

Company number 07872469

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

**ARTICLES OF ASSOCIATION  
OF  
THE LEGAL MARKETING INNOVATION COMPANY LIMITED**

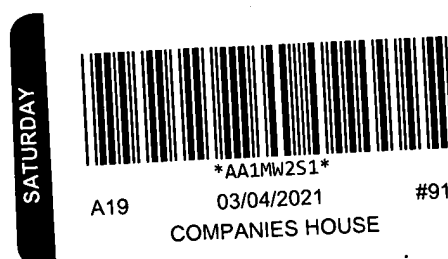
kpmg

KPMG LLP

1 St Peter's Square  
Manchester M2 3AE

Tel: +44 (0)161 246 4000

Fax: +44 (0)161 246 4040



**CONTENTS**

<b>CLAUSE</b>	<b>PAGE</b>
1. DEFINED TERMS	1
2. LIABILITY OF SHAREHOLDERS	5
3. DIRECTORS' GENERAL AUTHORITY	5
4. SHAREHOLDERS' RESERVE POWER	5
5. DIRECTORS MAY DELEGATE	5
6. COMMITTEES	5
7. DIRECTORS TO TAKE DECISIONS COLLECTIVELY	6
8. UNANIMOUS DECISIONS	6
9. CALLING A DIRECTORS' MEETING	6
10. PARTICIPATION IN DIRECTORS' MEETINGS	6
11. QUORUM FOR DIRECTORS' MEETINGS	7
12. CHAIRING OF DIRECTORS' MEETINGS	7
13. CASTING VOTE	7
14. TRANSACTIONS OR OTHER ARRANGEMENTS WITH THE COMPANY	7
15. DIRECTORS' CONFLICTS OF INTEREST	8
16. RECORDS OF DECISIONS TO BE KEPT	9
17. DIRECTORS' DISCRETION TO MAKE FURTHER RULES	9
18. METHODS OF APPOINTING DIRECTORS	9
19. APPOINTMENT AND REMOVAL OF ALTERNATE DIRECTORS	10
20. RIGHTS AND RESPONSIBILITIES OF ALTERNATE DIRECTORS	10
21. TERMINATION OF ALTERNATE DIRECTORSHIP	10
22. TERMINATION OF DIRECTOR'S APPOINTMENT	11
23. DIRECTORS' REMUNERATION	11
24. DIRECTORS' EXPENSES	11
25. SECRETARY	12
26. ALL SHARES TO BE FULLY PAID UP	12
27. COMPANY'S LIEN OVER SHARES	12
28. ENFORCEMENT OF THE COMPANY'S LIEN	12
29. POWERS TO ISSUE DIFFERENT CLASSES OF SHARE	13
30. COMPANY NOT BOUND BY LESS THAN ABSOLUTE INTERESTS	13
31. SHARE CERTIFICATES	13
32. REPLACEMENT SHARE CERTIFICATES	14
33. SHARE TRANSFERS	14
34. COMPULSORY TRANSFERS	14
35. TRANSMISSION OF SHARES	16

## Articles of Association

36.	EXERCISE OF TRANSMITEES' RIGHTS	16
37.	TRANSMITEES BOUND BY PRIOR NOTICES	16
38.	PURCHASE OF OWN SHARES	16
39.	PROCEDURE FOR DECLARING DIVIDENDS	17
40.	PAYMENT OF DIVIDENDS AND OTHER DISTRIBUTIONS	17
41.	NO INTEREST ON DISTRIBUTIONS	18
42.	UNCLAIMED DISTRIBUTIONS	18
43.	NON-CASH DISTRIBUTIONS	18
44.	WAIVER OF DISTRIBUTIONS	18
45.	AUTHORITY TO CAPITALISE AND APPROPRIATION OF CAPITALISED SUMS	18
46.	ATTENDANCE AND SPEAKING AT GENERAL MEETINGS	19
47.	QUORUM FOR GENERAL MEETINGS	20
48.	CHAIRING GENERAL MEETINGS	20
49.	ATTENDANCE AND SPEAKING BY DIRECTORS AND NON-SHAREHOLDERS	20
50.	ADJOURNMENT	20
51.	VOTING: GENERAL	21
52.	ERRORS AND DISPUTES	21
53.	POLL VOTES	21
54.	CONTENT OF PROXY NOTICES	21
55.	DELIVERY OF PROXY NOTICES	22
56.	AMENDMENTS TO RESOLUTIONS	22
57.	MEANS OF COMMUNICATION TO BE USED	23
58.	NO RIGHT TO INSPECT ACCOUNTS AND OTHER RECORDS	23
59.	PROVISION FOR EMPLOYEES ON CESSATION OF BUSINESS	23
60.	INDEMNITY	23
61.	INSURANCE	24
62.	APPORTIONMENT OF EXIT PROCEEDS	25
63.	DRAW ALONG RIGHT	25
64.	TAG ALONG RIGHT	26

Company number 07872469

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

**ARTICLES OF ASSOCIATION  
OF  
THE LEGAL MARKETING INNOVATION COMPANY LIMITED**

(Adopted by special resolution passed on 29 March 2021)

**PART 1  
INTERPRETATION AND LIMITATION OF LIABILITY**

**1. DEFINED TERMS**

1.1 The regulations contained in the Model Articles shall not apply to the Company.

1.2 In the Articles:

"the 2006 Act" means the Companies Act 2006;

"A1 Ordinary Shares" means the A1 ordinary shares of £0.01 each in the capital of the Company (each an "A1 Ordinary Share");

"A2 Ordinary Shares" means the A2 ordinary shares of £0.01 each in the capital of the Company (each an "A2 Ordinary Share");

"A Share Entitlement" means the aggregate amount payable to the Employee Shareholders on the occurrence of an Exit Event, calculated in accordance with the provisions of Article 62;

"Acting in Concert" has the meaning given to it in the City Code on Takeovers and Mergers published by the Panel on Takeovers and Mergers (as amended from time to time);

"AIM" means the Alternative Investment Market;

"appointor" has the meaning given in Article 19.1;

"Approved Offer" means a bona fide offer from a third party set out in a written notice and served on all holders of Shares (including the proposing transferor), offering to purchase all of the Shares held by each of them (including any Shares which may be allotted pursuant to the exercise or conversion of options, rights to subscribe for or securities convertible into Shares in existence at the date of such offer) which:

- (a) is stipulated to be open for acceptance for at least 15 business days;
- (b) offers consideration for each Share by reference to the rights attaching to such Shares (on the basis that the consideration shall be payable to the holders of Shares in the same proportions and subject to the same entitlements as they are entitled to participate (if any) on the occurrence of a Exit Event pursuant to Article 62); and
- (c) is on terms that the sale and purchase of the Shares in respect of which the Approved Offer is accepted shall be completed at the same time;

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

"Award Documentation" means the subscription letter(s) dated on or about the date of adoption of these Articles and countersigned by each relevant Employee Shareholder setting out details of the respective Employee Shareholder's Individual Entitlement;

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

**"Board"** means the board of directors of the Company from time to time;

**"business day"** means any day (other than a Saturday, Sunday or public holiday in the United Kingdom) on which clearing banks in the City of London are generally open for business;

