

Company No. 08466022

Duncan Wilson

Draft 7 – 8.03.2024

THE COMPANIES ACT 2006

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

SURFTECH SURFACES LIMITED

(Adopted by special resolution passed on
14th March 2024)

MILLS & REEVE

Contents

1	Definitions and interpretation	1
2	Liability of members.....	4
3	Directors' general authority.....	5
4	Shareholders' reserve power	5
5	Directors may delegate.....	5
6	Committees	5
7	Directors to take decisions collectively.....	5
8	Unanimous decisions	6
9	Calling a directors' meeting	6
10	Participation in directors' meetings	6
11	Quorum for directors' meetings	7
12	Chairing of directors' meetings	7
13	Casting vote	7
14	Transactions or other arrangements with the company	8
15	Directors' conflicts of interest.....	9
16	Records of decisions to be kept.....	10
17	Directors' discretion to make further rules.....	10
18	Number of directors	11
19	Methods of appointing directors.....	11
20	Termination of director's appointment.....	11
21	Directors' remuneration	11
22	Directors' expenses.....	12
23	Appointment and removal of alternate directors.....	12
24	Rights and responsibilities of alternate directors.....	13

MILLS & REEVE

25	Termination of alternate directorship	13
26	Secretary	14
27	All shares to be fully paid up	14
28	Powers to issue different classes of share	14
29	Directors' authority to allot shares	14
30	Exclusion of statutory pre-emption rights	14
31	Alteration of share capital	15
32	Power to purchase own shares out of capital	15
33	Company not bound by less than absolute interests	16
34	Share certificates	16
35	Replacement share certificates	16
36	Transfer of shares	17
37	Permitted transfers	17
38	Compulsory transfers	18
39	Drag along rights	21
40	Tag along rights	22
41	Valuation	23
42	Conversion of Shares	24
43	Transmission of shares	25
44	Exercise of transmitters' rights	25
45	Transmitters bound by prior notices	25
46	Procedure for declaring dividends	25
47	Calculation of dividends	26
48	Payment of dividends and other distributions	26
49	No interest on distributions	27
50	Unclaimed distributions	27
51	Non-cash distributions	27
52	Waiver of distributions	28

53	Authority to capitalise and appropriation of capitalised sums	28
54	Attendance and speaking at general meetings	29
55	Quorum for general meetings	30
56	Chairing general meetings	30
57	Attendance and speaking by directors and non-shareholders.....	30
58	Adjournment.....	31
59	Voting: general	31
60	Voting: joint holders.....	32
61	Errors and disputes	32
62	Poll votes.....	32
63	Content of proxy notices.....	32
64	Delivery of proxy notices	33
65	Amendments to resolutions	33
66	Means of communication to be used	34
67	No right to inspect accounts and other records.....	35
68	Provision for employees on cessation of business.....	35
69	Indemnity.....	35
70	Insurance	36

INTERPRETATION AND LIMITATION OF LIABILITY

1 Definitions and interpretation

1.1 In these articles, unless the context requires otherwise:

““A” Shareholder” means any holder for the time being of any number of “A” Shares;

““A” Shares” means “A” Ordinary Shares of £1.00 each in the capital of the company;

“alternate” or “alternate director” has the meaning given in article 23;

“appointor” has the meaning given in article 23;

“articles” means the company's articles of association for the time being in force;

“associated company” means any subsidiary or holding company of the company, or any other subsidiary of the company's holding company, from time to time;

“B Share Majority” the meaning given in article 39.1;

““B” Shares” means “B” Ordinary Shares of £1.00 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;

“business day” means a day (other than a Saturday, Sunday or public holiday in England) on which banks in the City of London are ordinarily open for the transaction of normal banking business;

“CA 2006” means the Companies Act 2006;

“capitalised sum” has the meaning given in article 53.1

“chair” has the meaning given in article 12.2;

“chair of the meeting” has the meaning given in article 56.3;

“Companies Acts” means the Companies Acts (as defined in section 2 CA 2006), in so far as they apply to the company;

“Completion Date” has the meaning given in article 38.13;

“Compulsory Seller” has the meaning given in article 38.3;

“Conflict” has the meaning given in article 15.2;

“Controlling Interest” has the meaning given in article 40.1;

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

“distribution recipient” has the meaning given in article 48.1;

“document” includes, unless otherwise specified, any document sent or supplied in electronic form;

“Drag Along Offer” has the meaning given in article 39.4.2;

“electronic form” has the meaning given in section 1168 CA 2006;

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

“Employee” a Shareholder who is, or has been, a director and/or employee of any Group Company;

“Employee Shareholder” has the meaning given in article 38.1;

“Excess Securities” has the meaning given in article 30.2;

“Fair Value” has the meaning given in article 41.1;

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

“Group” means the company, any subsidiary or subsidiary undertaking or any holding company from time to time of the company, and any subsidiary or subsidiary undertaking from time to time of a holding company of the company and “Group Company” means any company in the Group from time to time;

“hard copy form” has the meaning given in section 1168 CA 2006;

“holder” in relation to shares means the person whose name is entered in the register of members as the holder of the shares;

“ICAEW” means the Institute of Chartered Accountants in England and Wales;

“Independent Expert” means the auditors or accountants (if the company has lawfully not appointed auditors) of the company for the time being, or, if that firm is unable or unwilling to act in any particular case, a member of an independent firm of chartered accountants appointed in accordance with clause 41.4;

“instrument” means a document in hard copy form;

“Majority Sellers” has the meaning given in article 39.2;

“Model Articles” means the model articles for private companies limited by shares contained in Schedule 1 of The Companies (Model Articles) Regulations 2008 (SI 2008/3229) as amended from time to time;

“Offer” has the meaning given in article 39.2;

“Offeror” has the meaning given in article 39.2;

“ordinary resolution” has the meaning given in section 282 CA 2006;

“Option” means any put and/or call option pursuant to which the “B” Shareholder can, at a certain time, require that some or all of the “A” Shareholders transfer their Shares

to the “B” Shareholder (and/or the “A” Shareholders can, at a certain time, require that the “B” Shareholder acquire their Shares) and which is contained in any shareholders’ agreement relating to the company entered into between the “A” Shareholders and the “B” Shareholders;

“Option Price” has the meaning given in article 41.2;

“paid” means paid or credited as paid;

“participate”, in relation to a directors’ meeting, has the meaning given in article 10;

“persons entitled” has the meaning given in article 53.1;

“proxy notice” has the meaning given in article 63.1;

“Purchasers” has the meaning given in article 38.11;

