



A40 \*A1EV1CFG\* #166  
08/08/2012  
COMPANIES HOUSE

# PRIVATE COMPANY LIMITED BY SHARES

## Written Resolution

of

Valaris Capital Investments Limited (the "Company")

Company No. 07942703

Circulated

12 April 2012 (the "Circulation Date")

Pursuant to Chapter 2 of Part 13 of the Companies Act 2006 (the "Act"), the directors of the Company propose that the following resolutions (the "Resolutions") are passed as written resolutions:

### ORDINARY RESOLUTION

- 1 THAT, in accordance with section 551 of the Act, the directors be unconditionally authorised to allot:
  - 1 1. 360,000 A ordinary shares of £0 01 each in the capital of the Company to Mr Jonathan Scott at a subscription price of £1.00 per share,
  - 1 2. 360,000 A ordinary shares of £0 01 each in the capital of the Company to Mr Christopher Rasmussen at a subscription price of £1 00 per share,
  - 1 3. 375,000 B ordinary shares of £0 01 each in the capital of the Company to Mr Mark Kirkbride at a subscription price of £1 00 per share;
  - 1 4. 45,000 B ordinary shares of £0.01 each in the capital of the Company to Mr James Cook at a subscription price of £1.00 per share;
  - 1 5. 45,000 B ordinary shares of £0 01 each in the capital of the Company to Mr Howard Stones at a subscription price of £1 00 per share;
  - 1 6. 60,000 B ordinary shares of £0 01 each in the capital of the Company to Mr Mark Wildash at a subscription price of £1 00 per share;
  - 1 7. 15,000 B ordinary shares of £0 01 each in the capital of the Company to Mr Eric Gastine at a subscription price of £1 00 per share,
  - 1 8. 82,500 C ordinary shares of £0 01 each in the capital of the Company to Mr Peter Fordyce at a subscription price of £1 00 per share;
  - 1 9. 82,500 C ordinary shares of £0.01 each in the capital of the Company to Mr Stephen Currie at a subscription price of £1 00 per share,
  - 1 10. 37,500 D ordinary shares of £0 01 each in the capital of the Company to Mr James Cook at a subscription price of £0.01 per share;
  - 1 11. 37,500 D ordinary shares of £0.01 each in the capital of the Company to Mr Howard Stones at a subscription price of £0 01 per share; and

WE HEREBY CERTIFY THIS TO  
BE A TRUE COPY OF THE ORIGINAL  
*Ward Hadaway*  
WARD HADAWAY  
Solicitors  
1A TOWER SQUARE  
WELLINGTON STREET  
LEEDS LS1 4DL  
DATED 18-04-12

- 1 12. 22,500 D ordinary shares of £0.01 each in the capital of the Company to Mr Mark Wildash at a subscription price of £0.01 per share

up to an aggregate nominal amount of £[1,500,975], each having the respective rights and subject to the respective restrictions set out in the articles adopted pursuant to special resolution 1. Unless renewed, varied or revoked by the Company, this authority shall expire on 27 April 2012 save that the Company may, before such expiry, make an offer or agreement which would or might require shares to be allotted and the directors may allot shares in pursuance of such offer or agreement notwithstanding that the authority conferred by this resolution has expired.

This authority is in substitution for all previous authorities conferred on the Directors in accordance with section 551 of the Act

### **SPECIAL RESOLUTION**

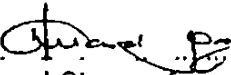
- 1 THAT the draft regulations attached to this written resolution be adopted as the articles of association of the Company in substitution for, and to the exclusion of, the existing articles of association
2. THAT, in accordance with section 571 of the Act and subject to the passing of ordinary resolution 1 above, the directors of the Company be given the general and unconditional authority to allot, for cash, the shares set out in ordinary resolution 1 above, up to an aggregate nominal amount of £[1,500,975], as if section 561(1) of the Act did not apply to any such allotment

### **Agreement**

Please read the notes at the end of this document before signifying your agreement to the Resolution.

The undersigned being the members for the time being of the Company entitled to vote on the Resolution as at the Circulation Date, hereby irrevocably agree to the passing of the Resolution

Dated 12 April 2012



Howard Stones, for and on behalf of Mark Kirkbride, under a Power of Attorney dated 4 April 2012

## Notes

- 2 If you agree with the Resolutions, please indicate your agreement by signing and dating this document where indicated above and returning the signed version to the Company using one of the following methods -

- **By hand.** delivering the signed copy to James Cook at Bell Lane, Uckfield, West Sussex TN22 1QL
- **Post:** returning the signed copy by post to James Cook at Bell Lane, Uckfield, West Sussex TN22 1QL

You may not return the Resolutions to the Company by any other method. If you do not agree to the Resolutions, you do not need to do anything: you will not be deemed to agree if you fail to reply.

- 3 Once you have indicated your agreement to the Resolutions by signing the Resolutions, you may not revoke your agreement
- 4 Two of the Resolutions are special resolutions and, to be passed, requires members holding not less than 75 per cent of the total voting rights of eligible members to vote in favour of it by ~~12~~ April 2012. Unless, by ~~12~~ April 2012, sufficient agreement has been received for the Resolution to pass, your agreement will lapse. If you agree to the Resolution, please ensure that your agreement reaches us before or on this date
5. In the case of joint holders of shares, only the vote of the senior holder who votes will be counted by the Company. Seniority is determined by the order in which the names of the joint holders appear in the register of members
6. If you are signing this document on behalf of a person under a power of attorney or other authority please send a copy of the relevant power of attorney or authority when returning this document.

## Articles of Association

of

**Valaris Capital Investments Limited**

Company number: 07942703

(Private company limited by shares)

as adopted by written special resolution passed on 12 April 2012

WE HEREBY CERTIFY THIS TO  
BE A TRUE COPY OF THE ORIGINAL  
-----  
WARD HADAWAY  
Solicitors  
1A TOWER SQUARE  
WELLINGTON STREET  
LEEDS LS1 4DL  
DATED 18-04-12

## Contents

PART A . . . . .	2
Interpretation, limitation of liability and other miscellaneous provisions. . . . .	2
1 Preliminary . . . . .	2
2 Defined terms . . . . .	2
3 Interpretation. . . . .	8
4 Liability of members . . . . .	8
Share capital, rights and transfers . . . . .	8
5 Share capital . . . . .	8
6 Rights attaching to shares . . . . .	9
7 Further issues of shares . . . . .	10
8 Dispute . . . . .	11
9 Variation of class rights.. . . .	11
10 Permitted transfers . . . . .	11
11. Mandatory transfers . . . . .	12
12. Employee shares . . . . .	13
13 Pre-emption procedure . . . . .	14
14 Valuation . . . . .	16
15 Tag along . . . . .	16
16 Drag along . . . . .	16
17 Registration . . . . .	17
PART B . . . . .	19
Directors . . . . .	19
18 Number of directors . . . . .	19
19. Methods of appointing directors . . . . .	19
20 Termination of director's appointment . . . . .	19
21 Directors' general authority . . . . .	20
22. Shareholders' reserve power . . . . .	20
23 Directors may delegate . . . . .	20
24 Committees . . . . .	20
25 Directors to take decisions collectively . . . . .	20
26 Unanimous decisions . . . . .	21
27 Calling a directors' meeting . . . . .	21
28 Participation in directors' meetings . . . . .	21
29 Quorum for directors' meetings . . . . .	22
30 Chairing of directors' meetings . . . . .	22
31 Casting vote . . . . .	22
32 Authorisation of conflicts of interest . . . . .	22
33 Directors may have interests and vote and count for quorum . . . . .	24
34 Records of decisions to be kept . . . . .	24
35 Directors' discretion to make further rules . . . . .	24
36 Directors' remuneration. . . . .	24
37 Directors' expenses . . . . .	25
38 Appointment and removal of alternates . . . . .	25
39 Rights and responsibilities of alternate directors . . . . .	26
40 Termination of alternate directorship . . . . .	26
Liens, share certificates and distributions . . . . .	27
41 Company's lien . . . . .	27
42 Enforcement of the Company's lien . . . . .	27
43 Call notices . . . . .	28
44 Liability to pay calls . . . . .	28
45 Payment in advance of calls . . . . .	29
46 When call notice need not be issued . . . . .	29
47 Failure to comply with call notice' automatic consequences . . . . .	29
48. Notice of intended forfeiture . . . . .	30
49 Directors' power to forfeit shares . . . . .	30
50 Effect of forfeiture . . . . .	30
51 Procedure following forfeiture . . . . .	31
52 Surrender of shares . . . . .	31
53 Company not bound by less than absolute interests . . . . .	31

54	Share certificates .....	32
55	Replacement share certificates . . . . .	32
56	Instruments of transfer . . . . .	32
57.	Fractional entitlements . . . . .	33
58	Procedure for declaring dividends . . . . .	33
59	Calculation of dividends .....	34
60	Payment of dividends and other distributions . . . . .	34
61	No interest on distributions . . . . .	35
62	Unclaimed distributions . . . . .	35
63	Non-cash distributions .....	35
64.	Waiver of distributions .....	36
65.	Authority to capitalise and appropriation of capitalised sums . . . . .	36
Decision-making by Shareholders . . . . .		37
66	Notice of general meetings . . . . .	37
67	Attendance and speaking at general meetings . . . . .	37
68	Quorum for general meetings . . . . .	38
69	Chairing general meetings . . . . .	38
70	Attendance and speaking by directors and non-shareholders . . . . .	38
71	Adjournment . . . . .	39
72	Voting general . . . . .	39
73	Errors and disputes .....	40
74.	Demanding a poll and procedure on a poll .....	40
75	Content of proxy notices .....	40
76	Delivery of proxy notices .....	41
77.	Revocation of proxy notices . . . . .	41
78.	Votes of proxies ... . .	42
79	Written resolutions of shareholders . . . . .	42
80	Amendments to resolutions . . . . .	42
Administrative Arrangements .....		43
81	Exercise of members' rights . . . . .	43
82	Company communications . . . . .	43
83.	Company seals . . . . .	45
84	No right to inspect accounts and other records . . . . .	45
85	Provision for employees on cessation of business . . . . .	45
86	Indemnity and Funds . . . . .	45
87.	Insurance . . . . .	45

Company number. 07942703

**The Companies Act 2006**

**Private company limited by shares**

**Articles of Association**

of

**Valaris Capital Investments Limited ("the Company")**

(as adopted by written special resolution passed on 12 April 2012)

WEDNESDAY

COMPANIES HOUSE

**PART A**

**Interpretation, limitation of liability and other miscellaneous provisions**

**1 Preliminary**

Notwithstanding any other provision of these Articles, no regulations for management of the Company set out in any statute concerning companies or contained in any regulations, order, instrument or other subordinate legislation made pursuant to a statute (including, but not limited to, the regulations contained in the model articles for private companies limited by shares as set out in Schedule 1 to The Companies (Model Articles) Regulations 2008 (SI 2008/3229) (as amended from time to time)) shall apply to the Company. The following shall be the Articles of the Company.

**2 Defined terms**

In these Articles, unless a contrary intention is expressly stated, the following words and expressions shall have the following meanings:

**"A Shares"** means the A ordinary shares of £0.01 each in the capital of the Company.

**"Accounts"** means the audited individual accounts of the Company or, if at the end of the relevant financial year the Company is a parent company and is not exempt from the requirement to produce group accounts, the audited group accounts of the Company and its subsidiary undertaking(s), for each financial year.

**"Acting in Concert"** has the meaning set out in the City Code on Takeovers and Mergers (as amended from time to time).

**"Acts"** means the Companies Acts and every other statute, order, regulation, or other subordinate legislation from time to time in force concerning companies and affecting the Company.