**"Business Sale"** means a sale of the whole or substantially the whole of the business of the Company;

**"chairman"** has the meaning given in Article 12;

**"Change of Control"** means a person who has Control of a body corporate ceasing to have Control of it, or if another person acquires Control of it, and for these purposes, **"Control"** means, in relation to a person, holding or controlling, directly or indirectly, a majority of the voting rights exercisable at shareholder meetings (or the equivalent) of that person;

**"Companies Acts"** means the Companies Acts (as defined in section 2 of the Companies Act 2006), in so far as they apply to the Company;

**"Company's Lien"** has the meaning given in Article 27.1;

**"Conflict"** has the meaning given in Article 15.1;

**"Deemed Transfer Shares"** means in relation to a Relevant Employee Shareholder, all Employee Shares:

- (a) held by the Relevant Employee Shareholder immediately before the occurrence of the Transfer Event; and
- (b) acquired by the Relevant Employee Shareholder or his personal representatives after the occurrence of the Transfer Event;

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

**"distribution recipient"** has the meaning given in Article 40.2;

**"disposal"** means the sale, transfer, assignment, hypothecation of other disposal of, directly or indirectly, whether with or without consideration and whether voluntarily or involuntarily any interest in any debt or equity securities, including without limitation any hedging transaction, borrowing transactions and pledges or hypothecations, pre-emption rights, option or any other encumbrance or third party right or claim of any kind or any agreement to create any of the foregoing, provided that any redemption of Shares by the Company in accordance with these Articles shall not be deemed to be a disposal;

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

**"Drag Buyer"** has the meaning given in Article 63.1;

**"Drag Notice"** has the meaning given in Article 63.2;

**"Drag Option"** has the meaning given in Article 63.1;

**"Drag Shares"** has the meaning given in Article 63.1;

**"electronic form"** has the meaning given in section 1168 of the 2006 Act;

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

**"Employee Shareholder"** means an employee or consultant of the Company who is a holder of Employee Shares;

**"Employee Shares"** means A1 Ordinary Shares or A2 Ordinary Shares;

**"Exempt Disposal"** means:

- (a) a disposal to connected persons within the meaning of section 1122 of the Corporation Tax Act 2010; or
- (b) a disposal to another holder;

**"Exit Event"**, means:

- (a) a Listing;
- (b) a Business Sale;
- (c) a Change of Control of the Company (other than an Exempt Disposal); or
- (d) a Voluntary Winding Up;

**"Exit Proceeds"** means:

- (a) in the case of a Listing, the market capitalisation of the Company on the date of the admission of the Shares to the Official List of the LSE or to trading on the AIM or any other recognised investment exchange;
- (b) in the case of a Business Sale, the purchase price payable upon the Business Sale after payment or discharge of the Company's liabilities and all relevant costs and expenses incurred in connection with the Business Sale;
- (c) in the case of a Change of Control, the amount to be received by all shareholders (whether satisfied in cash, shares or loan notes) after deduction of all costs and expenses (excluding tax) and any cash in the Company. For the avoidance of doubt any deferred consideration or earn-out payments will not be reflected in the Exit Proceeds; and
- (d) in the case of a Voluntary Winding Up, the amount to be received by all shareholders after the repayments of all creditors and deduction of all costs and expenses in relation to the winding up;

**"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;

**"Group"** means, in relation to an undertaking:

- (a) that undertaking;
- (b) any subsidiary undertaking or parent undertaking from time to time of that undertaking; and
- (c) any subsidiary undertaking from time to time of a parent undertaking of that undertaking, and **"member of the Group"** and **"Group Company"** shall be construed accordingly;

**"hard copy form"** has the meaning given in section 1168 of the 2006 Act;

**"holder"** in relation to Shares means the person whose name is entered in the register of members as the holder of the Shares;

**"Hurdle Amount"** means £10,000,000;

**"Hurdle Excess"** means the amount (if any) by which the Exit Proceeds exceed the Hurdle Amount (subject to a maximum of £40,000,000);

**"Individual Entitlement"** means the value of each or any Employee Shareholder's personal share of the A Share Entitlement (if any), as set out in the relevant Award Documentation;

**"instrument"** means a document in hard copy form;

**"lien enforcement notice"** has the meaning given in Article 28.2;

**"Listing"** means the admission of the Company's Shares to the Official List of the LSE, to trading on AIM or to trading on another recognised investment exchange;

**"LSE"** means the London Stock Exchange;

**"Model Articles"** means the model articles for private companies limited by shares set out in Schedule 1 of the Companies (Model Articles) Regulations 2008 (SI 2008/3229);

**"ordinary resolution"** has the meaning given in section 282 of the 2006 Act;

**"Ordinary Share Majority"** means the holder(s) for the time being of over 50 per cent. in nominal value of the Ordinary Shares for the time being in issue;

**"Ordinary Shares"** means the ordinary shares of £1.00 each in the capital of the Company (each an **"Ordinary Share"**);

**"paid"** means paid or credit as paid;

**"participate"** in relation to a director's meeting, has the same meaning given in Article 10;

**"Pre-Hurdle Value"** means, on the occurrence of an Exit Event, the amount of the Exit Proceeds, which are less than or equal to the Hurdle Amount (being a minimum of £1.00 and a maximum amount equal to the Hurdle Amount);

**"proxy notice"** has the meaning given in Article 54;

**"Relevant Employee Shareholder"** has the meaning given in Article 34.2;

**"shareholder"** means a person who is the holder of a Share;

**"Shares"** means any shares in the capital of the Company from time to time (each a **"Share"**);

**"special resolution"** has the meaning given in section 283 of the 2006 Act;

**"subsidiary"** has the meaning given in section 1159 of the 2006 Act;

**"Tag Transfer"** has the meaning given in Article 64.1;

**"Tag Buyer"** has the meaning given in Article 64.1;

**"Transfer Event"** has the meaning given in Article 34.1;

**"Transfer Notice"** has the meaning given in Article 34.2;

**"transmittee"** means a person entitled to a Share by reason of the death or bankruptcy of a shareholder or otherwise by operation of law;

**"Voluntary Winding Up"** means a resolution for the voluntary winding-up of the Company; and

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

- 1.3 Unless the context otherwise requires, other words or expressions contained in these Articles bear the same meaning as in the 2006 Act as in force on the date when these Articles become binding on the Company.
- 1.4 Headings in these Articles are used for convenience only and shall not affect the construction or interpretation of these Articles.

- 1.5 Unless expressly provided otherwise, a reference to a statute, statutory provision or subordinate legislation is a reference to it as it is in force from time to time, taking account of:
- (a) any subordinate legislation from time to time made under it; and
  - (b) any amendment or re-enactment and includes any statute, statutory provision or subordinate legislation which it amends or re-enacts.
- 1.6 Words importing the singular include the plural and vice versa and words importing a gender include every gender.
- 1.7 Any phrase introduced by the terms "including", "include", "in particular" or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.

## **2. LIABILITY OF SHAREHOLDERS**

The liability of the shareholders is limited to the amount, if any, unpaid on the Shares held by them.