“relevant officer” means any director or other officer or former director or other officer of the company or an associated company, but excluding in each case any person engaged by the company (or associated company) as auditor (whether or not that person is also a director or other officer), to the extent that person acts in their capacity as auditor);

“Remaining Shareholders” has the meaning given in article 39.4.1;

“Restricted Shares” has the meaning given in article 38.7;

“Sale Price” has the meaning given in article 38.6;

“Sale Shares” has the meaning given in article 38.4;

“Seller” has the meaning given in article 37.1;

“shareholder” means a person who is the holder of a share;

“shares” means shares in the company;

“special resolution” has the meaning given in section 283 CA 2006;

“Tagged Shareholders” has the meaning given in article 40.3.1;

“Transfer Notice” has the meaning given in article 38.3;

“transferee company” has the meaning given in article 37.2;

“transferor company” has the meaning given in article 37.2;

“transmittee” means a person entitled to a share by reason of the death or bankruptcy of a shareholder or otherwise by operation of law; and

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

- 1.2 No regulations or articles set out in any statute, or in any statutory instrument or other subordinate legislation made under any statute, concerning companies (including the regulations in the Model Articles) shall apply as the articles of the company.
- 1.3 Save as otherwise specifically provided in these articles, words and expressions which have particular meanings in the CA 2006 shall have the same meanings in these articles.
- 1.4 Headings in these articles are used for convenience only and shall not affect the construction or interpretation of these articles.
- 1.5 A reference in these articles to an “article” is a reference to the relevant article of these articles unless expressly provided otherwise.
- 1.6 Unless expressly provided otherwise, a reference to legislation, a legislative provision or subordinate legislation is a reference to it as it is in force from time to time, taking account of:
 - 1.6.1 any subordinate legislation made under it, whether before or after the date of adoption of these articles; and
 - 1.6.2 any amendment or re-enactment, whether before or after the date of adoption of these articles and includes any legislation, legislative provision or subordinate legislation which it amends or re-enacts.
- 1.7 Any phrase introduced by the terms “including”, “include”, “in particular” or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.
- 1.8 Where the context permits, “other” and “otherwise” are illustrative and shall not limit the sense of the words preceding them.
- 1.9 A reference in these articles to a “subsidiary”, “holding company”, “undertaking”, “subsidiary undertaking” or “parent undertaking” shall be construed in accordance with section 1159 and section 1162 CA 2006 and for the purposes only of the membership requirement contained in sections 1159(1)(b) and (c), a company shall be treated as a member of another company even if its shares in that other company are registered in the name of (a) another person (or its nominee), by way of security or in connection with the taking of security, or (b) its nominee.
- 1.10 Any words importing the singular include the plural and vice versa and words importing any gender include the other genders.
- 1.11 Nothing in these articles precludes the holding and conducting of a general meeting in such a way that persons who are not present together at the same place or places may by electronic means attend and participate in it.

2 Liability of members

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

DIRECTORS

DIRECTORS' POWERS AND RESPONSIBILITIES

3 Directors' general authority

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

4 Shareholders' reserve power

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

5 Directors may delegate

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

- 5.1.1 to such person or committee;
- 5.1.2 by such means (including by power of attorney);
- 5.1.3 to such an extent;
- 5.1.4 in relation to such matters or territories; and
- 5.1.5 on such terms and conditions;

as they think fit.

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

6 Committees

- 6.1 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 the articles which govern the taking of decisions by directors.
- 6.2 The directors may make rules of procedure for all or any committees, which prevail over rules derived from the articles if they are not consistent with them.

DECISION-MAKING BY DIRECTORS

7 Directors to take decisions collectively

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

8 Unanimous decisions

- 8.1 A decision of the directors is taken in accordance with this article when all eligible directors indicate to each other by any means that they share a common view on a matter.
- 8.2 Such a decision may take the form of a resolution in writing, where each eligible director has signed one or more copies of it, or to which each eligible director has otherwise indicated agreement in writing.
- 8.3 A decision may not be taken in accordance with this article if the eligible directors would not have formed a quorum at such a meeting.

9 Calling a directors' meeting

- 9.1 Any director may call a directors' meeting by giving not less than 48 hours' notice of the meeting (or such lesser notice as all the directors may agree) to the directors or by authorising the company secretary (if any) to give such notice.
- 9.2 Notice of any directors' meeting must indicate:
 - 9.2.1 its proposed date and time;
 - 9.2.2 where it is to take place; and
 - 9.2.3 if it is anticipated that directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting.
- 9.3 Notice of a directors' meeting shall be given to each director in writing.
- 9.4 Notice of a directors' meeting need not be given to directors who waive their entitlement to notice of that meeting, by giving notice to that effect to the company not more than 7 days after the date on which the meeting is held. Where such notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it.

10 Participation in directors' meetings

- 10.1 Subject to the articles, directors participate in a directors' meeting, or part of a directors' meeting, when:
 - 10.1.1 the meeting has been called and takes place in accordance with the articles; and
 - 10.1.2 they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.
- 10.2 In determining whether directors are participating in a directors' meeting, it is irrelevant where any director is or how they communicate with each other.
- 10.3 If all the directors participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is.

11 Quorum for directors' meetings

- 11.1 At a directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.
- 11.2 Subject to article 11.5, the quorum for the transaction of business at a meeting of directors is two, including one "A" Director and one "B" Director present when the meeting proceeds to business.
- 11.3 In the event that at a meeting of the directors which shall have been duly convened, a quorum is not participating within 30 minutes of the time specified for the relevant meeting in the notice of meeting due to the absence of an "A" Director then the meeting shall be adjourned to such time (being not less than 5 business days later) and place as the directors present shall determine (with notice of such adjourned meeting being given to all directors) and the quorum at such adjourned meeting shall be one "B" Director.
- 11.4 In the event that at a meeting of the directors which shall have been duly convened, a quorum is not participating within 30 minutes of the time specified for the relevant meeting in the notice of meeting due to the absence of an "B" Director then the meeting shall be adjourned to such time (being not less than 5 business days later) and place as the directors present shall determine (with notice of such adjourned meeting being given to all directors) and the quorum at such adjourned meeting shall be one "A" Director.
- 11.5 For the purposes of any meeting (or part of a meeting) held pursuant to article 15.1 to authorise a director's conflict, if there is only one eligible director in office other than the conflicted director(s), the quorum for such meeting (or part of a meeting) shall be one eligible director.
- 11.6 If the total number of directors in office for the time being is less than the quorum required, the directors must not take any decision other than a decision:
 - 11.6.1 to appoint further directors; or
 - 11.6.2 to call a general meeting so as to enable the shareholders to appoint further directors.