**"alternate" or "alternate director"** has the meaning set out in Article 38 (*Appointment and removal of alternates*).

**"appointor"** has the meaning set out in Article 38 (*Appointment and removal of alternates*).

**"Approved Offer"** means an irrevocable offer in writing that is for all the shares in the capital of the Company on equal terms as if the shares were one class

**"Articles"** means the Company's articles of association as altered or varied from time to time (and **"Article"** means a provision of the Articles)

**"B" Shares** means the B ordinary shares of £0.01 each in the capital of the Company

**"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

**"C" Shares** means the C ordinary shares of £0.01 each in the capital of the Company.

**"CA2006"** means the Companies Act 2006

**"call"** has the meaning set out in Article 43.1 (*Call notices*).

**"call notice"** has the meaning set out in Article 43.1 (*Call notices*).

**"call payment date"** has the meaning set out in Article 47 (*Failure to comply with call notice automatic consequences*)

**"Called Shareholders"** has the meaning set out in Article 16.1 (*Drag along*).

**"Called Shares"** has the meaning set out in Article 16.1 (*Drag along*)

**"capitalised sum"** has the meaning set out in Article 65 (*Authority to capitalise and appropriate of capitalised sum*)

**"Cessation Date"** means the date on which a Leaver ceases to be an Employee

**"Chairman"** means the chairman of the Board appointed pursuant to Article 30 (*Chairing of directors' meetings*)

**"chairman of the meeting"** has the meaning set out in Article 69 (*Chairing general meetings*)

**"Companies Acts"** has the meaning set out in Section 2, CA2006

**"Company's lien"** has the meaning set out in Article 41.1 (*Company's lien*)

**"Conflicted Director"** has the meaning set out in Article 32.1 (*Authorisation of conflicts of interest*)

**"Conflict Situation"** has the meaning set out in Article 32.1 (*Authorisation of conflicts of interest*)

**"Consent (Board)"** means the prior written consent of the Board

**"Consent (Majority Shareholders)"** means the prior written consent of at least 50% of the "A" Shareholders and at least 50% of the "B" Shareholders

**"Consent (Remco)"** means the prior written consent of the Remuneration Committee

**"Controller"** means in relation to a corporate member a person who has the power or ability to direct the management or the policies of that member, whether through the ownership of voting capital, by contract or otherwise



**"Controlling Interest"** means an interest in shares (as defined in Schedule 1 of the CA2006) conferring in aggregate more than 50% of the total voting rights conferred by all the shares in the equity share capital of the Company for the time being in issue

**"D Shares"** means the D ordinary shares of £0.01 each in the capital of the Company

**"Deed of Adherence"** means a deed of adherence to the Investment Agreement substantially in the form set out in the Investment Agreement

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

**"Disposal"** means the sale or other disposal (whether by one transaction or a series of related transactions) of

- (a) the whole or a substantial part of the business and assets of the Company, or
- (b) 50% or more of the issued share capital of any immediate Subsidiary or Subsidiaries to the extent that it or they comprise the whole or a substantial part of the business and assets of the Group

**"distribution recipient"** has the meaning set out in Article 60 (*Payment of dividends and other distributions*)

**"document"** includes, unless otherwise specified, any summons, notice, order, register, certificate or other legal process and includes any such document sent or supplied in electronic form

**"eligible director"** means a director who would have been entitled to vote on the matter had it been proposed as a resolution at a directors' meeting (but excluding any director whose vote is not to be counted in respect of the resolution in question)

**"Employee"** means a person who at the date of the adoption of these Articles or subsequently is employed by, or is a consultant to, any Group Company and/or holds the office of director in any Group Company

**"Employee Trust"** means any trust established by the Board to encourage or facilitate the holding of shares in the Company by bona fide Employees or by any section of such Employees, the trustees of which shall be such persons as the Board shall agree

**"Exit Notice"** has the meaning set out in Article 16.2 (*Drag along*)

**"Exit Option"** has the meaning set out in Article 16.1 (*Drag along*).

**"Family Trust"** means a trust under which

- (a) no immediate beneficial interest in the shares held by it or income from such shares is for the time being or may in the future be vested in any person other than the settler or a Privileged Relation of such settler,
- (b) no power or control over the voting powers conferred by the shares held by it is for the time being exercisable by or subject to the consent of any person other than the trustee or trustees or the settler or a Privileged Relation of such settler.

**"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

**"Further Issue"** has the meaning set out in Article 7 (*Further issues of shares*)

**"Group"** means the Company and its Subsidiaries (if any) for the time being and **"Group Company"** means any of them

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

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

**"Investment Agreement"** means the investment agreement entered into on the same date as the date of adoption of these Articles between the Managers (as defined therein) (1), the Seller Investors (as defined therein) (2), the Third Party Investor (as defined therein) (3) and the Company (4) as that agreement may be amended from time to time.

**"Leaver"** means an Employee who ceases to be so for whatever reason (including death or a Subsidiary ceasing to be a member of the Group) and does not continue to be an Employee by reason of his status in relation to any Group Company

**"Leaver's Shares"** means in relation to a Leaver, all shares in the capital of the Company held by him or his Privileged Relations or their Family Trusts, or any nominees of them

**"Lien enforcement notice"** has the meaning set out in Article 42 (*Enforcement of the Company's lien*)

**"Listing"** means the becoming effective of a listing of any Group Company's securities on a Stock Exchange or the granting of permission for any of any Group Company's securities to be traded on a Stock Exchange and the listing shall be treated as occurring on the day on which trading in the securities began

**"Majority Sellers"** has the meaning set out in Article 16.1 (*Drag along*).

**"Majority Sellers' Shares"** has the meaning set out in Article 16.1 (*Drag along*)

**"Market Price"** means the market value of the shares concerned on the following assumptions and bases

- (a) in relation to any shares other than the "D" Shares, to disregard the rights and restrictions attached to the shares in respect of income, capital and transfer;
- (b) to assume that the sale is on an arms' length basis between a willing vendor and a willing purchaser;
- (c) to disregard whether or not the shares represent a minority or majority interest;
- (d) to take no account of whether the shares do or do not carry control of the Company; and
- (e) if the Company is then carrying on business as a going concern, to assume that it will continue to do so in the same manner as immediately prior to the date of the Transfer Notice or deemed Transfer Notice giving rise to the valuation

**"Offered Shares"** has the meaning set out in Article 13.2 (*Pre-emption procedure*)

**"Original Subscription Price"** means in respect of any shares, the original subscription price (including any premium) paid for that share as adjusted for any Reorganisation of the Company's share capital

**"paid"** means paid or credited as paid

**"participate"**, in relation to a directors' meeting, has the meaning set out in Article 28 (*Participation in directors' meetings*)

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

**"persons entitled"** has the meaning set out in Article 65 1 (*Authority to capitalise and appropriation of capitalised sum*)

**"Pre-emption Purchasers"** has the meaning set out in Article 13 6 (*Pre-emption procedure*) and **"Pre-emption Purchaser"** means any one of them

**"Privileged Relation"** means in relation to a member, the spouse, civil partner or widow, widower or surviving civil partner of the member and the member's children and grandchildren (including step and adopted children and their issue and step and adopted children of the member's children)

**"proxy notice"** has the meaning set out in Article 75 (*Content of proxy notices*).

**"relevant director"** means any director or former director of the Company or any associated company (within the meaning of Section 256, CA2006)

**"relevant loss"** means any costs, charges, losses, expenses and liabilities which have been or may be incurred by a relevant director or other officer in the actual or purported execution or discharge of his duties or in the actual or purported exercise of his powers in relation to the affairs of the Company, any associated company (within the meaning of Section 256, CA2006), any pension fund (including any occupational pension scheme) or any employees' share scheme of the Company or associated company

**"relevant rate"** has the meaning set out in Article 47.2 (*Failure to comply with call notice - automatic consequences*)

**"Relevant Securities"** means all shares, rights to subscribe for shares or to receive them for no consideration and all securities convertible into shares, but excluding

- (a) the grant of options to subscribe for shares under a Share Option Scheme, and the subsequent allotment of those shares,
- (b) the shares proposed to be issued under the Investment Agreement,
- (c) shares issued in order for the Company to comply with its obligations under the Articles (other than Article 7 (*Further issues of shares*));
- (d) any shares to be allotted and issued to an Employee Trust, and
- (e) shares or securities convertible into shares issued in consideration of an acquisition by the Company of any company or business

**"Remuneration Committee"** means the remuneration committee of the Board

**"Reorganisation"** means any return of capital, bonus issue of shares or other securities of the Company by way of capitalisation of profits or reserves or any consolidation or sub-division or any repurchase or redemption of shares or any variation in the subscription price or conversion rate applicable to any outstanding shares of the Company

**"Restricted Shares"** means shares restricted in accordance with Article 11 5 (*Transfer by Leaver*)

**"Sale"** means

- (a) the sale or other disposal (whether by one transaction or a series of related transactions) of 50% or more of the issued share capital of the Company; or
- (b) where the purchaser(s) and its connected persons (within the meaning of Section 252, CA 2006) or associated bodies corporate (within the meaning of Section 256, CA2006), as appropriate, already hold shares in the capital of the Company, the sale or other disposal of such number of shares such that the purchaser(s) and his connected persons or associated bodies corporate, as appropriate, hold 50% or more of the issued share capital of the Company)

**"Sale Price"** has the meaning set out in Article 13.3 (*Pre-emption procedure*)

**"shareholder"** means a person who is the holder of a share

**"Share Option Scheme"** means any share option scheme of the Company for the incentivisation and/or reward of current and/or prospective Employees of the Company and any Group Company

**"Shares"** means the "A" Shares, the "B" Shares and the "C" Shares.

**"shares"** means shares in the Company.

**"Stock Exchange"** means The London Stock Exchange plc (including the Alternative Investment Market operated by The London Stock Exchange plc), PLUS Markets plc (including the PLUS-listed market and PLUS-quoted market operated by PLUS Markets plc) or any other recognised investment exchange (as defined by Section 285, Financial Services and Markets Act 2000) and their respective share dealing markets

**"Subsidiary"** means a subsidiary (as defined in Section 1159, CA2006) or a subsidiary undertaking (as defined in Section 1162, CA2006) and **"Subsidiaries"** shall be construed accordingly

**"Third Party Investors"** means Mr Peter Edward Fordyce and Mr Stephen Paul Currie

**"Third Party Purchaser"** has the meaning set out in Article 16 1 (*Drag along*)

**"Total Transfer Condition"** has the meaning set out in Article 13 2 (*Pre-emption procedure*)

**"Transfer Notice"** has the meaning set out in Article 13 1 (*Pre-emption procedure*)

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

**"Underperformance Event"** has the meaning set out in the Investment Agreement

**"Underperformance Notice"** has the meaning set out in the Investment Agreement

**"Valuer"** means the auditor of the Company or (if the auditor declines to act for such purpose) an independent accountant nominated by agreement between the Board and the transferor(s) or, failing agreement within 10 working days, nominated by the President for the time being of the Institute of Chartered Accountants in England and Wales

**"Wholly-owned Group"** means a body corporate and any holding company of which it is a wholly-owned subsidiary and any other wholly-owned subsidiaries of that holding company (including any wholly-owned subsidiary of the body corporate) with all such terms construed in accordance with the CA2006

"writing" means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods and "written" shall be construed accordingly

### **3 Interpretation**

#### **3 1 In these Articles:**

- (a) words in the singular include the plural and vice versa and words in one gender include any other gender,
- (b) a reference to
  - (i) **"transfer of shares"** or any similar expression shall be deemed to include, in respect of a share in the capital of the Company.
    - (A) any sale or other disposition of the legal or equitable interest in a share (including any voting right attached to a share);
    - (B) the creation of any mortgage, charge, pledge or other encumbrance over any legal or equitable interest in a share,
    - (C) any direction by a person entitled to an allotment or issue of shares that a share be allotted or issued to some other person, and
    - (D) any grant of an option to acquire, or agreement to enter into a grant of an option to acquire, any legal or equitable interest in a share,
  - (ii) **"person"** includes any individual, firm, corporation, body corporate, association, partnership, trust, unincorporated association, employee representative body, government or state or agency or department thereof, executors, administrators or successors in title (whether or not having a separate legal personality),
- (c) the table of contents and headings are for convenience only and do not affect the interpretation of these Articles, and
- (d) general words shall not be given a restrictive meaning
  - (i) if they are introduced by the word "other" or "including" or similar words by reason of the fact that they are preceded by words indicating a particular class of act, matter or thing; or
  - (ii) by reason of the fact that they are followed by particular examples intended to be embraced by those general words.