## **PART 2**

### **DIRECTORS**

#### **DIRECTORS' POWERS AND RESPONSIBILITIES**

##### **3. DIRECTORS' GENERAL AUTHORITY**

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

##### **4. SHAREHOLDERS' RESERVE POWER**

- 4.1 The shareholders may, by special resolution, direct the directors to take, or refrain from taking, specified action.
- 4.2 No such special resolution invalidates anything which the directors have done before the passing of the resolution.

##### **5. DIRECTORS MAY DELEGATE**

- 5.1 Subject to the Articles, the directors may delegate any of the powers which are conferred on them under the Articles:
- (a) to such person or committee;
  - (b) by such means (including by power of attorney);
  - (c) to such an extent;
  - (d) in relation to such matters or territories; and
  - (e) on such terms and conditions;
- as they think fit.

- 5.2 If the directors so specify, any such delegation may authorise further delegation of the directors' powers by any person to whom they are delegated.
- 5.3 The directors may revoke any delegation in whole or part, or alter its terms and conditions.

##### **6. COMMITTEES**

Committees to which the directors delegate any of their powers must follow procedures which are based as far as they are applicable on those provisions of the Articles which govern the taking of decisions by directors. The directors may make rules of procedure for all or any



committees, which prevail over rules derived from the Articles if they are not consistent with them.

## **DECISION-MAKING BY DIRECTORS**

### **7. DIRECTORS TO TAKE DECISIONS COLLECTIVELY**

7.1 The general rule about decision-making by directors is that any decision of the directors must be either a majority decision at a meeting or a decision taken in accordance with Article 8.

7.2 If:

- (a) the Company only has one director for the time being; and
- (b) no provision of the Articles requires it to have more than one director,

the general rule does not apply, and the director may (for so long as he remains the sole director), subject to Article 17 take decisions without regard to any other provisions of the Articles relating to directors' decision-making.

### **8. UNANIMOUS DECISIONS**

8.1 A decision of the directors is taken in accordance with this Article when all eligible directors indicate to each other by any means that they share a common view on a matter.

8.2 Such a decision may take the form of a resolution in writing, where each eligible director has signed one or more copies of it, or to which each eligible director has otherwise indicated agreement in writing.

8.3 A decision may not be taken in accordance with this Article if the eligible directors would not have formed a quorum at a directors' meeting.

### **9. CALLING A DIRECTORS' MEETING**

9.1 Any director may call a directors' meeting by giving reasonable notice of the meeting to the directors or by authorising the Company secretary (if any) to give such notice.

9.2 Notice of any directors' meeting must indicate:

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

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

9.4 Notice of a directors' meeting need not be given to directors who waive their entitlement to notice of that meeting, by giving notice to that effect to the Company not more than 7 days after the date on which the meeting is held. Where such notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it.

### **10. PARTICIPATION IN DIRECTORS' MEETINGS**

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

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

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

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

**11. QUORUM FOR DIRECTORS' MEETINGS**

- 11.1 At a directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.
- 11.2 If and so long as there is a sole director, the sole director may exercise all the powers and authorities vested in the directors by the Articles and in such circumstances the quorum for the transaction of business at a meeting of directors shall be one. Subject to Article 11.3, where the number of directors exceeds one, the quorum for the transaction of business at a meeting of directors may be fixed from time to time by the directors and unless otherwise fixed is any two eligible directors.
- 11.3 For the purposes of any meeting (or part of a meeting) held pursuant to Article 15 to authorise a director's conflict, if there is only one eligible director in office other than the conflicted director(s), the quorum for such meeting (or part of a meeting) shall be one eligible director.

**12. CHAIRING OF DIRECTORS' MEETINGS**

- 12.1 The directors may appoint a director to chair their meetings.
- 12.2 The person so appointed for the time being is known as the chairman.
- 12.3 The directors may terminate the chairman's appointment at any time.
- 12.4 If the chairman is not participating in a directors' meeting within ten minutes of the time at which it was to start, the participating directors must appoint one of themselves to chair it.

**13. CASTING VOTE**

If the numbers of votes for and against a proposal at a meeting of directors are equal, the chairman or other director chairing the meeting shall not have a casting vote.

**14. TRANSACTIONS OR OTHER ARRANGEMENTS WITH THE COMPANY**

- 14.1 Subject to sections 177(5) and 177(6) and sections 182(5) and 182(6) of the 2006 Act and provided he has declared the nature and extent of his interest in accordance with the requirements of the 2006 Act, a director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the Company:
- (a) may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise (directly or indirectly) interested;
  - (b) shall be an eligible director for the purposes of any proposed decision of the directors (or committee of directors) in respect of such contract or proposed contract in which he is interested;
  - (c) shall be entitled to vote at a meeting of the directors (or of a committee of the directors) or participate in any unanimous decision, in respect of such contract or proposed contract in which he is interested;
  - (d) may act by himself or his firm in a professional capacity for the Company (otherwise than as an auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a director;
  - (e) may be a director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate in which the Company is otherwise (directly or indirectly) interested; and
  - (f) shall not, save as he may otherwise agree, be accountable to the Company for any benefit which he (or a person connected with him (as defined in section 252 of the 2006

Act)) derives from any such contract, transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such contract, transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the 2006 Act.

- 14.2 For the purposes of this Article, references to proposed decisions and decision-making processes include any directors' meeting or part of a directors' meeting.
- 14.3 Subject to Article 14.4, if a question arises at a meeting of directors or of a committee of directors as to the right of a director to participate in the meeting (or part of the meeting) for voting or quorum purposes, the question may, before the conclusion of the meeting, be referred to the chairman whose ruling in relation to any director other than the chairman is to be final and conclusive.
- 14.4 If any question as to the right to participate in the meeting (or part of the meeting) should arise in respect of the chairman, the question is to be decided by a decision of the directors at that meeting, for which purpose the chairman is not to be counted as participating in the meeting (or that part of the meeting) for voting or quorum purposes.

## 15. DIRECTORS' CONFLICTS OF INTEREST

- 15.1 The directors may, in accordance with the requirements set out in this Article, authorise any matter or situation proposed to them by any director which would, if not authorised, involve a director breaching his duty under section 175 of the 2006 Act to avoid conflicts of interest ("Conflict").
- 15.2 Any authorisation under this Article will be effective only if:
- (a) the matter in question shall have been proposed by any director for consideration at a meeting of directors in the same way that any other matter may be proposed to the directors under the provisions of these Articles or in such other manner as the directors may determine;
  - (b) any requirement as to the quorum at the meeting of the directors at which the matter is considered is met without counting the director in question; and
  - (c) the matter was agreed to without his voting or would have been agreed to if his vote had not been counted.
- 15.3 Any authorisation of a Conflict under this Article may (whether at the time of giving the authorisation or subsequently):
- (a) extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter so authorised;
  - (b) be subject to such terms and for such duration, or impose such limits or conditions as the directors may determine; and
  - (c) be terminated or varied by the directors at any time.

This will not affect anything done by the director prior to such termination or variation in accordance with the terms of the authorisation.