12 Chairing of directors' meetings

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

13 Casting vote

- 13.1 If the numbers of votes for and against a proposal at a meeting of directors are equal, the chair or other director chairing the meeting has a casting vote.

14 Transactions or other arrangements with the company

- 14.1 Provided the director has declared the nature and extent of any interest in accordance with the CA 2006 (unless any of sections 177(5) and 177(6) or sections 182(5) and 182(6) CA 2006 apply, in which case no disclosure is required), a director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the company:
- 14.1.1 may be a party to, or otherwise interested in, any transaction or arrangement with the company or in which the company is otherwise (directly or indirectly) interested;
 - 14.1.2 may act by themselves or their firm in a professional capacity for the company (otherwise than as auditor) and they or their firm shall be entitled to remuneration for professional services as if they were not a director;
 - 14.1.3 may be a director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any associated company of the company, any body corporate promoted by the company or in which the company is otherwise (directly or indirectly) interested;
 - 14.1.4 shall not, save as the director may otherwise agree, be accountable to the company for any benefit which the director (or a person connected with them (as defined in section 252 CA 2006)) derives from any such contract, transaction or arrangement or from any such office or employment or from any interest in any such body corporate which the director is permitted to hold or enter into by virtue of articles 14.1.1, 14.1.2, or 14.1.3 and no such contract, transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit nor shall the receipt of any such remuneration or other benefit constitute a breach of duty under section 176 CA 2006; and
 - 14.1.5 shall subject to article 15.1, be an eligible director for the purposes of any proposed decision of the directors (or committee of directors) and shall be entitled to vote at a meeting of directors (or of a committee of the directors) or participate in any unanimous decision, on any matter referred to in articles 14.1.1 to 14.1.3 (inclusive) or on any resolution which in any way concerns or relates to a matter in which the director has, directly or indirectly, any kind of interest whatsoever and if the director votes on any such resolution that vote shall be counted.
- 14.2 For the purposes of this article, references to proposed decisions and decision-making processes include any directors' meeting or part of a directors' meeting.
- 14.3 Any disclosure required by article 14.1 may be made at a meeting of the directors, by notice in writing or by general notice or otherwise in accordance with section 177 CA 2006.
- 14.4 Subject to article 14.5, 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 chair whose ruling in relation to any director other than the chair is final and conclusive.

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

15 Directors' conflicts of interest

- 15.1 A director shall be authorised for the purposes of section 175 CA 2006 to act or continue to act as a director of the company notwithstanding that at the time of appointment or subsequently such person also holds office as a director or other officer of, or is employed by, or is otherwise interested in (including by the holding of shares), any other group company from time to time and no further authorisation under article 14 shall be necessary in respect of any such interest.

- 15.2 For the purposes of section 175 CA 2006, the directors may authorise any matter proposed to them in accordance with these articles which would, if not so authorised, involve a breach of duty by a director under that section, including, without limitation, any matter which relates to a situation in which a director has, or can have, a direct or indirect interest which conflicts, or possibly may conflict, with the interests of the company (a "Conflict"). Any such authorisation will be effective only if:

- 15.2.1 any requirement as to quorum at the meeting at which the matter is considered is met without counting the director in question or any other interested director; and
- 15.2.2 the matter was agreed to without their voting or would have been agreed to if their votes had not been counted.

The directors may (whether at the time of the giving of the authorisation or subsequently) make any such authorisation subject to any limits or conditions they may expressly impose but such authorisation is otherwise given to the fullest extent permitted. The directors may vary or terminate any such authorisation at any time, but this will not affect anything done by the director in question prior to such variation or termination, in accordance with the terms of such authorisation.

For the purposes of these articles, a conflict of interest includes a conflict of interest and duty and a conflict of duties, and interest includes both direct and indirect interests.

- 15.3 A director shall be under no duty to the company with respect to any information which such director obtains or has obtained otherwise than as a director of the company and in respect of which the director owes a duty of confidentiality to another person. However, to the extent that the director's relationship with that other person gives rise to a Conflict, this article applies only if the existence of that relationship has been authorised pursuant to article 15.1 authorised by the directors pursuant to article 15.2 or by the company in general meeting. In particular, the director shall not be in breach of the general duties owed to the company by virtue of sections 171 to 177 CA 2006 (inclusive) because the director fails:

- 15.3.1 to disclose any such information to the board or to any director or other officer or employee of the company; and/or
- 15.3.2 to use or apply any such information in performing their duties as a director of the company.

15.4 Where the existence of a director's relationship with another person has been authorised pursuant to article 15.1 authorised by the directors pursuant to article 15.2 or by the company in general meeting and the director's relationship with that person gives rise to a Conflict, the director shall not be in breach of the general duties owed to the company by virtue of sections 171 to 177 CA 2006 (inclusive) because the director:

15.4.1 is absent from meetings of the board at which any matter relating to the Conflict will or may be discussed or from the discussion of any such matter at a meeting or otherwise; and/or

15.4.2 makes arrangements not to receive documents and information relating to any matter which gives rise to the Conflict sent or supplied by the company and/or for such documents and information to be received and read by a professional adviser;

for so long as the director reasonably believes such Conflict subsists.

15.5 The provisions of articles 15.3 and 15.4 are without prejudice to any equitable principle or rule of law which may excuse the director from:

15.5.1 disclosing information, in circumstances where disclosure would otherwise be required under these articles; or

15.5.2 attending meetings or discussions or receiving documents and information as referred to in article 15.4, in circumstances where such attendance or receipt of such documents and information would otherwise be required under these articles.

15.6 A director is not required, by reason of being a director (or because of the fiduciary relationship established by reason of being a director), to account to the company for any remuneration, profit or other benefit which the director derives from or in connection with a relationship involving a Conflict which has been authorised pursuant to article 15.1 authorised by the directors pursuant to article 15.2 or by the company in general meeting (subject in each case to any terms, limits or conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds.

16 Records of decisions to be kept

16.1 The directors must ensure that the company keeps a record, in writing, for at least 10 years from the date of the decision recorded, of every unanimous or majority decision taken by the directors.

16.2 Where decisions of the directors are taken by electronic means, such decisions shall be recorded by the directors in a form that enables the directors to retain a copy of such decisions, and so that they may be read with the naked eye.

17 Directors' discretion to make further rules

17.1 Subject to the articles, the directors may make any rule which they think fit about how they take decisions, and about how such rules are to be recorded or communicated to directors.