- 3 2 Unless the context otherwise requires (or unless otherwise defined or stated in these Articles), words or expressions contained in these Articles shall have the same meaning as in the CA2006

### **4 Liability of members**

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

#### **Share capital, rights and transfers**

### **5 Share capital**

- 5 1 Except as otherwise provided in these Articles, the Shares shall rank *pari passu* in all respects but shall constitute separate classes of shares

5 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 ordinary resolution

5 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, and the directors may determine the terms, conditions and manner of redemption of any such shares

5 4 Shares may be issued by the Company which are nil, partly or fully paid

## **6 Rights attaching to shares**

### **6 1 Income**

Any profits resolved to be distributed in any financial year or period shall be distributed amongst the holders of the Shares pro rata according to the number of Shares held (but excluding any "D" Shares)

### **6 2 Capital**

On a return of assets on liquidation or capital reduction or otherwise (except upon the redemption of shares of any class or the purchase by the Company of its own shares), the assets of the Company remaining after the payment of its liabilities shall be distributed amongst the holders of the Shares (but excluding any "D" Shares) (equally as if they were one class of share) in proportion to the number of shares held by them respectively.

### **6.3 Exit provisions**

- (a) Upon a Sale, the members who sell their shares in such Sale will be entitled to share in the proceeds of the Sale in the manner and order of priority set out in Article 6 2.
- (b) Upon a Disposal, the surplus assets of the Company remaining after payment of its liabilities shall be distributed (to the extent that the Company is lawfully permitted to do so) in the order of priority set out in Article 6 2

### **6 4 Voting**

Subject to Article 12 1(d), the holders of the Shares shall have the right to receive notice of and attend and vote and speak at any general meeting of the Company and shall be entitled to vote on any written resolution of the Company. Save, in each case, as provided otherwise in the CA2006, each such holder present in person or by proxy or by representative shall be entitled on a show of hands to one vote and on a poll or written resolution to one vote for each Share held by him.

### **6 5 Redesignation**

Any "B" Shares or "C" Shares transferred to a holder of "A" Shares shall (without further authority than is contained in this Article) forthwith on their transfer be deemed to have been re-designated as "A" Shares (on the basis of one "A" Share for every one "B" Share or "C" Share) having all the rights, privileges and restrictions attaching to the "A" Shares

Any "A" Shares or "C" Shares transferred to a holder of "B" Shares shall (without further authority than is contained in this Article) forthwith on their transfer be deemed to have been re-designated as "B" Shares (on the basis of one "B" Share for every one "A" Share or "C" Share) having all the rights, privileges and restrictions attaching to the "B" Shares

Any "A" Shares or "B" Shares transferred to a holder of "C" Shares shall (without further authority than is contained in this Article) forthwith on their transfer be deemed to have been re-designated as "C" Shares (on the basis of one "C" Share for every one "A" Share or "B" Share) having all the rights, privileges and restrictions attaching to the "C" Shares

**7 Further issues of shares**

- 7.1 Any Relevant Securities to be granted or allotted by the Company ("**Further Issue**") shall first be offered to the holders of the Shares by way of written offer in the same proportion as nearly as possible as the nominal amount of their existing holding of Shares bears to the total nominal amount of the Shares in issue and such offers shall, subject to Article 7.8, be open for acceptance for not less than 14 days from the latest date of despatch of the written offer to the members
- 7.2 Each offer under clause 7.1 shall be conditional upon the holder also subscribing for the same proportion of any debt instrument to be issued in connection with the issue of the Relevant Securities as nearly as possible as the nominal amount of Relevant Securities actually granted or allotted to the member bears to the total nominal amount of Relevant Securities actually granted or allotted under the relevant Further Issue
- 7.3 When applying for his allocation, it shall be open to each such holder to specify the number of Relevant Securities in excess of his proportionate entitlement for which he is willing to subscribe
- 7.4 If the total number of Relevant Securities applied for pursuant to an offer made under Article 7.1 is
- (a) equal to or less than the number of Relevant Securities available, the Relevant Securities shall be allocated in satisfaction of the applications received; or
  - (b) more than the number of Relevant Securities available, the Board shall allocate Relevant Securities in accordance with the following formula. This formula shall be applied repeatedly until there are no Relevant Securities remaining to be allocated. Each application of the formula is referred to below as an "iteration"

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

A is the number of Relevant Securities to be allocated to the relevant member in the iteration

B is the number of Shares held by the relevant member

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

D is the number of Relevant Securities or, after the first iteration, the number of Relevant Securities remaining unallocated by previous iterations

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

- 7.5 The Board shall notify each member who applied for Relevant Securities of the number of Relevant Securities that have been allocated and the persons to whom they have been allocated. The notification shall include the place and time (being not later than 14 days after the latest date by which applications had to be received) at which the allotment of the Relevant Securities shall be completed provided that where a debt instrument is also to be issued, each member must also subscribe and pay in full for his proportion of such debt instrument at the same time as he subscribes and pays for the Relevant Securities

- 7 6 Any Relevant Securities and debt instrument not accepted or subscribed for by the members shall be at the disposal of the directors who may (within a period of 3 months from the end of the last offer period under Article 7 4), allot, grant options over or otherwise dispose of the same to such persons at a price per share and on terms no less favourable than that/those at which the same were offered to the holders of Shares, and otherwise on such terms as they think proper.
- 7 7 Pursuant to Section 567, CA2006, sub-section (1) of Section 561, CA2006 and sub-sections (1) to (5) inclusive of Section 562, CA2006 shall be excluded from applying to the Company.
- 7 8 If an Underperformance Event subsists, then any offer made pursuant to the provisions of this Article 7 to acquire shares shall be open for acceptance for not less than 14 days from the relevant Underperformance Event occurring and the remaining provisions of this Article 7 shall apply (*mutatis mutandis*) to any such offer

## 8 Dispute

In the event of disagreement as to whether any dividend, shares or Relevant Securities shall be due under the provisions of these Articles to the holders of any class of share capital in the Company, or as to the amount of such dividend or number of such shares or Relevant Securities, any such disagreement shall be referred to the auditor of the Company or, if it should decline to act for this purpose, to an umpire (acting as expert and not as arbitrator) nominated by the parties concerned (or in the event of disagreement as to nomination by the President for the time being of the Institute of Chartered Accountants in England and Wales on application by any such party) whose decision shall be final and binding (save in the case of fraud or manifest error) and the costs of such umpire shall be borne equally by the parties to the dispute or disagreement or as the umpire shall otherwise determine.

## 9 Variation of class rights

- 9 1 Whenever the share capital of the Company is divided into different classes of shares, the rights attached to any class may, whether or not the Company is being wound up, be varied, modified, abrogated or cancelled only with the consent in writing of the holders of 75% of the issued shares of that class
- 9 2 Without prejudice to the generality of this Article 9, the special rights attached to a class of Shares shall be deemed to be varied by.
- (a) the modification, variation, alteration or abrogation of the rights attached to any of the classes of share capital of any Group Company; or
  - (b) the passing of any resolution amending the Articles

## 10 Permitted transfers

### 10 1 *Transfers to Privileged Relations, Family Trusts and nominees*

The Remuneration Committee may at its complete discretion provide Consent (Remco), in each case on such terms and with such restrictions as the committee may determine, to the transfer by any member being an Employee or a Seller Investor of any number of the Shares held by him at the date of adoption of these Articles to a Privileged Relation

### 10 2 *Transfers by corporate shareholders*

A corporate member may at any time transfer shares to another member of its Wholly-owned Group

### 10 3 *Transfers with consent*

A transfer of shares may be made to any person with Consent (Remco).



#### **10.4 Transfers to and from the Employee Trust**

Any member may at any time transfer shares to the trustees of the Employee Trust and the trustees of the Employee Trust may transfer any shares

- (a) upon change of trustees, to the new or remaining trustee or trustees for the time being of the Employee Trust, and
- (b) with Consent (Board), to any bona fide Employees on their becoming entitled to the same under the terms of the Employee Trust

#### **11 Mandatory transfers**

##### **11.1 Transfer on change of control of corporate member**

If a corporate member holding shares transferred to it under Article 10.2 ceases to be a member of the same Wholly-owned Group as the original corporate member who held them, the corporate member then holding those shares shall without delay notify the Company that this event has occurred and shall be deemed to have served the Company with a Transfer Notice in respect of all such shares as at the date on which it ceased to be a member of the relevant Wholly-owned Group and such shares may not otherwise be transferred.

##### **11.2 Transfer on death or bankruptcy of member**

A person entitled to a share or shares in consequence of the death of a member (save where such member becomes a Leaver) or the bankruptcy of a member:

- (a) shall be deemed to have served the Company with a Transfer Notice in respect of all such share(s) on the date of death or bankruptcy (as appropriate and the provisions of Article 13 shall apply; and
- (b) shall be bound by any notice given to the member in respect of the shares

##### **11.3 Transfer on insolvency of corporate member**

If a corporate member either suffers or resolves for the appointment of a liquidator, administrator or administrative or other receiver over it or any material part of its assets or enters into an arrangement with its creditors, the relevant member shall be deemed to have given a Transfer Notice in respect of all the shares held by it as at the date of such liquidation, administration, administrative or other receivership or arrangement and the provisions of Article 13 shall apply)

##### **11.4 Deemed Transfer Notice**

Save where these Articles expressly provide otherwise, if in any case under the provisions of these Articles

- (a) the directors require a Transfer Notice to be given in respect of any shares, or
- (b) a person has become bound to give a Transfer Notice in respect of any shares,

and such a Transfer Notice is not duly given within a period of two weeks of demand being made or within the period allowed thereafter respectively a Transfer Notice shall be deemed to have been given at the expiration of the said period

##### **11.5 Effect on share rights**

- (a) The provisions of this Article 11.5 apply

- (i) from the date of the Transfer Notice or deemed Transfer Notice to any shares which become subject to a Transfer Notice or deemed Transfer Notice served under the provisions of this Article 11, and
  - (ii) from the date of issue to any shares issued to the proposed transferor under a Transfer Notice or deemed Transfer Notice served under the provisions of this Article 11 where such shares are issued after the date of such Transfer Notice or deemed Transfer Notice (whether by virtue of the exercise of any right or option granted or arising by virtue of the holding of the shares or otherwise),
- (b) Any shares to which this Article 11.5 applies shall cease to confer the right to be entitled to receive notice of or to attend or vote at any general meeting or on any written resolution of the Company or at any meeting or on any written resolution of the holders of any class of shares in the capital of the Company and such shares shall not be counted in determining the total number of votes which may be cast at any such meeting or required for the purposes of a written resolution of any members or class of members or any consent under these Articles or otherwise. Such rights shall be restored immediately upon a Sale, a Listing or the Company registering a transfer of the relevant shares pursuant to these Articles.