- 15.4 In authorising a Conflict the directors may decide (whether at the time of giving the authorisation or subsequently) that if a director has obtained any information through his involvement in the Conflict otherwise than as a director of the Company and in respect of which he owes a duty of confidentiality to another person, the director is under no obligation to:
- (a) disclose such information to the directors or to any director or other officer or employee of the Company; or

(b) use or apply any such information in performing his duties as a director, where to do so would amount to a breach of that confidence.

15.5 Where the directors authorise a Conflict they may (whether at the time of giving the authorisation or subsequently) provide, without limitation, that the director:

- (a) is excluded from discussions (whether at meetings of directors or otherwise) related to the Conflict;
- (b) is not given any documents or other information relating to the Conflict; and
- (c) may or may not vote (or may or may not be counted in the quorum) at any future meeting of directors in relation to any resolution relating to the Conflict.

15.6 Where the directors authorise a Conflict:

- (a) the director will be obliged to conduct himself in accordance with any terms imposed by the directors in relation to the Conflict; and
- (b) the director will not infringe any duty he owes to the Company by virtue of sections 171 to 177 of the 2006 Act provided he acts in accordance with such terms, limits and conditions (if any) as the directors impose in respect of its authorisation.

15.7 A director is not required, by reason of being a director (or because of the fiduciary relationship established by reason of being a director), to account to the Company for any remuneration, profit or other benefit which he derives from or in connection with a relationship involving a Conflict which has been authorised by the directors or by the Company in general meeting (subject in each case to any terms, limits or conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds.

## 16. RECORDS OF DECISIONS TO BE KEPT

16.1 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 unanimous or majority decision taken by the directors.

16.2 Where decisions of the directors are taken by electronic means, such decisions shall be recorded by the directors in permanent form, so that they may be read with the naked eye.

## 17. DIRECTORS' DISCRETION TO MAKE FURTHER RULES

Subject to the 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.

## APPOINTMENT OF DIRECTORS

### 18. METHODS OF APPOINTING DIRECTORS

18.1 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:

- (a) by ordinary resolution; or
- (b) by a decision of the directors.

18.2 In any case where, as a result of death or bankruptcy, the Company has no shareholders and no directors, the transmittee(s) of the last shareholder to have died or to have a bankruptcy order made against him (as the case may be) have the right, by notice in writing, to appoint a natural person (including a transmittee who is a natural person), who is willing to act and is permitted to do so, to be a director.

- 18.3 For the purposes of Article 18.2, where 2 or more shareholders die in circumstances rendering it uncertain who was the last to die, a younger shareholder is deemed to have survived an older shareholder.

**19. APPOINTMENT AND REMOVAL OF ALTERNATE DIRECTORS**

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

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

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

- 19.2 Any appointment or removal of an alternate must be effected by notice in writing to the Company signed by the appointor, or in any other manner approved by the directors.

- 19.3 The notice must:

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

**20. RIGHTS AND RESPONSIBILITIES OF ALTERNATE DIRECTORS**

- 20.1 An alternate director may act as alternate director to more than one director and has the same rights in relation to any decision of the directors as the alternate's appointor.

- 20.2 Except as the Articles specify otherwise, alternate directors:

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

and, in particular (without limitation), each alternate director shall be entitled to receive notice of all meetings of directors and of all meetings of committees of directors of which his appointor is a member.

- 20.3 A person who is an alternate director but not a director:

- (a) may be counted as participating for the purposes of determining whether a quorum is present (but only if that person's appointor is not participating);
- (b) may participate in a unanimous decision of the directors (but only if his appointor is an eligible director in relation to that decision and does not participate); and
- (c) shall not be counted as more than one director for the purposes of Articles 20.3(a) and 20.3(b).

- 20.4 A director who is also an alternate director is entitled, in the absence of his appointor, to a separate vote on behalf of his appointor, in addition to his own vote on any decision of the directors (provided that his appointor is an eligible director in relation to that decision).

- 20.5 An alternate director may be paid expenses and may be indemnified by the Company to the same extent as his appointor but shall not be entitled to receive any remuneration from the Company for serving as an alternate director except such part of the alternate's appointor's remuneration as the appointor may direct by notice in writing made to the Company.

**21. TERMINATION OF ALTERNATE DIRECTORSHIP**

An alternate director's appointment as an alternate terminates:

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

**22. TERMINATION OF DIRECTOR'S APPOINTMENT**

22.1 A person ceases to be a director as soon as:

- (a) that person ceases to be a director by virtue of any provision of the Companies Acts or is prohibited from being a director by law;
- (b) a bankruptcy order is made against that person;
- (c) a composition is made with that person's creditors generally in satisfaction of that person's debts;
- (d) a registered medical practitioner who is treating that person gives a written opinion to the Company stating that that person has become physically or mentally incapable of acting as a director and may remain so for more than three months;
- (e) notification is received by the Company from the director that the director is resigning from office, and such resignation has taken effect in accordance with its terms.

**23. DIRECTORS' REMUNERATION**

23.1 Directors may undertake any services for the Company that the directors decide.

23.2 Directors are entitled to such remuneration as the directors determine:

- (a) for their services to the Company as directors; and
- (b) for any other service which they undertake for the Company.

23.3 Subject to the Articles, a director's remuneration may:

- (a) take any form; and
- (b) include any arrangements in connection with the payment of a pension, allowance or gratuity, or any death, sickness or disability benefits, to or in respect of that director.

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

23.5 Unless the directors decide otherwise, directors are not accountable to the Company for any remuneration which they receive as directors or other officers or employees of the Company's subsidiaries or of any other body corporate in which the Company is interested.

**24. DIRECTORS' EXPENSES**

The Company may pay any reasonable expenses which the directors (including alternate directors) and the secretary properly incur in connection with their attendance at:

- (a) meetings of directors or committees of directors;
- (b) general meetings; or

(c) separate meetings of the holders of any class of Shares or of debentures of the Company,

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

## 25. **SECRETARY**

The directors may appoint any person who is willing to act as the secretary for such term, at such remuneration and upon such conditions as they may think fit and from time to time remove such person and, if the directors so decide, appoint a replacement, in each case by a decision of the directors.

## **PART 3**

### **SHARES AND DISTRIBUTIONS**

#### **SHARES**

## 26. **ALL SHARES TO BE FULLY PAID UP**

26.1 No Share is to be issued for less than the aggregate of its nominal value and any premium to be paid to the Company in consideration for its issue.

26.2 This does not apply to Shares taken on the formation of the Company by the subscribers to the Company's memorandum.

## 27. **COMPANY'S LIEN OVER SHARES**

27.1 The Company has a lien ("**Company's Lien**") over every Share, whether or not fully paid, which is registered in the name of any person indebted or under any liability to the Company, whether he is the sole registered holder of the Share or one of several joint holders, for all monies payable by him (either alone or jointly with any other person) to the Company, whether payable immediately or at some time in the future.

27.2 The Company's Lien over a Share:

- (a) takes priority over any third party's interest in that Share; and
- (b) extends to any dividend or other money payable by the Company in respect of that Share and (if the Company's Lien is enforced and the Share is sold by the Company) the proceeds of sale of that Share.