APPOINTMENT OF DIRECTORS

18 Number of directors

18.1 The number of directors (other than alternate directors) shall not be less than two.

19 Methods of appointing directors

19.1 Any person who is willing to act as a director, and is permitted by law to do so, may be appointed to be a director:

19.1.1 by ordinary resolution;

19.1.2 by a decision of the directors; or

19.1.3 in accordance with the terms of any agreement made between the parties from time to time in force

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

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.

20 Termination of director's appointment

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

20.1.1 that person ceases to be a shareholder of the company;

20.1.2 that person ceases to be a director by virtue of any provision of the CA 2006 or is prohibited from being a director by law;

20.1.3 a bankruptcy order is made against that person;

20.1.4 an arrangement or composition is made with that person's creditors generally in satisfaction of that person's debts;

20.1.5 a registered medical practitioner who is treating that person gives a written opinion to the company stating that that person has become physically or mentally incapable of acting as a director and may remain so for more than three months; or

20.1.6 notification in writing is received by the company from the director that the director is resigning from office as director, and such resignation has taken effect in accordance with its terms.

21 Directors' remuneration

21.1 Directors may undertake any services for the company that the directors decides.

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

21.2.1 for their services to the company as directors; and

- 21.2.2 for any other service which they undertake for the company.
 - 21.3 Subject to the articles, a director's remuneration may:
 - 21.3.1 take any form; and
 - 21.3.2 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.
 - 21.4 Unless the directors decide otherwise, directors' remuneration accrues from day to day.
 - 21.5 Unless the directors decide otherwise, directors are not accountable to the company for any remuneration which they receive as directors or other officers or employees of the company's subsidiaries or of any other body corporate in which the company is interested.
 - 22 Directors' expenses
 - 22.1 The company shall pay any reasonable expenses which the directors (including alternate directors) and the company secretary (if any) properly incur in connection with their attendance at:
 - 22.1.1 meetings of directors or committees of directors;
 - 22.1.2 general meetings; or
 - 22.1.3 separate meetings of the holders of any class of shares or of debentures of the company
- or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the company.

ALTERNATE DIRECTORS

- 23 Appointment and removal of alternate directors
 - 23.1 Any director ("appointor") may appoint as an alternate any other director, or any other person approved by resolution of the directors, to:
 - 23.1.1 exercise that director's powers; and
 - 23.1.2 carry out that director's responsibilities
- in relation to the taking of decisions by the directors, in the absence of the alternate's appointor.
- 23.2 Any appointment or removal of an alternate must be effected by notice in writing to the company (marked for the attention of the chair or company secretary (if any)) signed by the appointor, or in any other manner approved by the directors.
 - 23.3 The notice must:
 - 23.3.1 identify the proposed alternate; and

- 23.3.2 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.

24 Rights and responsibilities of alternate directors

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

- 24.2 Except as the articles specify otherwise, alternate directors:

- 24.2.1 are deemed for all purposes to be directors;
- 24.2.2 are liable for their own acts and omissions;
- 24.2.3 are subject to the same restrictions as their appointors; and
- 24.2.4 are not deemed to be agents of or for their appointors,

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

- 24.3 A person who is an alternate director but not, in the absence of such appointment, a director:

- 24.3.1 may be counted as participating for the purposes of determining whether a quorum is present (but only if that person's appointor is not participating);
- 24.3.2 may participate in a unanimous decision of the directors (but only if the alternate's appointor is an eligible director in relation to that decision, but does not participate); and
- 24.3.3 shall not be counted as more than one director for the purposes of articles 24.3.1 and 24.3.2.

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

- 24.5 An alternate director may be paid expenses and may be indemnified by the company to the same extent as the alternate's appointor but 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.

25 Termination of alternate directorship

- 25.1 An alternate director's appointment as an alternate terminates:

- 25.1.1 when the alternate's appointor revokes the appointment by notice to the company in writing (marked for the attention of the chair or company secretary (if any)) specifying when it is to terminate;

- 25.1.2 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;
- 25.1.3 on the death of the alternate's appointor; or
- 25.1.4 when the alternate's appointor's appointment as a director terminates.

SECRETARY

26 Secretary

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

SHARES AND DISTRIBUTIONS

SHARES

27 All shares to be fully paid up

- 27.1 No share is to be issued for less than the aggregate of its nominal value and any premium to be paid to the company in consideration for its issue.
- 27.2 This does not apply to shares taken on the formation of the company by the subscribers to the company's memorandum.

28 Powers to issue different classes of share

- 28.1 Subject to the articles, but without prejudice to the rights attached to any existing share, the company may issue shares with such rights or restrictions as may be determined by ordinary resolution.
- 28.2 The company may issue shares which are to be redeemed, or are liable to be redeemed at the option of the company or the holder, and the directors may determine the terms, conditions and manner of redemption of any such shares.

29 Directors' authority to allot shares

- 29.1 Save to the extent authorised by these articles, or authorised from time to time by an ordinary resolution of the shareholders, the directors shall not exercise any power of the company to allot shares or other securities in, or to grant rights to subscribe for, or to convert into, any shares or other securities of the company.

30 Exclusion of statutory pre-emption rights

- 30.1 Pursuant to section 567 CA 2006, the provisions of section 561 CA 2006 (existing shareholders' right of pre-emption) and section 562 CA 2006 (communication of pre-emption offers to shareholders) shall not apply to an allotment of equity securities (as defined in section 560 CA 2006) made by the company.
- 30.2 Unless otherwise agreed by special resolution, if the company proposes to allot any equity securities (other than any equity securities to be held under an employees' share scheme), those equity securities shall not be allotted to any person unless the

company has first offered them to all shareholders on the date of the offer on the same terms, and at the same price, as those equity securities are being offered to other persons on a pari passu and pro rata basis to the number of shares held by those holders (as nearly as possible without involving fractions). The offer:

- 30.2.1 shall be in writing, shall be open for acceptance for a period of 15 business days from the date of the offer and shall give details of the number and subscription price of the relevant equity securities; and
 - 30.2.2 may stipulate that any shareholder who wishes to subscribe for a number of equity securities in excess of the proportion to which that shareholder is entitled shall, in their acceptance, state the number of excess equity securities ("Excess Securities") for which they wish to subscribe.
- 30.3 Any equity securities not accepted by shareholders pursuant to the offer made to them in accordance with article 30.2 shall be used for satisfying any requests for Excess Securities made pursuant to article 30.2. If there are insufficient Excess Securities to satisfy such requests, the Excess Securities shall be allotted to the applicants pro rata to the number of shares held by the applicants immediately before the offer was made to shareholders in accordance with article 30.2 (as nearly as possible without involving fractions or increasing the number of Excess Securities allotted to any shareholder beyond that applied for by them). After that allotment, any Excess Securities remaining shall be offered to any other person as the directors may determine, at the same price and on the same terms as the offer to the shareholders.
- 30.4 Subject to articles 30.2 and 30.3 and to section 551 CA 2006, any equity securities shall be at the disposal of the directors who may allot, grant options over or otherwise dispose of them to any persons at those times and generally on the terms and conditions they think proper.