## 12 Employee shares

For the avoidance of doubt, this article 12 shall not apply to

- (a) any holder of A Shares, and
- (b) the Shares held by Mark Kirkbride which represent up to 12.5% of the number of Shares in issue at the date of adoption of these Articles (but this article 12 shall apply to Mark Kirkbride in relation to any Shares he holds which are in excess of the number of Shares representing more than 12.5% of the number of Shares in issue at the date of adoption of these Articles)

### 12.1 *Transfer by Leaver*

Unless Consent (Remco) to the contrary is given, if an Employee becomes a Leaver

- (a) a Transfer Notice shall be deemed to have been served on the Cessation Date in respect of the Leaver's Shares and the provisions of Article 13 shall apply;
- (b) any existing Transfer Notice relating to the relevant Leaver's Shares or any of them in force at the Cessation Date shall immediately be cancelled (unless the transferee(s) are bound to pay for such shares and the transferor(s) are bound to transfer them in accordance with Article 13.7) and no further Transfer Notice shall be issued or be deemed to be issued in respect of the relevant Leaver's Shares except pursuant to this Article 12.1,
- (c) no Leaver's Shares shall be transferred pursuant to Article 10 until the Leaver can no longer be bound to transfer them under this Article 12.1 or Article 13, and
- (d) all Leaver's Shares subject to a deemed Transfer Notice under Article 12.1(a) (and any shares issued to the Leaver after the Cessation Date whether by virtue of the exercise of any right or option granted or arising by virtue of the holding of the Leaver's Shares or otherwise) and any Shares held by the Leaver, their Privileged Relation or their Family Trusts, or any nominees of theirs, shall cease to confer the right to be entitled to receive notice of or to attend or vote at any general meeting or on any written resolution of the Company or at any meeting or on any written resolution of the holders of any class of shares in the capital of the Company and such shares shall not be counted in determining the total number of votes which may be cast at any such meeting or required for the purposes of a written resolution of any members or class of members or any consent under these Articles or otherwise. Such rights shall be

restored immediately upon a Sale, a Listing or the Company registering a transfer of the relevant Leaver's Shares pursuant to these Articles

## 12.2 **Price of Leaver's Shares**

The price for the Leaver's Shares shall be the price agreed by the Leaver and the Remuneration Committee save that if agreement is not reached within 14 days of the Cessation Date the Leaver or the Remuneration Committee may refer determination of the price to a Valuer in accordance with the following provisions but in any particular case the Leaver and the Remuneration Committee may agree to substitute another higher price:

- (a) if the Leaver ceases to be an Employee as a result of his death, long term illness, permanent disablement, unfair dismissal or a Subsidiary ceasing to be a member of the Group, the price payable for the Leaver's Shares shall be Market Price, and
- (b) if the Leaver ceases to be an Employee for any other reason, the price payable for the Leaver's Shares shall be the lower of the price paid by the Leaver (whether by purchase or subscription (including any premium paid on any such subscription)) and Market Price

## 13 **Pre-emption procedure**

13.1 Except as permitted in these Articles, any member who desires to transfer (or enter into an agreement to transfer) any interest in his shares must first obtain Consent (Remco) to such transfer and offer them to the other members as set out in Article 13.4. The offer may be in respect of all or part only of the shares held by the proposing transferor and shall be made by the proposing transferor by notice in writing to the Company (a "**Transfer Notice**").

13.2 The Transfer Notice shall specify the number and class of shares offered (the "**Offered Shares**") and the name and address of the proposed transferee(s) (if any). Save where it is required or deemed to be given under Article 11, the Transfer Notice may contain a provision that, unless all the Offered Shares are sold under this Article, none shall be sold ("**Total Transfer Condition**") and that provision shall have effect. The Transfer Notice shall constitute the directors as the agent of the proposing transferor for the sale of the Offered Shares at the Sale Price. Upon receipt, the Company shall send all Shareholders a copy of the Transfer Notice (or if appropriate, notify all Shareholders that a Transfer Notice is deemed to have been given). Save for as set out in Article 14.3, a Transfer Notice may not be varied or revoked other than with Consent (Remco).

13.3 The Sale Price means

- (a) in the case of a deemed Transfer Notice in respect of Leaver's Shares, the price determined in accordance with Article 12.2,
- (b) in the case of a deemed Transfer Notice (other than in respect of Leaver's Shares), the Market Price as at the date of the deemed Transfer Notice as agreed between the transferor and the Board save that if agreement is not reached within 10 working days of the day on which the Transfer Notice is deemed to be given, either the transferor or the Board may refer determination of the Market Price to a Valuer; and
- (c) in all other cases, the price specified in the Transfer Notice by the proposing transferor or, if none is specified, the Market Price as at the date of the Transfer Notice as agreed between the transferor and the Board save that if agreement is not reached within 10 working days of the day on which the Transfer Notice is given, either the transferor or the Board may refer determination of the Market Price to a Valuer

13.4 As soon as practicable after determination of the Sale Price, the Board shall offer any Offered Shares in accordance with this Article 13.4. The Board

- (a) Shall direct that all or some of such shares be transferred to one or more Board Invitees and/or to any Employee Trust,
- (b) May, to the extent that it does not direct as set out in (a) above, accept the offer in respect of some or all of the shares itself provided the purchase is permitted by the Companies Acts and prior Consent (Remco) is obtained,
- (c) Shall, to the extent that the Shares are Leaver's Shares and to the extent that it does not direct as set out in (a) and (b) above, direct that all or some of such shares be offered to the Managers pro rata to their holdings of Shares (other than to any Manager that is the Leaver);
- (d) Shall, to the extent that the Shares are Leaver's Shares, to the extent that it does not direct as set out in (a) or (b) above, and following any offers made under (c) above, direct that all of such shares be offered to the Shareholders who are not Managers pro rata to their holdings of Shares,
- (e) Shall, to the extent that the Shares are not Leaver's Shares and to the extent that it does not direct as set out in (a) or (b) above, direct that all of such shares be offered to all of the Shareholders pro rata to their holdings of Shares, and
- (f) May, to the extent that Shares remain unallocated following offers made under any of the above sub-clauses, with Consent (Remco), offer some or all of such unallocated shares to any third parties

Any Offered Shares declined by a proposed offeree under any of the above sub-clauses within 20 working days of the offer to it being made will immediately be offered to the members in the next relevant sub-clause

- 13.5 As soon as practicable after the determination of the Sale Price, the directors shall give notice to all the members (other than the proposing transferor) of the number and description of the Offered Shares, the Sale Price and whether or not the Offered Shares are subject to a Total Transfer Condition. The Board shall by notice make the offers of the Offered Shares in the order set out in Article 13.4. Each offer notice shall be capable of acceptance within 10 working days of such notice being given and an accepting offeree shall state in writing to the Company whether he is willing to purchase any of the Offered Shares, and if so the maximum number. The directors shall at the same time give a copy of any such notices to the proposing transferor.
- 13.6 On the expiration of each 10 working day period the directors shall allocate the relevant Offered Shares to or amongst the members who have accepted the invitation ("**Pre-emption Purchasers**") (excluding Restricted Shares) on a *pari passu* basis (as if they were one class of shares) pro rata to their existing holdings but so that the number allocated shall not exceed the maximum which such holders have expressed a willingness to purchase.
- 13.7 On the allocation being made, the directors shall give details of the allocation in writing to the proposing transferor and each Pre-emption Purchaser and, on the 5th working day after such details are given, the Pre-emption Purchasers to whom the allocation has been made shall be bound to pay the Sale Price for, and to accept a transfer of, the Offered Shares allocated to them respectively and the proposing transferor shall be bound, on payment of the Sale Price, to transfer the Offered Shares to the respective Pre-emption Purchasers to whom the allocation has been made.
- 13.8 If the proposing transferor after becoming bound to transfer any or all of the Offered Shares fails to do so, the Company may receive the Sale Price and the directors may appoint a person (acting as agent for the transferor(s)) to execute instruments of transfer of the Offered Shares in favour of the Pre-emption Purchasers to whom the allocation has been made and shall (subject only to stamping of the transfers, if required) cause the names of those Pre-emption Purchasers to be entered in the register of members of the Company as the holders of the Offered Shares and shall hold the Sale Price on trust for the proposing transferor. The receipt

of the Company shall be a good discharge to those Pre-emption Purchasers and, after their names have been entered in the register of members of the Company under this provision, the validity of the transactions shall not be questioned by any person

**14 Valuation**

- 14 1 Any Valuer appointed under these Articles shall be considered to be acting as an expert and not as an arbitrator and its decision shall be final and binding on the parties (in the absence of fraud or manifest error)
- 14 2 The Board will give the Valuer access to all accounting records or other relevant documents of the Company subject to them agreeing such confidentiality provisions as the Board may reasonably impose.
- 14.3 The Valuer shall be requested to reach its determination within 20 working days of its appointment and to notify the Board of its determination. The Board shall deliver a copy of the determination to the relevant transferor(s) (or their agent) as soon as reasonably practicable after receipt. Save where the valuation relates to a Transfer Notice which is required or deemed to be given under Articles 11 or 12, the transferor may revoke the Transfer Notice by written notice to the Company within 5 working days of the service on him (or his agent) of the Valuer's determination
- 14 4 The fees, expenses and any other charges of the Valuer in respect of a valuation shall be borne:
- (a) by the relevant transferor if the last price proposed by him (or by the Leaver if the valuation is in respect of Leaver's Shares) before the matter was referred to the Valuer exceeds the price certified by the Valuer by 10% or more of such certified price,
  - (b) by the Company if the last price proposed by the Board before the matter was referred to the Valuer is lower than the price certified by the Valuer by 10% or more of such certified price, and
  - (c) otherwise, as to 50% by the relevant transferor(s) and 50% by the Company.

**15. Tag along**

- 15 1 Except as permitted by Article 10 or required by Articles 11 and 12, no sale or transfer of any interest in any Shares may be made or validly registered if, as a result of such sale or transfer and registration, a Controlling Interest in the Company would be obtained by a person or persons Acting in Concert unless such persons are bona fide arms' length purchasers and have made an Approved Offer
- 15 2 Any transfer of shares pursuant to an Approved Offer shall not be subject to the restrictions on transfer contained in these Articles.

**16 Drag along**

- 16 1 If the holders of 50% or more of the "A" Shares and the holders of 50% or more of the "B" Shares in issue for the time being (the "**Majority Sellers**") wish to transfer all their interest in Shares (the "**Majority Sellers' Shares**") to a bona fide purchaser or purchasers Acting in Concert (the "**Third Party Purchaser**") who has made an Approved Offer, the Majority Sellers shall have the option (the "**Exit Option**") to require
- (a) all the other members, and
  - (b) any holders of any options or other rights to acquire or convert an interest into shares (which is fully and unconditionally exercisable) to exercise them,

(together the "Called Shareholders") to sell and transfer all their shares, including those allotted pursuant to such exercise or conversion (the "Called Shares") to the Third Party Purchaser or as the Third Party Purchaser shall direct in accordance with the provisions of Articles 16 2 to 16 8 below.