27.3 The directors may at any time decide that a Share which is or would otherwise be subject to the Company's Lien shall not be subject to it, either wholly or in part.

## 28. **ENFORCEMENT OF THE COMPANY'S LIEN**

28.1 Subject to the provisions of this Article, if:

- (a) a lien enforcement notice has been given in respect of a Share; and
- (b) the person to whom the notice was given has failed to comply with it,

the Company may sell that Share in such manner as the directors decide.

28.2 A lien enforcement notice:

- (a) may only be given in respect of a Share which is subject to the Company's Lien, in respect of which a sum is payable and the due date for payment of that sum has passed;
- (b) must specify the Share concerned;
- (c) must require payment of the sum within 14 clear days of the notice (that is, excluding the date on which the notice is given and the date on which that 14 day period expires);

- (d) must be addressed either to the holder of the Share or to a transmittee of that holder; and
- (e) must state the Company's intention to sell the Share if the notice is not complied with.

**28.3 Where Shares are sold under this Article:**

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

**28.4 The net proceeds of any such sale (after payment of the costs of sale and any other costs of enforcing the Company's Lien) must be applied:**

- (a) first, in payment of so much of the sum for which the Company's Lien exists as was payable at the date of the lien enforcement notice; and
- (b) second, to the person entitled to the Shares at the date of the sale, but only after the certificate for the Shares sold has been surrendered to the Company for cancellation, or an indemnity in a form reasonably satisfactory to the directors has been given for any lost certificates, and subject to a lien equivalent to the Company's Lien for any money payable (whether payable immediately or at some time in the future) as existed upon the Shares before the sale in respect of all Shares registered in the name of such person (whether as the sole registered holder or as one of several joint holders) after the date of the lien enforcement notice.

**28.5 A statutory declaration by a director or the Company secretary that the declarant is a director or the Company secretary and that a Share has been sold to satisfy the Company's Lien on a specified date:**

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

**29. POWERS TO ISSUE DIFFERENT CLASSES OF SHARE**

**29.1 Subject to the Articles, but without prejudice to the rights attached to any existing Share, the Company may issue Shares with such rights or restrictions as may be determined by ordinary resolution.**

**29.2 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, and the directors may determine the terms, conditions and manner of redemption of any such Shares.**

**30. COMPANY NOT BOUND BY LESS THAN ABSOLUTE INTERESTS**

Except as required by law, no person is to be recognised by the Company as holding any Share upon any trust, and except as otherwise required by law or the Articles, the Company is not in any way to be bound by or recognise any interest in a Share other than the holder's absolute ownership of it and all the rights attaching to it.

**31. SHARE CERTIFICATES**

**31.1 The Company must issue each shareholder, free of charge, with one or more certificates in respect of the Shares which that shareholder holds.**

**31.2 Every certificate must specify:**



- (a) in respect of how many Shares, of what class, it is issued;
- (b) the nominal value of those Shares;
- (c) that the Shares are fully paid; and
- (d) any distinguishing numbers assigned to them.

31.3 No certificate may be issued in respect of Shares of more than one class.

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

31.5 Certificates must:

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

## **32. REPLACEMENT SHARE CERTIFICATES**

32.1 If a certificate issued in respect of a shareholder's Shares is:

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

that shareholder is entitled to be issued with a replacement certificate in respect of the same Shares.

32.2 A shareholder exercising the right to be issued with such a replacement certificate:

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

## **33. SHARE TRANSFERS**

33.1 No holder of Shares is permitted to transfer any Shares save as expressly permitted or required by these Articles.

33.2 Any holder of Ordinary Shares shall be entitled to dispose of any Shares held by them at any time, save as may be restricted by operation of law or regulation.

33.3 An Employee Shareholder shall not sell, assign, transfer or otherwise dispose of or grant an encumbrance over any of his Employee Shares or any portion thereof or any right or interest therein held from time to time, except by outright transfer in accordance with Articles 34, 63 or 64.

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

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

33.6 The Company may retain any instrument of transfer which is registered.

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

33.8 Subject to Article 33.9, the directors may refuse to register the transfer of a Share, and if they do so, the instrument of transfer must be returned to the transferee with the notice of refusal unless they suspect that the proposed transfer may be fraudulent.

- 33.9 Notwithstanding anything contained in these Articles the directors shall not decline to register any transfer of Shares, nor may they suspend registration thereof where such transfer is made pursuant to Articles 34, 63 and 64.

#### 34. COMPULSORY TRANSFERS

- 34.1 In this Article 34, a "**Transfer Event**" occurs in relation to any Employee Shareholder who is an individual and holds Employee Shares (in that capacity):

- (a) if that Employee Shareholder:
  - (i) shall have a bankruptcy order made against him or shall be declared bankrupt by any court of competent jurisdiction;
  - (ii) is prohibited from being a director by law;
  - (iii) shall make an offer to make any arrangement or composition with his creditors generally;
  - (iv) shall die;
  - (v) shall become the subject of a written opinion by a registered medical practitioner referred to in article 18(d) of the Model Articles; or
- (b) if that Employee Shareholder ceases to be a director or employee of, or consultant to, the Company and does not continue as, or become, a director or employee of, or consultant to, the Company or another member of the Company's Group provided that there are no arrangements for him to commence a new employment or consultancy with the Company or another member of the Company's Group; or
- (c) if that Employee Shareholder attempts to deal with or dispose of any Employee Share or any interest in it otherwise than in accordance with these Articles and whether or not for value; or
- (d) if that Employee Shareholder shall for any reason not give a Transfer Notice in respect of any Employee Shares or transfer any Employee Shares (as the case may be) as required by any express provision of these Articles,

and within the six month period following the occurrence of any of the events specified in paragraphs (a) to (d) above, the Board shall notify such Employee Shareholder (or his personal representatives) that such event is a Transfer Event in relation to that Employee Shareholder for the purposes of this Article 34.1.

- 34.2 Upon the occurrence of a Transfer Event under Article 34.1, the Employee Shareholder in respect of whom such event is a Transfer Event (the "**Relevant Employee Shareholder**") and any other holder of Deemed Transfer Shares shall be deemed to have immediately served a written notice on the Company offering for purchase all the Deemed Transfer Shares then held by such Relevant Employee Shareholder(s) in accordance with this Article 34 (a "**Transfer Notice**"). For the purpose of this Article 34.2, any Shares received by way of rights or on a capitalisation at any time by any person to whom Deemed Transfer Shares may have been transferred shall also be treated as Deemed Transfer Shares.
- 34.3 Any Deemed Transfer Shares shall be offered by the Relevant Employee Shareholder for purchase with full title guarantee, for an aggregate consideration equal to the par value of the Deemed Transfer Shares to such person(s) and on such terms and conditions (which may include the Company by way of own share purchase) as determined by the Ordinary Share Majority or, failing such determination by the Ordinary Share Majority within 30 business days of the occurrence of a Transfer Event, as determined by the Board.