31 Alteration of share capital

- 31.1 In exercising the power of the company under section 618 CA 2006, a resolution of the members to authorise a sub-division of shares may provide, as between the shares resulting from the sub-division, for any of them to have a preference or advantage or any other differing right, as compared with the others.

32 Power to purchase own shares out of capital

- 32.1 Subject to the CA 2006 but without prejudice to any other provision of these articles, the company is authorised in accordance with section 692(1ZA) CA 2006 to purchase shares in the company out of capital, otherwise than in accordance with Chapter 5 of Part 18 CA 2006, up to an aggregate purchase price in any financial year of the lower of:
 - 32.1.1 £15,000; or
 - 32.1.2 the nominal value of 5% of the company's fully paid share capital as at the beginning of such financial year.
- 32.2 The company shall immediately cancel any shares acquired pursuant to this article 31.

33 Company not bound by less than absolute interests

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

34 Share certificates

- 34.1 The company must issue each shareholder, free of charge, with one or more certificates in respect of the shares which that shareholder holds.
- 34.2 Every certificate must specify:
- 34.2.1 in respect of how many shares, of what class, it is issued;
 - 34.2.2 the nominal value of those shares; and
 - 34.2.3 any distinguishing numbers assigned to them.
- 34.3 No certificate may be issued in respect of shares of more than one class.
- 34.4 If more than one person holds a share, only one certificate may be issued in respect of it.
- 34.5 Certificates must:
- 34.5.1 have affixed to them the company's common seal; or
 - 34.5.2 be otherwise executed in accordance with the Companies Acts.

35 Replacement share certificates

- 35.1 If a certificate issued in respect of a shareholder's share is:
- 35.1.1 damaged or defaced; or
 - 35.1.2 said to be lost, stolen or destroyed
- that shareholder is entitled to be issued with a replacement certificate in respect of the same shares.
- 35.2 A shareholder exercising the right to be issued with such a replacement certificate:
- 35.2.1 may at the same time exercise the right to be issued with a single certificate or separate certificates;
 - 35.2.2 must return the certificate which is to be replaced to the company if it is damaged or defaced; and
 - 35.2.3 must comply with such conditions as to evidence and indemnity as the directors decide.

36 Transfer of shares

- 36.1 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.
- 36.2 No fee may be charged for registering any instrument or transfer or other document relating to or affecting the title to any share.
- 36.3 The company may retain any instrument of transfer which is registered.
- 36.4 The transferor remains the holder of a share until the transferee's name is entered in the register of members as holder of it.
- 36.5 The directors must refuse to register the transfer of a share unless the transfer is made in accordance with these articles and shall not have any discretion to register any transfer of shares which has not been made in compliance with these articles, and if they do so, the instrument of transfer must be returned to the transferee with the notice of refusal unless they suspect that the proposed transfer may be fraudulent.

37 Permitted transfers

- 37.1 Subject to article 37.4 and unless all the shareholders otherwise agree in writing, no shareholder ("Seller") shall transfer any share or dispose of any interest in any share and the directors shall not register any transfer of any share except for:
 - 37.1.1 in the case of an "A" Shareholder being an individual, any transfer to another "A" Shareholder, subject to article 37.5;
 - 37.1.2 any request by a person becoming entitled to a share in consequence of the bankruptcy of a Shareholder to be registered as the holder of such share; or
 - 37.1.3 in the case of a Shareholder being a body corporate, any transfer to a member of the corporate group of which that Shareholder is part; or
 - 37.1.4 any transfer made in accordance with the provisions of articles 38, 39 or 40,(each being a "Permitted Transfer").
- 37.2 Where shares have been transferred under article 37.1.3 (whether directly or by a series of transfers under that article) from a body corporate ("transferor company", which expression shall not include a second or subsequent transferor in such a series of transfers) to a Group Company ("transferee company") and subsequently the transferee company ceases to be a Group Company of the transferor company, the transferee company shall be bound to immediately transfer all such shares to the body corporate who originally transferred the shares to them.
- 37.3 Notwithstanding anything contained in these articles, the directors may decline to register any transfer of any share on which the company has a lien or any transfer of any share (not being a fully-paid share) to a person of whom they shall not approve and shall refuse to register any proposed transfer of a share other than a transfer permitted by or made pursuant to the provisions of article 37 or article 36.

- 37.4 For the purpose of ensuring that a transfer of shares is duly permitted under article 37.1 or is in accordance with the provisions of article 36 or whether a transfer should be made pursuant to article 37.2, the directors may require any shareholder, the legal personal representatives of a deceased shareholder, the trustee in bankruptcy of a bankrupt shareholder or the liquidator of any corporate shareholder or any person named as transferee in any transfer lodged for registration to provide the company with such information and evidence as the directors may think necessary regarding any matter they consider relevant to such purpose. Failing such information or evidence being provided to the satisfaction of the directors within a reasonable time after such request, or if any such information or evidence discloses that a transfer should be made pursuant to article 37.2, the directors shall refuse to register the transfer in question.
- 37.5 Save for a transfer of "A" Shares by an "A" Shareholder (or that person's personal representatives in the case of their death) who has ceased to be an Employee Shareholder prior to the deemed service of a Transfer Notice pursuant to article 38.3, any permitted transfer of shares by an "A" Shareholder to another "A" Shareholder in accordance with article 37.1.1 shall be limited to a number of Shares representing no more than fifty per. cent. of the transferor Shareholder's total shareholding as at the date of adoption of these articles.
- 38 Compulsory transfers
- 38.1 This article 38 applies when an Employee who is an "A" Shareholder ("Employee Shareholder") ceases, for any reason, to be an Employee.
- 38.2 In the case of Susan Wilson this article 38 applies when Duncan Wilson is an Employee Shareholder and ceases, for any reason, to be an Employee and any reference within this article 38 to a 'person' shall, in the case of Susan Wilson be deemed to refer to Duncan Wilson as well.
- 38.3 On the date falling 2 months after such person ceases to be an Employee, the relevant Employee Shareholder (and/or Susan Wilson, when (i) Duncan Wilson is the relevant Employee Shareholder or (ii) if none of Duncan Wilson, Craig Wilson or Liam Wilson remain as Employees) (or that person's personal representatives in the case of their death) ("Compulsory Seller") shall be deemed, if he or she remains the holder of Shares as at such date, to have served a notice in writing ("Transfer Notice") on the company.
- 38.4 A Transfer Notice may include more than one share and shall operate as a separate notice in respect of every share included in it. The Transfer Notice shall:
- 38.4.1 state the number of shares of which the Seller is the registered holder ("Sale Shares"); and
 - 38.4.2 appoint the company as the agent of the Seller for the sale of the Sale Shares and free from all liens, charges and encumbrances together with all rights attaching to them at the Sale Price (as defined in article 38.6).
- 38.5 A Transfer Notice once given or deemed to be given shall not be capable of being withdrawn and may not, in any circumstances, be varied.
- 38.6 The price payable for each of the Sale Shares ("Sale Price") to a Compulsory Seller shall be the Fair Value immediately after the cessation of their office or employment,