- 16 2 The Majority Sellers may exercise the Exit Option by giving a written notice to that effect (an "Exit Notice") at any time before the transfer of the Majority Sellers' Shares to the Third Party Purchaser. An Exit Notice shall specify that the Called Shareholders are required to transfer all their Called Shares pursuant to this Article, the person to whom they are to be transferred, the consideration for which the Called Shares are to be transferred (calculated in accordance with this Article) and the proposed date of transfer which shall be at least 5 working days after the date on which the Exit Notice is served.
- 16.3 Exit Notices shall be irrevocable but shall lapse if for any reason there is not a sale of the Majority Sellers' Shares by the Majority Sellers to the Third Party Purchaser within 30 working days after the date of service of the Exit Notice. The Majority Sellers shall be entitled to serve further Exit Notices following the lapse of any particular Exit Notice.
- 16 4 The Called Shares shall be acquired on the same terms and conditions (including time of payment and form of consideration) for which the Majority Sellers shall have agreed to sell.
- 16 5 Completion of the sale of the Called Shares shall take place on the same date as the date proposed for completion of the sale of the Majority Sellers' Shares unless the relevant Called Shareholder and the Majority Sellers agree otherwise.
- 16 6 The restrictions in Article 13 shall not arise on any transfer of shares to a Third Party Purchaser (or as they may direct) pursuant to a sale in respect of which an Exit Notice has been duly served in accordance with Article 16 2.
- 16 7 If any Called Shareholder fails to complete the sale of his Called Shares in accordance with this Article 16, he shall be deemed to have irrevocably appointed any person nominated for the purpose by the Majority Sellers to be his agent and attorney to execute all necessary transfer(s), power(s) of attorney relating to the rights attached to his Called Shares and indemnities for missing share certificate(s) on his behalf and, against receipt by the Company of the purchase monies or any other consideration payable for the Called Shares (held on trust for the relevant Called Shareholder), to deliver such transfer(s), power(s) and indemnities to the Third Party Purchaser (or as he may direct). The directors shall (subject only to stamping of the transfers, if required) immediately register the Third Party Purchaser (or as he may direct) as the holder of the relevant Called Shares. After the Third Party Purchaser (or his nominee) has been registered as the holder of the relevant Called Shares, the validity of such proceedings shall not be questioned by any person. It shall be no impediment to registration of shares under this Article 16 7 that no share certificate has been produced.
- 16 8 Upon any person, following the issue of an Exit Notice which has not lapsed, exercising a pre-existing option to acquire shares, whether or not such person is registered as a member of the Company, an Exit Notice shall be deemed to have been served upon such person on the same terms as the previous Exit Notice who shall thereupon be bound to sell and transfer all such shares acquired by him to the Third Party Purchaser or as the Third Party Purchaser may direct and the provisions of this Article 16 shall apply mutatis mutandis to such person save that completion of the sale of such shares shall take place immediately upon the Exit Notice being deemed served on such person where completion of the transfer of the Called Shares has already taken place.
- 17 **Registration**
- 17 1 The directors shall refuse to register.
- (a) a purported transfer of any share not made under or permitted by Articles 10 to 16,

- (b) a purported transfer of any share on a Sale where the proceeds of such Sale are not distributed in accordance with Article 6 3(a),
  - (c) an allottee or transferee of shares or a person entitled to shares by transmission (unless he is already a party to the Investment Agreement, the transfer is pursuant to an Approved Offer) until he has executed a Deed of Adherence under which he undertakes to adhere to and be bound by the provisions of the Investment Agreement as if he were an original party to it and an original copy of this Deed of Adherence has been delivered to the Company; and/or
  - (d) a transfer to an Employee or prospective Employee until such Employee has made an election pursuant to Section 431(1), Income Tax (Earnings and Pensions) Act 2003, in the form prescribed by HMRC, to elect that the market value of the shares or securities covered by the election is to be calculated as if the shares or securities were not restricted and that Sections 425 to 430, Income Tax (Earnings and Pensions) Act 2003 do not apply to such shares or securities
- 17 2 The directors may in their absolute discretion refuse to register a transfer of any share, whether or not it is a fully paid share and whether or not the Company has a lien on such share (save that (in the absence of fraud) the directors shall have no such discretion in respect of and shall register a transfer of shares made under or permitted by Articles 10 to 16)
- 17 3 For the purposes of ensuring that a transfer of shares is duly authorised or that no circumstances have arisen whereby a Transfer Notice is required to be given the directors may at the Company's expense request any member or past member or the personal representative or trustee in bankruptcy, administrative receiver or liquidator or administrator of any member or any person named as transferee in any instrument of transfer lodged for registration to furnish to the Company such information and evidence as the directors may reasonably think fit regarding any matter which they may deem relevant to such purpose.
- 17 4 Failing such information or evidence being furnished to the reasonable satisfaction of the directors within 10 working days after such request or if such information or evidence discloses that the transfer was made in breach of these Articles (including that a Transfer Notice ought to have been given in respect of any shares)
- (a) the directors shall be entitled to refuse to register the transfer in question,
  - (b) the relevant shares shall cease to confer upon the holder of them (or any proxy) any rights
    - (i) to vote on a show of hands or poll at a general meeting of the Company or at any meeting of the class of shares in question or on any written resolution of the Company or the class of shares in question, or
    - (ii) to receive dividends or other distributions otherwise attaching to the shares or to receive any further shares issued in respect of those shares, and
  - (c) the directors may by notice in writing require that a Transfer Notice be given forthwith in respect of all the shares concerned
- 17 5 Any transfer of a share by way of sale which is required to be made under these Articles will be deemed to include a warranty that the transferor sells with full title guarantee
- 17 6 No share shall be issued or transferred to any undischarged bankrupt or a person who lacks mental capacity.

## **PART B**

### **Directors**

#### **Number and appointment of directors**

##### **18 Number of directors**

- 18 1 The number of directors (other than alternate directors) shall not be less than 2 nor more than 6

##### **19. Methods of appointing directors**

- 19 1 Subject to these Articles, and provided that the appointment does not cause the number of directors to exceed the maximum number set out in Article 18, 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.

- 19 2 In any case where, as a result of death or bankruptcy, the Company has no shareholders and no directors, the transmittee of the last shareholder to have died or to have had a bankruptcy order made against him, as the case may be, shall have the right, by notice in writing to the Company, to appoint any one person to be a director, provided such person is a natural person in accordance with Section 155, CA2006 and provided such person is willing to be so appointed and is otherwise permitted by law to be a director of the Company

- 19 3 For the purposes of Article 19 2, where two or more shareholders die in circumstances rendering it uncertain who was the last to die, a younger shareholder is deemed to have survived an older shareholder.

- 19 4 The Board may appoint a Chairman

##### **20 Termination of director's appointment**

A person ceases to be a director as soon as

- (a) that person ceases to be a director by virtue of any provision of the CA2006 or is prohibited from being a director by law;
- (b) a bankruptcy order is made against that person,
- (c) a composition is made with that person's creditors generally in satisfaction of that person's debts,
- (d) a registered medical practitioner who is treating that person gives a written opinion to the Company stating that that person has become physically or mentally incapable of acting as a director and may remain so for more than three months,
- (e) by reason of that person's mental health, a court having jurisdiction (whether in the United Kingdom or elsewhere) makes an order which wholly or partly prevents that person from personally exercising any powers or rights which that person would otherwise have;
- (f) notification is received by the Company from the director that the director is resigning from office, and such resignation has taken effect in accordance with its terms; or



- (g) that person has, for more than six consecutive months, been absent without permission of the directors from meetings of directors held during that period and the directors make a decision that that person's office be vacated

### **Directors' powers and responsibilities**

#### **21 Directors' general authority**

- 21 1 Subject to these 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

#### **22 Shareholders' reserve power**

- 22 1 The shareholders may, by special resolution, direct the directors to take, or refrain from taking, specified action
- 22 2 No such special resolution invalidates anything which the directors have done before the passing of the resolution.

#### **23 Directors may delegate**

- 23.1 Subject to these Articles, the directors may delegate any of the powers which are conferred on them under these 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 (including whether any such delegation shall be made either collaterally with or to the exclusion of the powers otherwise conferred on the directors under these Articles).

- 23 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
- 23 3 The directors may revoke any delegation in whole or part, or alter its terms and conditions

#### **24 Committees**

- 24 1 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 these Articles which govern the taking of decisions by directors
- 24 2 The directors may make rules of procedure for all or any committees, which prevail over rules derived from these Articles if they are not consistent with them

### **Decision-making by directors**

#### **25 Directors to take decisions collectively**

- 25.1 The general rule about decision-making by directors is that, save as otherwise provided for in these Articles, any decision of the directors must be either a majority decision at a meeting or a decision taken in accordance with Article 26 (*Unanimous decisions*)

- 25 2 At any meeting of the directors each director (or his alternate director) present at the meeting shall be entitled to one vote save that if any Underperformance Event subsists then for the period while such Underperformance Event subsists, subject to the terms of the Investment Agreement, the voting rights conferred on any one or more directors appointed by the Seller Investors shall represent 75% of the voting rights conferred on all directors after the application of this enhancement
- 26 **Unanimous decisions**
- 26 1 A decision of the directors is taken in accordance with this Article when all eligible directors indicate to each other by any means.
- 26.2 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
- 26 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 held to discuss the matter in question.
27. **Calling a directors' meeting**
- 27.1 Any director may call a directors' meeting by giving notice of the meeting to the directors or by authorising the Company secretary (if any) to give such notice
- 27 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
- 27 3 Notice of a directors' meeting must be given to each director and must be given in writing
- 27 4 At least 5 working days' notice of each directors' meeting shall be given in accordance with these Articles
- 27 5 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
- 28 **Participation in directors' meetings**
- 28 1 Subject to these Articles, directors participate in a directors' meeting, or part of a directors' meeting, when
- (a) the meeting has been called and takes place in accordance with these Articles, and
  - (b) they can each communicate orally including by means of telephone, video conference or other audio or audio-visual link to the others any information or opinions they have on any particular item of the business of the meeting
- 28 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, provided that all persons participating in the meeting can hear each other

- 28 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

**29 Quorum for directors' meetings**

- 29 1 At a directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting

- 29 2 The quorum necessary for the transaction of business of the directors is 2 eligible directors, save that where there is a sole director, the quorum is one

- 29 3 If the total number of directors for the time being is less than the quorum required, the directors must not take any decision other than a decision

(a) to appoint further directors, or

(b) to call a general meeting so as to enable the shareholders to appoint further directors

**30 Chairing of directors' meetings**

- 30.1 If a Chairman has been appointed pursuant to Article 19 4, he shall chair directors' meetings if present and willing to do so. If a Chairman has not been so appointed, the directors may appoint a director to chair their meetings

- 30 2 If the directors appoint a director to chair their meetings, the person so appointed for the time being is known as the Chairman and the directors may terminate his appointment at any time.

- 30 3 If the Chairman is unwilling to chair a directors' meeting or is not participating in a directors' meeting within ten minutes of the time at which it was to start or, if at any time during the meeting, the Chairman ceases to be a participating director, the participating directors must appoint one of themselves to chair it (or chair such part of it in relation to which the Chairman ceases to be a participating director, as the case may be)

**31 Casting vote**

If, at a meeting of the directors, the numbers of votes for and against a proposal are equal, the Chairman or other director appointed to chair the meeting pursuant to these Articles shall not have a casting vote.

