in the Stakeholder Fund, which in the judgement of the Directors are to be set apart for distribution, in any relevant period.
- 71.3 The holder of each stakeholder policy shall not be entitled to any profit (if any) or other attribution (if any) arising in any other part of the life assurance and annuity business.