as the case may be (provided always that the Fair Value shall not exceed the Option Price).

- 38.7 Forthwith upon a Transfer Notice being deemed to be served under article 38.3 the Sale Shares subject to the relevant Transfer Notice ("Restricted Shares") shall cease to confer on the holder of them any rights:
- 38.7.1 to vote (whether on a show of hands, on a poll or otherwise and whether in person, by proxy or otherwise), including in respect of any resolution of any class of Shares;
 - 38.7.2 to receive dividends or other distributions otherwise attaching to those Shares; or
 - 38.7.3 to participate in any future issue of any shares.
- 38.8 The Directors may (with the consent in writing of a majority of the "B" Shareholders) reinstate the rights referred to in article 38.7 at any time and, in any event, such rights shall be reinstated on completion of a transfer made pursuant to article 38.
- 38.9 No less than seven days after the Sale Price has been agreed or determined the company shall notify the price per share to the relevant Compulsory Seller and shall give notice to the "B" Shareholders and itself of the number of Sale Shares on offer to each of them and the price per share;
- 38.10 Within seven days of receipt of such notification, each of the "B" Shareholders and the company shall notify the company in writing of the number, if any, of the Sale Shares that such person is willing to purchase. Any Shareholder who fails to notify the company in accordance with this Article shall be deemed to have declined to purchase any of the Sale Shares;
- 38.11 The company shall allocate Sale Shares to those of the other Shareholders who have indicated a willingness to purchase the Sale Shares and to itself ("Purchasers") in the following order of preference:
- 38.11.1 firstly, to the "B" Shareholder (or to such other person(s) as the "B" Shareholder may specify); and
 - 38.11.2 secondly, if there remain some or all of the Sale Shares unallocated then, providing the provisions of Part 18 CA 2006 are complied with, to the company.
- 38.12 For the purpose of article 38.6, the Fair Value and the Option Price shall both be such price as the transferor and the company (with the prior written consent of the "B" Shareholder) shall agree within 30 business days of the date on which the relevant Compulsory Seller ceased to be an Employee, or, failing such agreement, such price as an Independent Expert shall determine pursuant to Article 41.
- 38.13 Within 21 days after the Fair Value has been agreed the company shall:
- 38.13.1 notify the Compulsory Seller of the names and addresses of the Purchasers and the number of Sale Shares to be transferred to each; and

- 38.13.2 the company's notice shall state a date, between seven and 14 days later, on which the sale and purchase of the Sale Shares is to be completed ("Completion Date").
- 38.14 Any dispute as to whether the price payable for the Sale Shares is to be determined in accordance with article 38.6, shall not affect the validity of any transfer of the Sale Shares under this article 38, but any person who acquires the Sale Shares pursuant to this article 38 shall pay to the Compulsory Seller, while such a dispute is continuing, the par value of the Sale Shares and shall pay the difference between the par value and the Fair Value per share as determined by the Independent Expert to the company. The company shall hold that difference in a separate bank account as trustee to pay it, and any interest earned on it, upon final determination of the dispute shall be paid to the Compulsory Seller.
- 38.15 For the purpose of article 38 the date upon which an Employee Shareholder ceases to be an Employee shall be:
- 38.15.1 where a contract of employment (whether in writing or otherwise) or directorship is terminated by the employer by giving notice to the employee of the termination of the employment or directorship, the date of that notice (whether or not a payment is made by the employer in lieu of all or part of the notice period required to be given by the employer in respect of such termination);
- 38.15.2 where a contract of employment (whether in writing or otherwise) or directorship is terminated by the employee by giving notice to the employer of the termination of the employment or directorship, the date of that notice;
- 38.15.3 where an employer or employee wrongfully repudiates the contract of employment and the other accepts that the contract of employment (whether in writing or otherwise) has been terminated, the date of such acceptance;
- 38.15.4 where a contract of employment (whether in writing or otherwise) is terminated under the doctrine of frustration, the date of the frustrating event; and
- 38.15.5 where a contract of employment (whether in writing or otherwise) or directorship is terminated for any reason other than in the circumstances set out in articles 38.15.1 to 38.15.4, the date on which the action or event giving rise to the termination occurs.
- 38.16 By the Completion Date the Compulsory Seller shall execute and deliver stock transfer forms for the Sale Shares, together with the relevant share certificates (or a suitable indemnity for any lost share certificate) to the company. On the Completion Date the company shall pay to the Compulsory Seller, on behalf of the Purchasers, the certified price for the Sale Shares to the extent that the Purchasers have put the company in the requisite funds. The company's receipt for the price shall be a good discharge to the Purchasers. The company shall hold the price in trust for the Compulsory Seller without any obligation to pay interest.
- 38.17 To the extent that the Purchasers have not, by the Completion Date, put the company in funds to pay the certified price, the Compulsory Seller shall be entitled to the return of the stock transfer form and share certificate for the relevant Sale Shares.