**32 Authorisation of conflicts of interest**

- 32 1 Subject to and in accordance with the CA2006

(a) the directors may authorise any matter or situation arising on or after 1 October 2008 in which a director (the "**Conflicted Director**") has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company (including, without limitation, in relation to the exploitation of any property, information or opportunity, whether or not the Company could take advantage of it) and for this purpose a conflict of interest includes a conflict of interest and duty and a conflict of duties (the "**Conflict Situation**"),

(b) any authorisation given in accordance with this Article 32 may be made on such terms and subject to such conditions and/or limitations as the directors may, in their absolute discretion, determine (including, without limitation, excluding the Conflicted Director and any other interested director from certain directors' meetings, withholding from him or them certain Board or other papers and/or denying him or them access to certain confidential Company information) and such terms, conditions and/or limitations may be imposed at the time of or after the authorisation and may be subsequently varied or terminated, and

- (c) in considering any request for authorisation in respect of a Conflict Situation, the directors shall be entitled to exclude the Conflicted Director from any meeting or other discussion (whether oral or written) concerning the authorisation of such Conflict Situation and they shall also be entitled to withhold from such Conflicted Director any Board or other papers concerning the authorisation of such Conflict Situation

32 2 If any Conflict Situation is authorised or otherwise permitted under these Articles, the Conflicted Director (for as long as he reasonably believes such Conflict Situation subsists)

- (a) shall not be required to disclose to the Company (including the directors or any committee) any confidential information relating to such Conflict Situation which he obtains or has obtained otherwise than in his capacity as a director of the Company, if to make such disclosure would give rise to a breach of duty or breach of obligation of confidence owed by him to another person,
- (b) shall be entitled to attend or absent himself from all or any meetings of the directors (or any committee) at which anything relating to such Conflict Situation will or may be discussed, and
- (c) shall be entitled to make such arrangements as he thinks fit to receive or not to receive documents or information (including, without limitation, directors' papers (or those of any committee of the directors)) relating to any such Conflict Situation and/or for such documents or information to be received and read by a professional adviser on his behalf,

and in so doing, such Conflicted Director shall not be in breach of any general duty he owes to the Company pursuant to Sections 171 to 177 (inclusive), CA2006 and the provisions of this Article 32 shall be without prejudice to any equitable principle or rule of law which may excuse the Conflicted Director from disclosing information or attending meetings or receiving documents or information, in circumstances where such disclosure, attendance or receipt would otherwise be required under these Articles.

32 3 Provided permitted by the Acts, and provided he has disclosed to the other directors the nature and extent of his interest pursuant to Section 177 or Section 182, CA2006 or otherwise in accordance with these Articles (as the case may be), a director, notwithstanding his office

- (a) may be a party to, or otherwise directly or indirectly interested in any contract, arrangement, transaction or proposal with the Company or in which the Company is otherwise interested and may hold any other office or place of profit under the Company (except that of auditor or of auditor of a Subsidiary) in addition to the office of director and may act by himself or through his firm in a professional capacity for the Company and in any such case on such terms as to remuneration and otherwise as the directors may arrange either in addition to or in lieu of any remuneration provided for by any other Article,
- (b) may be a member, director or other officer of, or employed by, or hold any other office or position with, or be directly or indirectly interested in, any contract, arrangement, transaction or proposal with or a party to or otherwise directly or indirectly interested in, any Group Company,
- (c) shall not, by reason of his office, be liable to account to the Company for any dividend, profit, remuneration, superannuation payment or other benefit which he derives from.
  - (i) any matter, office, employment or position which relates to a Conflict Situation authorised in accordance with Article 32 1; or
  - (ii) any office, employment, contract, arrangement, transaction or proposal or other interest permitted pursuant to paragraphs (a) and (b) of this Article 32 3,

and no contract, arrangement, transaction or proposal shall be avoided on the grounds of any director having any such interest or receiving any such dividend, profit, remuneration, superannuation, payment or other benefit authorised in accordance with Article 32.1 or permitted pursuant to paragraphs (a) or (b) of this Article 32.3 and the receipt of any such dividend, profit, remuneration, superannuation, payment or other benefit so authorised or permitted shall not constitute a breach of the duty not to accept benefits from third parties as set out in Section 176, CA2006

- 32.4 For the avoidance of doubt, a director may be or become subject to one or more Conflict Situations as a result of any matter referred to in paragraph (b) of Article 32.3 without requiring authorisation under the provisions of Article 32.1 provided he has declared, as soon as reasonably practicable, the nature and extent of his interest in the Conflict Situation. The provisions of Section 177(2), Section 177(3), Section 177(5), Section 177(6), Section 184 and Section 185, CA2006 shall be applied (with any necessary modifications) in respect of any declaration required pursuant to this Article

### **33 Directors may have interests and vote and count for quorum**

- 33.1 Subject to Section 175(6), CA2006 and save as otherwise provided in these Articles, a director may vote at any meeting of the directors or any meeting of any committee of which he is a member on any resolution and a director may participate in the transaction of the business of the directors and count in the quorum at any such meeting of the directors or meeting of any committee of which he is a member notwithstanding that it concerns or relates in any way to a matter in which he has directly or indirectly any kind of interest or duty. This Article does not affect any obligation of a director to disclose any such interest, whether pursuant to Section 177, CA2006, Section 182, CA2006 or otherwise.
- 33.2 Subject to Article 33.3, 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 (except in a case where the nature or extent of any interest of the director has not been fairly disclosed).
- 33.3 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

### **34 Records of 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 unanimous or majority decision taken by the directors. Notwithstanding the provisions of Article 25, where the Company only has one director, the provisions of this Article 34 shall apply to any decision taken by such director, howsoever taken by him

### **35 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

## **Remuneration of Directors**

### **36 Directors' remuneration**

- 36.1 Directors may undertake any services for the Company that the directors decide

- 36 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,
- (provided that any remuneration for their services to the Company as directors pursuant to Article 36 2(a) shall not exceed £10,000 per annum for each director)

36 3 Subject to these 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

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

36 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 Subsidiaries or of any other body corporate in which the Company is interested

### 37 Directors' expenses

The Company may pay any reasonable expenses which the directors and the Company secretary (if any) properly incur in connection with their attendance at (or returning from)

- (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 business of the Company, the exercise of their powers and the discharge of their duties and responsibilities in relation to the Company

### Alternate directors

#### 38 Appointment and removal of alternates

38.1 Any director (other than an alternate director) (the "appointor") may appoint as an alternate any other director, or any other person who is willing to act 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. A person (whether or not otherwise a director) may be appointed as an alternate by more than one appointor

38 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

38 3 The notice must identify the proposed alternate and, 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.

38 4 The appointment of an alternate director who is not otherwise a director shall be valid notwithstanding that he is approved by a resolution of the directors after his appointment as

alternate director Where an alternate director who is not otherwise a director attends a meeting of the directors and no objection is raised at the meeting to his presence then he shall be deemed to have been approved by a resolution of the directors.

**39 Rights and responsibilities of alternate directors**

39 1 Except as these Articles specify otherwise, an alternate director has the same rights in relation to any directors' meeting, directors' written resolution or any other directors' decision-making as the alternate's appointor, including, but not limited to, the right to receive notice of all meetings of directors and all meetings of committees of directors of which his appointor is a member

39 2 Except as these Articles specify otherwise, alternate directors:

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

39 3 A person who is an alternate director but not otherwise a director

- (a) may be counted as participating for the purposes of determining whether a quorum is participating (but only if that person's appointor is not participating), and
- (b) may participate in a unanimous decision of the directors (but only if that person's appointor is an eligible director in respect of such decisions and only that person's appointor does not participate),

provided that (notwithstanding any other provision of these Articles) such person shall not be counted as more than one director for the purposes of paragraphs (a) and (b) above

39 4 A director who is also an alternate for one or more directors is entitled, in the absence of the relevant appointor, to a separate vote on behalf of each appointor in addition to his own vote on any decision of the directors (provided the relevant appointor is an eligible director in relation to that decision) but shall not count as more than one director for the purposes of determining whether a quorum is present

39 5 An alternate director is not entitled to receive any remuneration from the Company for serving as an alternate director except such part of the alternate's appointor's remuneration as the appointor may direct by notice in writing made to the Company

**40 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 ceases to be a director for any reason

## **Liens, share certificates and distributions**

### **Liens, calls and forfeiture**

#### **41 Company's lien**

41 1 The Company has a lien (the "**Company's lien**") over every share (whether fully paid or not) registered in the name of any person (whether he is the sole registered holder or one of two or more joint holders) for all moneys payable by him or his estate (and whether payable by him alone or jointly with any other person) to the Company (whether presently payable or not)

41 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 assets attributable to it) or other money payable by the Company in respect of that share and (if the lien is enforced and the share is sold by the Company) the proceeds of sale of that share

41 3 The directors may, at any time, decide that a share which is or would otherwise be subject to a lien pursuant to these Articles shall not be subject to it, either wholly or in part.

#### **42 Enforcement of the Company's lien**

42.1 Subject to the provisions of this Article 42, if a lien enforcement notice has been given in respect of a share and 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

42 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 payable 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 any transmittee of that holder or any other person otherwise entitled to the share; and
- (e) must state the Company's intention to sell the share if the notice is not complied with

42 3 Where any share is sold pursuant to this Article

- (a) the directors may authorise any person to execute an instrument of transfer of the shares to the purchaser or a person nominated by the purchaser, and
- (b) the transferee of the share(s) shall be registered as the holder of the share(s) to which the transfer relates notwithstanding that he may not be able to produce the share certificate(s) and such transferee is not bound to see to the application of the consideration and the transferee's title to the share is not affected by any irregularity in or invalidity of the process leading or relating to the sale



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

- (a) first, in payment of so much of the sum for which the lien exists as was payable at the date of the lien enforcement notice;
- (b) second, to the person entitled to the share(s) immediately before the sale took place, but only after the certificate for the share(s) sold has been surrendered to the Company for cancellation or an indemnity in a form acceptable to the directors has been given to the Company for any lost certificate(s) and subject to a lien (equivalent to the Company's lien over the share(s) immediately before the sale took place) for all moneys payable by such person or his estate (whether immediately payable or not) in respect of all share(s) registered in the name of such person (whether he is the sole registered holder or one of two or more joint holders) and in respect of any other moneys payable (whether immediately payable or not) by him or his estate to the Company, after the date of the lien enforcement notice

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

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

#### 43. Call notices

43.1 Subject to these Articles and the terms on which shares are allotted, the directors may send a notice (a "call notice") to a shareholder (or his estate) requiring such shareholder (or his estate) to pay the Company a specified sum of money (a "call") which is payable to the Company in respect of shares which that shareholder (or his estate) holds at the date when the directors decide to send the call notice

43.2 A call notice

- (a) may not require a shareholder (or his estate) to pay a call which exceeds the total sum unpaid on the shares in question (whether as to nominal value or any amount payable to the Company by way of premium),
- (b) must state when and how any call to which it relates is to be paid, and
- (c) may permit or require the call to be paid by instalments

43.3 A shareholder (or his estate) must comply with the requirements of a call notice but shall not be obliged to pay any call before 14 clear days (that is, excluding the date on which the notice is given and the date on which that 14 day period expires) have passed since the notice was sent

43.4 Before the Company has received any call due under a call notice, the directors may revoke it wholly or in part or specify a later date and/or time for payment than is specified in the notice, by a further notice in writing to the shareholder (or his estate) in respect of whose shares the call is made

#### 44 Liability to pay calls

44.1 Liability to pay a call is not extinguished or transferred by transferring the shares in respect of which it is required to be paid. Joint holders of a share are jointly and severally liable to pay all calls in respect of that share

- 44 2 Subject to the terms on which shares are allotted, the directors may, when issuing shares, provide that call notices sent to the holders of those shares may require them to pay calls which are not the same or to pay calls at different times

**45 Payment in advance of calls**

- 45 1 The directors may, if they think fit, receive from any shareholder willing to advance it all or any part of the moneys uncalled and unpaid on the shares held by him. Such payment in advance of calls shall extinguish only to that extent the liability on the shares on which it is made

- 45 2 The directors may at any time repay the amount so advanced on giving to such shareholder not less than 14 days' notice (that is, excluding the date on which the notice is given and the date on which that 14 day period expires) of its intention in that regard, unless before the expiration of such notice the amount so advanced shall have been called up on the shares in respect of which it was advanced

- 45 3 No sum paid in advance of calls shall entitle the holder of a share in respect of them to any portion of a dividend subsequently declared in respect of any period prior to the date upon which such sum would, but for such payment, become payable

**46. When call notice need not be issued**

- 46 1 A call notice need not be issued in respect of sums which are specified, in the terms on which a share is issued, as being payable to the Company in respect of that share (whether in respect of nominal value or premium)

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

- 46 2 If, however, the due date for payment of such a sum has passed and it has not been paid, the holder of the share(s) concerned (or his estate) is treated in all respects as having failed to comply with a call notice in respect of that sum, and is liable to the same consequences as regards the payment of interest and forfeiture

**47 Failure to comply with call notice: automatic consequences**

- 47 1 If a person is liable to pay a call and fails to do so by the call payment date (as such is defined below) the directors may issue a notice of intended forfeiture to that person and unless and until the call is paid, that person must pay the Company interest on the call from the call payment date at the relevant rate (as such is defined below)

- 47 2 Subject to 47 3, for the purposes of this Article

- (a) the "call payment date" is the time when the call notice states that a call is payable, unless the directors give a notice specifying a later date, in which case the "call payment date" is that later date,

- (b) the "relevant rate" is:

- (i) the rate fixed by the terms on which the share in respect of which the call is due was allotted, or, if none,
- (ii) such other rate as was fixed in the call notice which required payment of the call, or has otherwise been determined by the directors,

provided that if no rate is fixed in either of the manners specified in paragraph (a)(i) or (b)(ii) above it shall be, 5 per cent per annum.