- 34.4 On the service of a Transfer Notice, the Relevant Employee Shareholder hereby irrevocably and unconditionally appoints each director for the time being and the Company severally to be his attorney to execute any stock transfer form, covenant for full title guarantee and any other documents required to complete the transfer of the Deemed Transfer Shares and to do such other things as may be necessary or desirable to complete the transfer of the Deemed Transfer Shares pursuant to this Article 34.
- 34.5 For the purposes of Article 34.1, the date upon which an Employee Shareholder ceases to be an employee or director of or consultant to the Company shall:
- (a) where employment or consultancy ceases by virtue of notice given by the employer to the Employee Shareholder, the date on which such notice expires;
  - (b) where a contract of employment or consultancy is terminated by the employer and a payment is made in lieu of notice, the date on which notice of termination was served;
  - (c) where an Employee Shareholder dies, the date of his death;
  - (d) where the Employee Shareholder concerned is a director but not an employee, the date on which his service agreement (or other terms of appointment) with the relevant Group Company is terminated; or
  - (e) in any other case, the date on which the employment or holding of office is terminated.

### 35. TRANSMISSION OF SHARES

- 35.1 If title to a Share passes to a transmittee, the Company may only recognise the transmittee as having any title to that Share.
- 35.2 A transmittee who produces such evidence of entitlement to Shares as the directors may properly require:
- (a) may, subject to the Articles, choose either to become the holder of those Shares or to have them transferred to another person; and
  - (b) subject to the Articles, and pending any transfer of the Shares to another person, has the same rights as the holder had.
- 35.3 But, subject to Article 19, transmittees do not have the right to attend or vote at a general meeting, or agree to a proposed written resolution, in respect of Shares to which they are entitled, by reason of the holder's death or bankruptcy or otherwise, unless they become the holders of those Shares.

### 36. EXERCISE OF TRANSMITEES' RIGHTS

- 36.1 Transmittees who wish to become the holders of Shares to which they have become entitled must notify the Company in writing of that wish.
- 36.2 If the transmittee wishes to have a Share transferred to another person, the transmittee must execute an instrument of transfer in respect of it.
- 36.3 Any transfer made or executed under this Article is to be treated as if it were made or executed by the person from whom the transmittee has derived rights in respect of the Share, and as if the event which gave rise to the transmission had not occurred.

### 37. TRANSMITEES BOUND BY PRIOR NOTICES

If a notice is given to a shareholder in respect of Shares and a transmittee is entitled to those Shares, the transmittee is bound by the notice if it was given to the shareholder before the transmittee's name, or the name of any person(s) named as the transferee(s) in an instrument of transfer executed under Article 36.2, has been entered in the register of members.

**38. PURCHASE OF OWN SHARES**

Subject to the 2006 Act but without prejudice to any other provision of these Articles, the Company may purchase its own Shares in accordance with Chapter 4 of Part 18 of the 2006 Act, including (without limitation) with cash up to any amount in a financial year not exceeding the lower of:

- (a) £15,000; or
- (b) the value of 5% of the Company's share capital.

**DIVIDENDS AND OTHER DISTRIBUTIONS****39. PROCEDURE FOR DECLARING DIVIDENDS**

39.1 Subject to the provisions of this Article 39, the Company may, by ordinary resolution, declare dividends, and the directors may decide to pay interim dividends but a dividend must not be declared unless the directors have made a recommendation as to its amount. Such a dividend must not exceed the amount recommended by the directors and no dividend may be declared or paid unless it is in accordance with shareholders' respective rights.

39.2 Unless:

- (a) the shareholders' resolution to declare; or
- (b) directors' decision to pay a dividend; or
- (c) the terms on which Shares are issued, specify otherwise,

it must be paid by reference to each shareholder's holding of Ordinary Shares on the date of the resolution or decision to declare or pay it.

39.3 The holders of Employee Shares shall not be entitled to receive dividends.

39.4 No interim dividend may be paid on Shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrear.

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

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

**40. PAYMENT OF DIVIDENDS AND OTHER DISTRIBUTIONS**

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

- (a) transfer to a bank or building society account specified by the distribution recipient in writing; or
- (b) sending a cheque made payable to the distribution recipient by post to the distribution recipient at the distribution recipient's registered address (if the distribution recipient is a holder of the Share), or (in any other case) to an address specified by the distribution recipient in writing; or
- (c) sending a cheque made payable to such person by post to such person at such address as the distribution recipient has specified in writing; or
- (d) any other means of payment as the directors agree with the distribution recipient in writing.

40.2 In the Articles, the "**distribution recipient**" means, in respect of a Share in respect of which a dividend or other sum is payable:

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

**41. NO INTEREST ON DISTRIBUTIONS**

The Company may not pay interest on any dividend or other sum payable in respect of a Share unless otherwise provided by the terms on which the Share was issued, or the provisions of another agreement between the holder of that Share and the Company.

**42. UNCLAIMED DISTRIBUTIONS**

42.1 All dividends or other sums which are payable in respect of Shares and unclaimed after having been declared or become payable, may be invested or otherwise made use of by the directors for the benefit of the Company until claimed.

42.2 The payment of any such dividend or other sum into a separate account does not make the Company a trustee in respect of it and if:

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

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

**43. NON-CASH DISTRIBUTIONS**

43.1 Subject to the terms of issue of the Share in question, the Company may, by ordinary resolution on the recommendation of the directors, decide to pay all or part of a dividend or other distribution payable in respect of a Share by transferring non-cash assets of equivalent value (including, without limitation, Shares or other securities in any company).

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

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

**44. WAIVER OF DISTRIBUTIONS**

Distribution recipients may waive their entitlement to a dividend or other distribution payable in respect of a Share by giving the Company notice in writing to that effect, but if:

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

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

**CAPITALISATION OF PROFITS**

**45. AUTHORITY TO CAPITALISE AND APPROPRIATION OF CAPITALISED SUMS**

45.1 The directors may, if they are so authorised by an ordinary resolution:

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

45.2 Capitalised sums must be applied:

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

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

45.4 A capitalised sum which was appropriated from profits available for distribution may be applied in paying up new debentures of the Company which are then allotted credited as fully paid to the persons entitled or as they may direct.

45.5 Subject to the Articles the directors may:

- (a) apply capitalised sums in accordance with Articles 45.3 and 45.4 above partly in one way and partly in another;
- (b) make such arrangements as they think fit to deal with Shares or debentures becoming distributable in fractions under this Article (including the issuing of fractional certificates or the making of cash payments); and
- (c) authorise any person to enter into an agreement with the Company on behalf of all the persons entitled which is binding on them in respect of the allotment of Shares and debentures to them under this Article.

**PART 4****DECISION-MAKING BY SHAREHOLDERS****ORGANISATION OF GENERAL MEETINGS****46. ATTENDANCE AND SPEAKING AT GENERAL MEETINGS**

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

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

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

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

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

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

**47. QUORUM FOR GENERAL MEETINGS**

The quorum for a general meeting shall be determined according to section 318 of the 2006 Act and no business other than the appointment of the chairman of the meeting is to be transacted at a general meeting if the persons attending it do not constitute a quorum.

**48. CHAIRING GENERAL MEETINGS**

48.1 If the directors have appointed a chairman, the chairman shall chair general meetings if present and willing to do so.