- 38.18 If a Compulsory Seller fails to execute and deliver a stock transfer form for the Sale Shares to the company by the Completion Date, the Compulsory Seller shall be deemed to have irrevocably appointed any director to be their agent to execute and deliver all necessary documentation to effect the transfer(s) of the Sale Shares on the Compulsory Seller's behalf to the Purchasers to the extent that the Purchasers have, by the Completion Date, put the company in funds to pay the certified price for the Sale Shares offered to them. The directors shall then authorise registration of the transfers of the Sale Shares once appropriate stamp duty has been paid. The validity of such proceedings shall not be questioned by any person and failure to produce a share certificate in respect of the Sale Shares shall not impede the registration of shares under this article 38.18. If the defaulting Compulsory Seller surrenders the share certificate for the Sale Shares to the company such person shall be entitled, on surrender, to the certified price for the Sale Shares.
- 38.19 If the monies due in accordance with either articles 38.14 or 38.16 are not paid within 14 days of the notification referred to therein (otherwise than as a result of any default on the part of the Compulsory Seller) then the unpaid sum shall carry interest calculated on a daily basis (both before and after judgment) at the rate of 2% above the base rate of Barclays Bank Plc from time to time from the day 14 days after the said notification to the date of actual payment (both dates inclusive).
- 38.20 Notwithstanding any other provisions with these articles, if any Compulsory Seller's Shares are not transferred pursuant to the preceding provisions of this article 38 and are retained by the Compulsory Seller, then upon any future return of capital or any sale of such Shares, the price of the Compulsory Seller's Shares retained by the Compulsory Seller shall not, unless the "B" Shareholder resolves in writing otherwise, be more than whichever is the lower of (i) the Fair Value or (ii) the Option Price, in both instances as at the cessation of the Compulsory Seller's office or employment, as the case may be.
- 39 Drag along rights
- 39.1 For the purposes of this article 39 a B Share majority ("B Share Majority") means, in relation to the company, the point at which the number of "B" Shares in issue in aggregate confers 80% or more of the voting rights normally exercisable at general meetings of the company or any other body corporate.
- 39.2 If there is a B Share Majority and an offer ("Offer") is made by any person unconnected to the majority shareholders acting bona fide at arm's length ("Offeror") to any one or more shareholders holding (together) a Controlling Interest of the issued share capital of the company for the purchase of the entire legal and beneficial interest in all shares owned by it or them, then such shareholders ("Majority Sellers") may accept the Offer on condition that the provisions of this article are complied with in all respects and that this condition is not waived and, upon the provisions of this article being so complied with, may transfer their shares in the company to the Offeror .
- 39.3 The proposed sale of shares by the Majority Sellers to the Offeror is subject to the rights of pre-emption set out in article 30, but the sale of their shares by the Remaining Shareholders shall not be subject to those provisions.
- 39.4 On accepting the Offer the Majority Sellers:
- 39.4.1 shall give all the other holders of shares in the company on the date of the notice ("Remaining Shareholders"), notice in writing (in the form of a Transfer Notice in the form described in article 37) of the terms of the Offer

and that they have accepted the Offer, subject to compliance with this article, and such notice shall constitute a warranty and representation by the Majority Sellers to the Remaining Shareholders that the Offer complies with this article; and

- 39.4.2 shall procure that within 30 days of such notice the Offeror makes a binding written offer to the Remaining Shareholders at the same price per share and on terms that are no worse than those in the Offer ("Drag Along Offer"). The Drag Along Offer shall be irrevocable.
- 39.5 On receipt of a Drag Along Offer from the Offeror pursuant to article 39.4.2 the Remaining Shareholders shall be required to sell and transfer all their interest in their shares in the company with full title guarantee to the Offeror (or as the Offeror may direct) in accordance with the provisions of this article.
- 39.6 No Drag Along Offer shall require a Remaining Shareholder to agree to any terms except those specifically set out in this article 39.
- 39.7 Unless all the Remaining Shareholders and the Majority Sellers otherwise agree, completion of the sale and purchase of the Remaining Shareholders' shares shall take place on the same date as that proposed for completion of the sale and purchase of the Majority Sellers' shares when the Remaining Shareholders shall execute and deliver stock transfer forms for all of such shares, together with the relevant share certificates (or a suitable indemnity for any lost share certificate) for them to the company or the Offeror as directed.
- 39.8 If any Remaining Shareholder does not, on or before the date proposed for completion of the sale and purchase of the Seller's shares under the Offer, execute and deliver (in accordance with article 39.5) transfer(s) in respect of all of the Remaining Shareholder's shares held by it, each defaulting Remaining Shareholder shall be deemed to have irrevocably appointed any director to be its agent to execute all necessary transfer(s) on its behalf, against receipt by the company (on trust for such holder) of the purchase price payable for such shares, and to deliver such transfer(s) to the Offeror (or as it may direct) as the holder of them. After the Offeror (or its nominee) has been registered as the holder of the shares of such Remaining Shareholder, the validity of such proceedings shall not be questioned by any person. Failure to produce a share certificate shall not impede the registration of shares under this article 39.8.

40 Tag along rights

- 40.1 For the purposes of this article 40 a controlling interest ("Controlling Interest") means, in relation to the company, the power of a person or persons acting in concert with each other to secure that the company's affairs are conducted in accordance with its or their wishes by means of a holding of shares which in aggregate confers 80% or more of the voting rights normally exercisable at general meetings of the company or any other body corporate.
- 40.2 If an Offer is made by an Offeror to any one or more shareholders holding (together) a Controlling Interest of the issued share capital of the company for the purchase of the entire legal and beneficial interest in all shares owned by him or them, then those Majority Sellers may accept the Offer on condition that the provisions of this article are complied with in all respects and that this condition is not waived.
- 40.3 The Majority Sellers may transfer their shares to the Offeror if:

- 40.3.1 they shall have given the other shareholders ("Tagged Shareholders") notice in writing of the terms of the Offer and that they have accepted the Offer subject to compliance with this article; and
- 40.3.2 the Offeror shall have made a binding written offer to the Tagged Shareholders to purchase the entire legal and beneficial interest in all shares owned by them at the same price per share and on terms that are no worse than those in the Offer and that offer shall remain open for acceptance for a period of not less than 30 days from delivery to the Tagged Shareholders and that payment of the purchase consideration on completion is guaranteed by a reputable bank if so requested by any Tagged Shareholder; and
- 40.3.3 the 30 day period mentioned in article 40.3.2 has elapsed and none of the Tagged Shareholders has accepted the Offeror's offer or, if any of the Tagged Shareholders has accepted the Offeror's offer, the sale and purchase of their shares has been completed.