47 3 The relevant rate must not exceed by more than 5 percentage points the base lending rate most recently set by the Monetary Policy Committee of the Bank of England in connection with its responsibilities under Part 2 of the Bank of England Act 1998(a)

47 4 The directors may waive any obligation to pay interest on a call wholly or in part

**48 Notice of intended forfeiture**

**48 1 A notice of intended forfeiture**

- (a) may be sent in respect of any share in respect of which a call has not been paid as required by a call notice;
- (b) must be sent to the holder of that share (or to all the joint holders of that share) or to a transmittee of that holder,
- (c) must require payment of the call and any accrued interest together with all costs and expenses that may have been incurred by the Company by reason of such non-payment by a date which is not less than 14 clear days after the date 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 state how the payment is to be made, and
- (e) must state that if the notice is not complied with, the shares in respect of which the call is payable will be liable to be forfeited

**49 Directors' power to forfeit shares**

If a notice of intended forfeiture is not complied with before the date by which payment of the call is required in the notice of intended forfeiture, the directors may decide that any share in respect of which it was given is forfeited, and the forfeiture is to include all dividends or other moneys payable in respect of the forfeited shares and not paid before the forfeiture

**50. Effect of forfeiture**

50 1 Subject to these Articles, the forfeiture of a share extinguishes all interests in that share, and all claims and demands against the Company in respect of it and all other rights and liabilities incidental to the share as between the person whose share it was prior to the forfeiture and the Company

50 2 Any share which is forfeited in accordance with these Articles

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

50 3 If a person's shares have been forfeited

- (a) the Company must send that person notice that forfeiture has occurred and record it in the register of members,
- (b) that person ceases to be a shareholder in respect of those shares;
- (c) that person must surrender the certificate for the shares forfeited to the Company for cancellation,

- (d) that person remains liable to the Company for all sums payable by that person under these Articles at the date of forfeiture in respect of those shares, including any interest, costs and expenses (whether accrued before or after the date of forfeiture); and
- (e) the directors may waive payment of such sums wholly or in part or enforce payment without any allowance for the value of the shares at the time of forfeiture or for any consideration received on their disposal

50 4 At any time before the Company disposes of a forfeited share, the directors may decide to cancel the forfeiture on payment of all calls and interest, costs and expenses due in respect of it and on such other terms as they think fit

## 51. Procedure following forfeiture

51 1 If a forfeited share is to be disposed of by being transferred, the Company may receive the consideration for the transfer and the directors may authorise any person to execute the instrument of transfer.

51 2 A statutory declaration by a director or the Company secretary that the declarant is a director or the Company secretary and that a share has been forfeited on a specified date is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share and subject to compliance with any other formalities of transfer required by these Articles or by law, constitutes a good title to the share

51.3 A person to whom a forfeited share is transferred is not bound to see to the application of the consideration (if any) nor is that person's title to the share affected by any irregularity in or invalidity of the process leading to the forfeiture or transfer of the share

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

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

but no interest is payable to such a person in respect of such proceeds and the Company is not required to account for any money earned on them

## 52 Surrender of shares

52 1 A shareholder may surrender any share

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

52 2 The directors may accept the surrender of any such share. The effect of surrender on a share is the same as the effect of forfeiture on that share. A share which has been surrendered may be dealt with in the same way as a share which has been forfeited

## 53 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 these 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

**54 Share certificates**

54 1 The Company must issue each shareholder with one or more certificates in respect of the shares which that shareholder holds and, save as provided otherwise in these Articles, such certificates must be issued free of charge

54 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) the amount paid up on the shares, and
- (d) any distinguishing numbers assigned to them.

54 3 No certificate may be issued in respect of shares of more than one class

54 4 If more than one person holds a share, only one certificate may be issued in respect of it

54 5 Certificates must

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

**55 Replacement share certificates**

55 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

55 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, indemnity and the payment of a reasonable fee as the directors decide

**56 Instruments of transfer**

56 1 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 and unless the share is fully paid, by and on behalf of the transferee

56 2 No fee may be charged for registering any instrument of transfer or other document relating to or affecting the title to any share

56 3 The Company may retain any instrument of transfer which is registered

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

56.5 Any instrument of transfer which the directors refuse to register must (unless they suspect that the proposed transfer may be fraudulent) be returned to the transferee

#### **57 Fractional entitlements**

57.1 Whenever, as a result of a consolidation or division of shares, any shareholders are entitled to fractions of shares, the directors may.

(a) sell the shares representing the fractions to any person (including (provided permitted by law) the Company) for the best price reasonably obtainable,

(b) authorise any person to execute an instrument of transfer of the shares to the purchaser or a person nominated by the purchaser, and

(c) distribute the net proceeds of sale in due proportion among those shareholders

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

57.3 The person to whom the shares are transferred is not obliged to ensure that any purchase money is received by the person entitled to the relevant fractions and nor shall such transferee's title to the shares be affected by any irregularity in or invalidity of the process leading to their sale

### **Dividends and Other Distributions**

#### **58 Procedure for declaring dividends**

58.1 The Company may by ordinary resolution declare dividends, and the directors may decide to pay interim dividends

58.2 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

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

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

58.5 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

58.6 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

58.7 This Article 58 is subject to the provisions of Article 6

**59 Calculation of dividends**

59.1 Except as otherwise provided by these Articles and by the rights attached to shares, all dividends must be

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

59.2 If any share is issued on terms providing that it shall rank for dividend as from a particular date or be entitled to dividends declared after a particular date it shall rank for or be entitled to dividends accordingly

59.3 For the purposes of calculating dividends, no account is to be taken of any amount which has been paid up on a share in advance of a call or otherwise paid up in advance of its due payment date

**60 Payment of dividends and other distributions**

60.1 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;
- (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,
- (c) sending a cheque made payable to such person by post to such person at such address as the distribution recipient has specified either in writing, or
- (d) any other means of payment as the directors agree with the distribution recipient in writing

60.2 If

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

they may, instead of issuing a lien enforcement notice, deduct from any dividend or other sum payable in respect of the share any sum of money which is payable to the Company in respect of that share to the extent that they are entitled to requirement payment under a lien enforcement notice. Money so deducted must be used to pay any of the sums payable in respect of that share

60.3 The Company must notify the distribution recipient in writing of

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

60 4 In these 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.

**61. No interest on distributions**

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

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

**62. Unclaimed distributions**

62 1 All dividends or other sums which are,

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

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

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

62.3 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

**63 Non-cash distributions**

63 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)

63 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

**64 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**

**65 Authority to capitalise and appropriation of capitalised sums**

**65 1** Subject to these Articles, the directors may, if they are so authorised by an ordinary resolution:

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

**65 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

**65.3** 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. A capitalised sum which was appropriated from profits available for distribution may be applied

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

**65 4** Subject to these Articles, the directors may:

- (a) apply capitalised sums in accordance with Article 65 3 and Article 65.3 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.

## **Decision-making by Shareholders**

### **66 Notice of general meetings**

66.1 A general meeting of the Company (other than an adjourned meeting) shall be called by notice of at least 14 clear days (that is, excluding the date on which the notice is given and the date on which that 14 day period expires) but a general meeting may be called by shorter notice if it is so agreed by a majority in number of the shareholders having a right to attend and vote being a majority together holding not less than ninety percent in nominal value of the shares giving that right.

66.2 Every notice convening a general meeting shall specify

- (a) the place, the date and the time of the meeting;
- (b) the general nature of the business to be dealt with at the meeting,
- (c) if the meeting is convened to consider a special resolution, the text of the resolution and intention to propose the resolution as a special resolution, and
- (d) with reasonable prominence, that a member is entitled to appoint another person (who does not have to be a member) as his proxy to exercise all or any rights of his to attend, speak and vote at the meeting and that a member may appoint more than one proxy in relation to the meeting (provided that each proxy is appointed to exercise the rights attached to a different share or shares held by him) and shall also specify any more extensive rights (if any) conferred by these Articles to appoint more than one proxy

66.3 The notice shall be given to the members (other than any who under the provisions of these Articles or of any restrictions imposed on any shares are not entitled to receive notice from the Company), to the directors and to the auditors and if more than one for the time being, to each of them

66.4 Subject to the provisions of these Articles, notice of a general meeting of the Company may be given

- (a) in hard copy form,
- (b) in electronic form, or
- (c) by means of a website,

or partly by one such means and partly by another and the provisions of Article 82 (*Company Communications*) shall apply accordingly

66.5 The accidental failure to give notice of general meeting or, in cases where it is intended that it be sent out with the notice, an instrument of proxy, or to give notice of a resolution intended to be moved at a general meeting to, or the non-receipt of any of them by, any person or persons entitled to receive the same shall not invalidate the proceedings at that meeting and shall be disregarded for the purpose of determining whether the notice of the meeting, instrument of proxy or resolution were duly given

### **67 Attendance and speaking at general meetings**

67.1 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

- 67 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
- 67 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.
- 67.4 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.
- 67 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.
- 68 Quorum for general meetings**
- 68 1 No business other than the appointment of the chairman of the meeting is to be transacted at a general meeting unless the persons attending it constitute a quorum when the meeting proceeds to business (and nothing in these Articles shall prevent any other business being transacted at such general meeting if the persons attending it do not constitute a quorum from time to time thereafter throughout the meeting)
- 68 2 Whenever the Company has only one member, the member present (being an individual) in person or by proxy, or (being a corporation) by a duly authorised representative or by proxy, shall be a quorum. Whenever the Company has two or more members, two persons entitled to vote upon the business to be transacted each being a member (being an individual) present in person or by proxy, or (being a corporation) present by a duly authorised representative or by proxy (at least one of whom must be a holder of A Shares or a proxy or a duly authorised representative of such a holder), shall be a quorum
- 69 Chairing general meetings**
- 69 1 If the directors have appointed a chairman, the chairman shall chair general meetings if present and willing to do so
- 69 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 (which may not include any proxy appointed by a shareholder) to chair the meeting, and the appointment of the chairman of the meeting must be the first business of the meeting
- 69 3 The person chairing a meeting in accordance with this Article is referred to as "**the chairman of the meeting**".
- 70 Attendance and speaking by directors and non-shareholders**
- 70 1 Directors may attend and speak at general meetings, whether or not they are shareholders.