48.2 If the directors have not appointed a chairman, or if the chairman is unwilling to chair the meeting or is not present within ten minutes of the time at which a meeting was due to start:

- (a) the directors present; or
- (b) (if no directors are present), the meeting, must appoint a director or shareholder to chair the meeting, and the appointment of the chairman of the meeting must be the first business of the meeting.

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

**49. ATTENDANCE AND SPEAKING BY DIRECTORS AND NON-SHAREHOLDERS**

49.1 Directors may attend and speak at general meetings, whether or not they are shareholders.

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

- (a) shareholders of the Company; or
- (b) otherwise entitled to exercise the rights of shareholders in relation to general meetings, to attend and speak at a general meeting.

**50. ADJOURNMENT**

50.1 If the persons attending a general meeting within half an hour of the time at which the meeting was due to start do not constitute a quorum, or if during a meeting a quorum ceases to be present, or if at any time during a quorate general meeting the meeting directs him to do so, the chairman of the meeting must adjourn it and he may adjourn a general meeting at which a quorum is present if:

- (a) the meeting consents to an adjournment; or
- (b) it appears to the chairman of the meeting that an adjournment is necessary to protect the safety of any person attending the meeting or ensure that the business of the meeting is conducted in an orderly manner.

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

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

50.3 If the continuation of an adjourned meeting is to take place more than 14 days after it was adjourned, the Company must give at least 7 clear days' notice of it (that is, excluding the day of the adjourned meeting and the day on which the notice is given):

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

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

#### **VOTING AT GENERAL MEETINGS**

##### **51. VOTING: GENERAL**

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

51.2 Notwithstanding any other provisions in these Articles:

- (a) the Ordinary Shares shall confer on each holder thereof (in that capacity) the right to receive notice of and to attend, speak and vote at all general meetings of the Company and to vote on written resolutions and on a poll to exercise one vote per Share; and
- (b) the Employee Shares shall not confer any rights on the holders thereof to receive notice of, nor attend, speak or vote at any general meetings of the Company nor to vote on written resolutions or on a poll.

##### **52. ERRORS AND DISPUTES**

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

52.2 Any such objection must be referred to the chairman of the meeting, whose decision is final.

##### **53. POLL VOTES**

53.1 A poll on a resolution may be demanded:

- (a) in advance of the general meeting where it is to be put to the vote; or
- (b) at a general meeting, either before a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared.

53.2 A poll may be demanded at any general meeting by any qualified person (as defined in section 318 of the 2006 Act) present and entitled to vote at the meeting.

53.3 A demand for a poll may be withdrawn if:

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

A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made.

53.4 Polls must be taken immediately and in such manner as the chairman of the meeting directs.

##### **54. CONTENT OF PROXY NOTICES**

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

- (a) states the name and address of the shareholder appointing the proxy;



- (b) identifies the person appointed to be that shareholder's proxy and the general meeting in relation to which that person is appointed;
- (c) is signed by or on behalf of the shareholder appointing the proxy, or is authenticated in such manner as the directors may determine; and
- (d) is delivered to the Company in accordance with the Articles not less than 48 hours before the time appointed for holding the meeting at which the right to vote is to be exercised and in accordance with any instructions contained in the notice of the general meeting (or adjourned meeting) to which they relate,

and a proxy notice which is not delivered in such manner shall be invalid unless the directors, in their discretion, accept the notice at any time before the meeting.

- 54.2 The Company may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes.
- 54.3 Proxy notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions.
- 54.4 Unless a proxy notice indicates otherwise, it must be treated as:
  - (a) allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting; and
  - (b) appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself.

## 55. DELIVERY OF PROXY NOTICES

- 55.1 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.
- 55.2 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.
- 55.3 A notice revoking a proxy appointment only takes effect if it is delivered before the start of the meeting or adjourned meeting to which it relates.
- 55.4 If a proxy notice is not executed by the person appointing the proxy, it must be accompanied by written evidence of the authority of the person who executed it to execute it on the appointer's behalf.

## 56. AMENDMENTS TO RESOLUTIONS

- 56.1 An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if:
  - (a) notice of the proposed amendment is given to the Company in writing by a person entitled to vote at the general meeting at which it is to be proposed not less than 48 hours before the meeting is to take place (or such later time as the chairman of the meeting may determine); and
  - (b) the proposed amendment does not, in the reasonable opinion of the chairman of the meeting, materially alter the scope of the resolution.
- 56.2 A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if:
  - (a) the chairman of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed; and

- (b) the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.

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

## PART 5

### ADMINISTRATIVE ARRANGEMENTS

#### 57. MEANS OF COMMUNICATION TO BE USED

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

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

57.3 Any notice, document or other information shall be deemed served on or delivered to the intended recipient:

- (a) if properly addressed and sent by prepaid United Kingdom first class post to an address in the United Kingdom, 48 hours after it was posted (or five business days after posting either to an address outside the United Kingdom or from outside the United Kingdom to an address within the United Kingdom, if (in each case) sent by reputable international overnight courier addressed to the intended recipient, provided that delivery in at least five business days was guaranteed at the time of sending and the sending party receives a confirmation of delivery from the courier service provider);
- (b) if properly addressed and delivered by hand, when it was given or left at the appropriate address;
- (c) if properly addressed and sent or supplied by electronic means, one hour after the document or information was sent or supplied; and
- (d) if sent or supplied by means of a website, when the material is first made available on the website or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on the website.

For the purposes of this Article, no account shall be taken of any part of a day that is not a business day.

57.4 In proving that any notice, document or other information was properly addressed, it shall be sufficient to show that the notice, document or other information was delivered to an address permitted for the purpose by the 2006 Act.

#### 58. NO RIGHT TO INSPECT ACCOUNTS AND OTHER RECORDS

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

#### 59. PROVISION FOR EMPLOYEES ON CESSATION OF BUSINESS

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

**DIRECTORS' INDEMNITY AND INSURANCE****60. INDEMNITY**

60.1 Subject to Article 60.2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled:

- (a) each relevant officer shall be indemnified out of the Company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a relevant officer:
  - (i) in the actual or purported execution and/or discharge of his duties, or in relation to them; and
  - (ii) in relation to the Company's (or any associated Company's) activities as trustee of an occupational pension scheme (as defined in section 235(6) of the 2006 Act),

including (in each case) any liability incurred by him in defending any civil or criminal proceedings, in which judgment is given in his favour or in which he is acquitted or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part or in connection with any application in which the court grants him, in his capacity as a relevant officer, relief from liability for negligence, default, breach of duty or breach of trust in relation to the Company's (or any associated Company's) affairs; and

- (b) the Company may provide any relevant officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings or application referred to in Article 60.1(a) and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure.

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

60.3 In this Article:

- (a) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate; and
- (b) a "**relevant officer**" means any director or other officer or former director or other former officer of the Company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the 2006 Act), but excluding in each case any person engaged by the Company (or associated company) as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor).

**61. INSURANCE**

61.1 The directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any relevant officer in respect of any relevant loss.