- 70 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
- 71 **Adjournment**
- 71 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, the chairman of the meeting must adjourn it
- 71 2 The chairman of the meeting may adjourn a general meeting at which a quorum is present if:
- (a) the meeting consents to an adjournment, or
  - (b) it appears to the chairman of the meeting that an adjournment is necessary to protect the safety of any person attending the meeting or ensure that the business of the meeting is conducted in an orderly manner
- 71 3 The chairman of the meeting must adjourn a general meeting if directed to do so by the meeting
- 71 4 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.
- 71.5 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
- 71 6 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. If a quorum is not present at any such adjourned meeting within half an hour from the time appointed for that meeting (or if, during the meeting, a quorum ceases to be present), the meeting shall be dissolved
- 72 **Voting: general**
- 72 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
- 72 2 No shareholder shall, unless the directors otherwise decide, be entitled to vote (either in person or by proxy) at a general meeting, at any adjournment of it or on any poll called at or in relation to it in respect of any share held by him or to exercise any right as a shareholder unless all calls or other sums presently payable by him in respect of that share in the Company have been paid to the Company

**73 Errors and disputes**

73 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

73 2 Any such objection must be referred to the chairman of the meeting, whose decision is final and conclusive

**74 Demanding a poll and procedure on a poll**

74 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.

74 2 A poll may be demanded by

- (a) the chairman of the meeting,
- (b) the directors,
- (c) two or more persons having the right to vote on the resolution,
- (d) a person or persons representing not less than one tenth of the total voting rights of all the shareholders having the right to vote on the resolution, or
- (e) by a person or persons holding shares in the Company conferring a right to vote on the resolution, being shares on which an aggregate sum has been paid up to not less than one tenth of the total sum paid up on all the shares conferring that right

74 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,

and a demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made

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

**75 Content of proxy notices**

75 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 these Articles and any instructions contained in the notice of the general meeting to which they relate

75 2 The Company may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes

75 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

75 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

## **76 Delivery of proxy notices**

76 1 The appointment of a proxy and the power of attorney or other authority (if any) under which it is signed (or a copy of such authority certified notarially or in some other way approved by the directors) shall be sent or supplied in hard copy form, or (subject to any conditions and limitations which the directors may specify) in electronic form

- (a) to the registered office of the Company; or
- (b) to such other address (including electronic address) as is specified in the notice convening the meeting or in any instrument of proxy or any invitation to appoint a proxy sent or supplied by the Company in relation to the meeting, or
- (c) as the directors shall otherwise direct,

to be received before the time for the holding of the meeting or adjourned meeting to which it relates or, in the case of a poll taken after the date of the meeting or adjourned meeting, before the time appointed for the poll.

76 2 Any instrument of proxy not so sent or supplied or received shall be invalid

76 3 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

76 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 appointor's behalf.

## **77 Revocation of proxy notices**

77.1 The validity of

- (a) a vote given or poll demanded in accordance with the terms of an appointment of a proxy, or
- (b) anything done by a proxy acting as duly appointed chairman of a meeting, or
- (c) any decision determining whether a proxy counts in a quorum at a meeting,

shall not be affected notwithstanding the death or mental disorder of the appointor or the revocation of the appointment of the proxy (or of the authority under which the appointment of the proxy was executed) or the transfer of the share in respect of which the appointment of the proxy is given, unless notice in writing of such death, mental disorder, revocation or transfer shall have been

- (a) sent or supplied to the Company or any other person as the Company may require in the notice of the meeting, any instrument of proxy sent out by the Company in relation to the meeting or in any invitation to appoint a proxy issued by the Company in relation to the meeting, in any manner permitted for the sending or supplying of appointments of proxy pursuant to these Articles, and
- (b) received at the registered office of the Company (or such other address (including electronic address) as has been designated for the sending or supplying of appointments of proxy), before the time for the holding of the meeting or adjourned meeting to which it relates or, in the case of a poll taken after the date of the meeting or adjourned meeting, before the time appointed for the poll

## **78 Votes of proxies**

- 78 1 The Company shall be under no obligation to ensure or otherwise verify that any vote(s) cast by a proxy are done so in accordance with any such instructions given by the member by whom such proxy is appointed. In the event that a vote cast by such proxy is not done so in accordance with the instructions of the member by whom such proxy is appointed, such vote shall not be deemed to be invalid
- 78 2 On a vote on a resolution on a show of hands, where a proxy is appointed by more than one member (provided that, where some only of those members by whom the proxy is appointed instruct the proxy to vote in a particular way, those members all instruct such proxy to vote in the same way on a resolution (either "for" or "against")) such proxy shall be entitled to cast a second vote the other way in relation to any discretionary vote(s) given to him by other members by whom such proxy is appointed

## **79 Written resolutions of shareholders**

A written resolution proposed in accordance with the provisions of Chapter 2 of Part 13 of the CA2006 shall lapse if it is not passed before the period of 14 days beginning with the circulation date (as such is construed pursuant to Section 290, CA2006).

## **80. Amendments to resolutions**

- 80 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.
- 80 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
- 80 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 of the meeting's error does not invalidate the vote on that resolution

## **Administrative Arrangements**

### **81 Exercise of members' rights**

No shareholder in the Company shall be entitled to nominate another person or persons to enjoy or exercise all or any specified rights of the shareholder in relation to the Company pursuant to Section 145, CA2006. Accordingly, the Company shall not be obliged to give effect to any purported nomination notice received by it.

### **82. Company communications**

- 82.1 Subject to the provisions of the Acts (and save as otherwise provided in these Articles), any document or information required or authorised to be sent or supplied by the Company to any member or any other person (including a director) pursuant to these Articles, the Companies Acts or any other rules or regulations to which the Company may be subject, may be sent or supplied in hard copy form, in electronic form, by means of a website or in any other way in which documents or information may be sent or supplied by the Company pursuant to the Companies Acts.
- 82.2 Subject to these 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 in writing to be sent or supplied with such notices or documents for the time being.
- 82.3 The provisions of the CA2006 which apply to sending or supplying a document or information required or authorised to be sent or supplied by the Companies Acts by making it available on a website shall, mutatis mutandis, apply to the sending or supplying of any document or information required or authorised to be sent by these Articles or any other rules or regulations to which the Company may be subject, by making it available on a website.
- 82.4 The Company may send or supply any document or information to a member or any other person (including a director) pursuant to these Articles, the Companies Acts or any other rules or regulations to which the Company may be subject, either personally, or by post in a prepaid envelope addressed to the member (or such other person) at his registered address or at his address for service, or by leaving it at that address or any other address for the time being notified to the Company by the member (or such other person) for the purpose, or by sending or supplying it using electronic means to an electronic address for the time being notified to the Company by the member (or such other person) for the purpose, or by any other means authorised in writing by the member (or such other person) concerned.
- 82.5 A shareholder whose registered address is not within the United Kingdom and who gives the Company an address within the United Kingdom to which documents or information may be sent or supplied to him or gives an electronic address to which documents or information may be sent or supplied using electronic means, shall be entitled to have documents or information sent or supplied to him at that address, but otherwise no such shareholder shall be entitled to receive any document or information from the Company.
- 82.6 In the case of joint holders of a share, if the Company sends or supplies any document or information to one of the joint holders, it shall be deemed to have properly sent or supplied such document or information to all the joint holders.
- 82.7 If, on at least 2 consecutive occasions, the Company has attempted to send any document or information by electronic means to an address specified (or deemed specified) for the purpose and a delivery failure (or other similar) notification has been received by the Company, the Company thereafter shall, send documents or information in hard copy form or electronic form (but not by electronic means) to such member at his registered address or address for service within the United Kingdom (whether by hand, by post or by leaving it or them at such address), in which case the provisions of Article 82.7 shall apply.



- 82.8 If on 3 consecutive occasions documents or information have been sent or supplied to any shareholder at his registered address or address for the service of such documents or information in the United Kingdom but have been returned undelivered, such shareholder shall not thereafter be entitled to receive any documents or information from the Company until he shall have communicated with the Company and supplied in writing a new registered address or address within the United Kingdom for the service of documents or information or an electronic address to which documents or information may be sent or supplied using electronic means
- 82.9 Any shareholder present, in person or by proxy at any meeting of the Company or of the holders of any class of shares of the Company, shall be deemed to have received due notice of such meeting and, where requisite, of the purposes for which such meeting was called
- 82.10 Save as provided otherwise in these Articles, any document or information, addressed to a shareholder (or other person to whom such document or information is required or authorised to be sent pursuant to these Articles, the Companies Acts or otherwise) at his registered address or address for service (in the case of a shareholder, in the United Kingdom) or electronic address, as the case may be shall
- (a) if hand delivered or left at a registered address or other address for service (in the case of a shareholder in the United Kingdom), be deemed to have been served or delivered on the day on which it was so delivered or left,
  - (b) if sent or supplied by post (whether in hard copy form or in electronic form), be deemed to have been received at the expiration of 48 hours after the envelope was posted,
  - (c) if sent or supplied by electronic means (other than by means of website), be deemed to have been received (if sent or supplied between the hours of 9 a.m. and 5 p.m. on a working day) at the time it was sent, or (if sent or supplied at any other time) at 9 a.m. on the next following working day; and
  - (d) if sent or supplied by means of a website, be deemed to have been received when the material was first made available on the website or, if later, when the recipient received (or is deemed to have received) notice of the fact that the material was available on the website
- 82.11 In calculating a period of hours for the purpose of Article 82.10, no account shall be taken of any part of a day that is not a working day.
- 82.12 A director may agree with the Company that documents sent to that director in a particular way are to be deemed to have been received within a specified time of their being sent, and for the specified time to be less than those set out in Article 82.10
- 82.13 Subject to Article 82.9, in proving such service or delivery it shall be sufficient to prove that the envelope containing the document or information was properly addressed and put into the post in a prepaid envelope or, in the case of a document or information sent or supplied by electronic means, that it was sent or supplied in accordance with guidance issued by the Institute of Chartered Secretaries and Administrators entitled "Electronic Communications with Shareholders 2007" (as such guidance is amended or updated from time to time)
- 82.14 The Company shall not be held responsible for any failure in transmission beyond its reasonable control and the provisions of Article 82.9 to Article 82.13 (inclusive) shall apply regardless of any document or information being returned undelivered and regardless of any delivery failure notification or "out of office" or other similar response and any such "out of office" or other similar response shall not be considered to be a delivery failure
- 82.15 This Article 82 is subject to the provisions of the Investment Agreement.

**83 Company seals**

- 83 1 Any common seal may only be used by the authority of the directors or a committee of the directors
- 83 2 The directors may decide by what means and in what form any common seal is to be used.
- 83 3 Unless otherwise decided by the directors, if the Company has a common seal and it is affixed to a document, the document must also be signed by at least one authorised person in the presence of a witness who attests the signature
- 83 4 For the purposes of this Article, an authorised person is
- (a) any director of the Company,
  - (b) the Company secretary (if any), or
  - (c) any person authorised by the directors for the purpose of signing documents to which the common seal is applied

**84 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

**85 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

**86 Indemnity and Funds**

- 86 1 Subject to Article 86 2 (but otherwise to the fullest extent permitted by law) and without prejudice to any indemnity to which he may otherwise be entitled
- (a) a relevant director, of the Company or an associated Company shall be indemnified out of the Company's assets against all or any part of any costs, charges, losses, expenses and liabilities incurred by that director or other officer
    - (i) in the actual or purported exercise of his powers in relation to the affairs of the Company or associated Company, and
    - (ii) in connection with the activities of the Company or an associated Company in its capacity as a trustee of an occupational pension scheme, and
  - (b) a relevant director of the Company or any holding Company shall be provided with funds to meet any expenditure incurred or to be incurred by him as provided in Section 205 and/or Section 206, CA2006 (or enable him to avoid incurring any such expenditure)
- 86 2 This Article does not authorise any indemnity or provision of funds which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law

**87 Insurance**

Subject to the provisions of the CA2006, the directors may in their absolute discretion decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any

relevant director of the Company or associated Company in respect of all or any part of any relevant loss