61.2 In this Article:

- (a) a "**relevant officer**" means any director or other officer or former director or other former officer of the Company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the 2006 Act), but excluding in each case any person engaged by the Company (or associated company) as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor);
- (b) a "**relevant loss**" means any loss or liability which has been or may be incurred by a relevant officer in connection with that relevant officer's duties or powers in relation to

the Company, any associated company or any pension fund or employees' share scheme of the Company or associated company; and

- (c) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate.

## 62. APPORTIONMENT OF EXIT PROCEEDS

On the occurrence of an Exit Event, the Exit Proceeds shall be distributed amongst the holders of all Shares (as if all Shares constituted one class of Shares) *pari passu*, save that in respect of any Exit Event, the Exit Proceeds shall be distributed as follows:

- (a) first to the holders of Ordinary Shares, the price paid by such holders on the initial subscription of such Ordinary Shares;
- (b) second, in paying the balance of the Pre-Hurdle Value to the holders of Ordinary Shares;
- (c) third, the Hurdle Excess (if any) shall be distributed such that the holders of Employee Shares shall, as a class, receive the A Share Entitlement (with each Employee Shareholder receiving their Individual Entitlement), with the balance (if any) to be paid to the holders of Ordinary Shares.

## 63. DRAG ALONG RIGHT

63.1 If at any time, an Approved Offer is made by any person (for the purposes of this Article 63, a "**Drag Buyer**") which is approved and accepted by the holders of such number of Shares (by nominal value) as would constitute a Change of Control (the "**Recipients**") the Recipients shall have the right to require any other holders of Shares ("**Drag Shareholders**") to accept the Approved Offer in full and sell and transfer all Shares of which they are the registered owner ("**Drag Shares**") to the Drag Buyer (or to such other person as the Drag Buyer directs), provided always that such proposed disposal is not an Exempt Disposal, in accordance with the provisions of this Article ("**Drag Option**").

63.2 The Drag Option may be exercised by the service of notice to that effect on the Drag Shareholders at the same time as, or within five business days following the making of an Approved Offer (or, if later, within five business days following the acquisition by the relevant Drag Shareholder of any Shares) ("**Drag Notice**"). A Drag Notice shall specify:

- (a) that the Drag Shareholders are required to transfer all their Drag Shares pursuant to this Article 63;
- (b) the identity of the Drag Buyer;
- (c) the purchase price payable for the Drag Shares pursuant to the Approved Offer (which shall be calculated on the basis that the consideration shall be paid to all holders of Shares in the same proportions as they are entitled to participate (if any) on the occurrence of an Exit Event pursuant to Article 62); and
- (d) the proposed date of transfer.

63.3 On the exercise of the Drag Option, each of the Drag Shareholders shall be bound to accept the Approved Offer in respect of his entire holding of Shares and to comply with the obligations assumed by virtue of such acceptance.

63.4 Once issued, a Drag Notice shall be irrevocable. However, a Drag Notice shall lapse if, for any reason, the Recipients have not sold their Shares which are subject to the Approved Offer ("**Recipients' Shares**") to the Drag Buyer within ninety business days of serving the Drag Notice. The Recipients may serve further Drag Notices following the lapse of any particular Drag Notice.

- 63.5 No Drag Notice shall require a Drag Shareholder to agree to any terms except those specifically set out in this Article 63.
- 63.6 Completion of the sale of the Drag Shares shall take place on the Completion Date. "**Completion Date**" means the date proposed for completion of the sale of the Recipients' Shares unless:
- (a) all of the Drag Shareholders and the Recipient agree otherwise in which case the Completion Date shall be the date agreed in writing by all of the Drag Shareholders and the Recipient; or
  - (b) that date is less than ten business days after the date on which the Drag Notice is served, in which case the Completion Date shall be the tenth business day after service of the Drag Notice.
- 63.7 On or before the Completion Date, the Drag Shareholders shall execute and deliver stock transfer forms for the Drag Shares, together with the relevant share certificates (or a suitable indemnity for any lost share certificates) to the Company. On the Completion Date, the Company shall pay the Drag Shareholders, on behalf of the Drag Buyer, the amounts due pursuant to Article 63.2(c) to the extent that the Drag Buyer has put the Company in the requisite funds. The Company's receipt of the price shall be a good discharge to the Drag Buyer and the Company shall hold the amounts due to the Drag Shareholders in trust for the Drag Shareholders without any obligation to pay interest.
- 63.8 Subject to Article 63.10, to the extent that the Drag Buyer has not, on the Completion Date, put the Company in funds to pay the purchase price due in respect of the Drag Shares, the Drag Shareholders shall be entitled to the return of the stock transfer forms and share certificates (or suitable indemnity) executed by them for the relevant Drag Shares and the Drag Shareholders shall have no further rights or obligations under this Article 63 in respect of their Shares.
- 63.9 If any Drag Shareholder fails, on or before the Completion Date, to duly execute and deliver (in accordance with Article 63.7) valid transfer(s) in respect of all of the Drag Shares held by him (and deliver the certificate(s) in respect of the same, or a suitable indemnity in their place), then each defaulting Drag Shareholder shall be deemed to have irrevocably appointed any person nominated for the purpose by the Recipients to be his agent to execute all necessary transfer(s) and indemnities on his behalf, against receipt by the Company or its nominee (on trust for such holder) of the purchase price payable for the Drag Shares, and to deliver such transfer(s) and certificate(s) or indemnities to the Drag Buyer (or as it may direct) as the holder thereof. After the Drag Buyer (or its nominee) has been registered as the holder of the Drag Shares, the validity of such proceedings shall not be questioned by any such person. Failure to produce a share certificate shall not impede the registration of Shares under this Article 63.
- 63.10 Where the consideration payable for the relevant Drag Shares is the issue of shares and/or other securities, each Drag Shareholder shall be deemed to have authorised the Company to accept the allotment of such shares and/or the issue of such other securities on his behalf as consideration for the transfer of his Drag Shares, and on completion of the transfer of the relevant Drag Shares (duly stamped, if appropriate) the Drag Buyer shall procure the registration of such Drag Shareholder as the holder of the relevant shares and/or securities.
64. **TAG ALONG RIGHT**
- 64.1 No disposal (other than pursuant to an Exempt Disposal or Drag Option), of such number of Shares (by nominal value), whether as one or a series of transactions, as would constitute a Change of Control ("**Tag Transfer**"), shall be made or registered unless the proposed buyer of such Shares (for the purposes of this Article 64, a "**Tag Buyer**"), and any person Acting in Concert with the Tag Buyer or, should the Tag Buyer request in writing, the Company as agent for the Tag Buyer:

- (a) makes an Approved Offer to each Employee Shareholder; and
- (b) the Tag Buyer complies in all respects with the terms of the Approved Offer at the time of completion of the Tag Transfer.

64.2 If the Tag Buyer fails to make an Approved Offer to all of the holders of Employee Shares in accordance with this Article 64, no other holder of Shares shall be entitled to complete any Tag Transfer and the Company shall not register any transfer of Shares purportedly effected in accordance with such Tag Transfer.

64.3 An Approved Offer shall lapse if the proposed Tag Transfer has not completed within ninety business days of the Approved Offer being served. Further Approved Offers may be served following the lapse of any particular Approved Offer.