41 Valuation

- 41.1 For the purposes of these articles the expression "Fair Value" shall, failing agreement between the Compulsory Seller and the company, mean the price per share as the Independent Expert (acting as an expert and not as an arbitrator) shall state in writing to be in their opinion the fair selling value of the Sale Shares on the open market having regard to the Fair Value of the business of the company as a going concern and on the basis of an arm's length transaction as between a willing seller and a willing purchaser:
 - 41.1.1 having regard to the fair value of the business of the company as a going concern and on the assumption that it will continue to do so;
 - 41.1.2 on the basis of an arm's length transaction as between a willing seller and a willing purchaser;
 - 41.1.3 valuing each of the Sale Shares as a proportion of the total value of all the issued shares in the capital of the company without any premium or discount being attributable to the percentage of the issued share capital of the company which they represent or for the rights or restrictions applying to the Sale Shares; and
 - 41.1.4 on the basis that the Sale Shares are sold free of all Encumbrances.
- 41.2 For the purposes of these articles the expression "Option Price" shall, failing agreement between the Compulsory Seller and the company, mean the price per share as the Independent Expert (acting as an expert and not as an arbitrator) shall state in writing to be in their opinion of the Sale Shares if they were subject to any Option, as though the date on which the relevant Compulsory Seller ceased to be an Employee was the date on which any such Option was exercised.
- 41.3 The written determination of the Independent Expert shall be final and binding on all concerned (in the absence of manifest error or fraud). For this purpose the company and the Seller shall give the Independent Expert all information which a prudent prospective purchaser of the entire issued share capital of the company might reasonably require if such purchaser were proposing to purchase it from a willing seller by private treaty and at arm's length and the Independent Expert shall take account of

such information in giving their opinion. The directors shall procure that a copy of the Independent Expert's certificate is sent to the Seller as soon as practicable after it is issued.

- 41.4 If the auditors or accountants (if the company has lawfully not appointed auditors) of the company for the time being are unable or unwilling to act as the Independent Expert in any particular case, the Compulsory Seller (as defined in article 37.1) and the company acting by the board of directors shall use all reasonable endeavours to reach agreement regarding the identity of the person to be appointed as the Independent Expert and to agree terms of appointment with the Independent Expert. The Compulsory Seller shall not unreasonably withhold its agreement to the terms of appointment proposed by the Independent Expert or by the company.
- 41.5 If the Compulsory Seller and the company fail to agree on the person to be appointed as the Independent Expert and the terms of appointment within ten business days of either party serving details by written notice on the other, then at the request of either of them, they shall make a joint application requesting the President of the ICAEW or any successor body to nominate the Independent Expert under the President's Nomination Scheme to act as an expert and not as an arbitrator and accordingly any legislation or legislative provision relating to arbitration shall not apply. If either the Compulsory Seller or the company fails to make the joint application to the ICAEW then the other may make a single application following the grant of a Court Order.
- 41.6 The Compulsory Seller shall be responsible for the costs of obtaining the Independent Expert's written opinion of the Fair Value and the Option Price and, where applicable, for any administration fee or other charges or expenses payable to the ICAEW in connection with any application to nominate an Independent Expert.

42 Conversion of Shares

- 42.1 Where any "B" Shareholder becomes the owner of any "A" Shares, those "A" Shares shall convert automatically on the date of completion of the relevant transfer of the "A" Shares to the "B" Shareholder.
- 42.2 Where any "A" Shareholder becomes the owner of any "B" Shares, those "B" Shares shall convert automatically on the date of completion of the relevant transfer of the "B" Shares to the "A" Shareholder.
- 42.3 In the case of a conversion pursuant to article 42.1 or 42.2 each holder of the relevant Shares converted or to be converted shall deliver the certificate(s) (or an indemnity in a form reasonably satisfactory to the Directors for any lost share certificate) for the Shares being converted (together with such other evidence (if any) as the Directors may reasonably require to prove good title to those Shares) to the company at its registered office for the time being.
- 42.4 A conversion of shares pursuant to this article 39 shall not require any further authority from the directors, the members or the holder(s) of any class of Shares.
- 42.5 Forthwith following a conversion pursuant to this article 39, the company shall enter the holder(s) of the converted Shares in the register of Shareholders of the company as the holder(s) of the appropriate number of "A" Shares or "B" Shares and, subject to the relevant holder of Shares delivering the relevant share certificate(s) (or indemnity or other evidence) in respect of the Shares in accordance with Article 42.3, the company shall, within 10 Business Days of conversion, forward a definitive share certificate for the appropriate number of fully paid Shares to such holder of converted

Shares, by post to their address as shown in the company's register of Shareholders, at their own risk and free of charge.

43 Transmission of shares

- 43.1 If title to a share passes to a transmittee, the company may only recognise the transmittee as having any title to that share.
- 43.2 A transmittee who produces such evidence of entitlement to shares as the directors may properly require:
 - 43.2.1 may, subject to the articles, choose either to become the holder of those shares or to have them transferred to another person; and
 - 43.2.2 subject to the articles, and pending any transfer of the shares to another person, has the same rights as the holder had.
- 43.3 But, subject to article 19.2, transmittees do not have the right to attend or vote at a general meeting, or agree to a proposed written resolution, in respect of shares to which they are entitled, by reason of the holder's death or bankruptcy or otherwise, unless they become the holders of those shares.

44 Exercise of transmittees' rights

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

45 Transmittees bound by prior notices

- 45.1 If a notice is given to a shareholder in respect of shares and a transmittee is entitled to those shares, the transmittee is bound by the notice if it was given to the shareholder before the transmittee's name, or the name of any person(s) named as the transferee(s) in an instrument of transfer executed under article 44.2, has been entered in the register of members.

DIVIDENDS AND OTHER DISTRIBUTIONS

46 Procedure for declaring dividends

- 46.1 The company may by ordinary resolution declare dividends, and the directors may decide to pay interim dividends.
- 46.2 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.
- 46.3 No dividend may be declared or paid unless it is in accordance with shareholders' respective rights.

- 46.4 Unless the shareholders' resolution to declare or directors' decisions to pay a dividend, or the rights attached to any shares, specify otherwise, it must be paid by reference to each shareholder's holding of shares on the date of the resolution or decision to declare or pay it.
- 46.5 If the company's share capital is divided into different classes, then any dividend paid on shares shall be paid on a pro-rata basis as though all of the company's share capital was of a single class of shares.
- 46.6 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 arrears.
- 46.7 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.
- 46.8 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.

47 Calculation of dividends

- 47.1 Except as otherwise provided by the articles or the rights attached to shares, all dividends must be:
 - 47.1.1 declared and paid according to the amounts paid up on the shares on which the dividend is paid; and
 - 47.1.2 apportioned and paid proportionately to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid.
- 47.2 If any share is issued on terms providing that it ranks for dividend as from a particular date, that share ranks for dividend accordingly.
- 47.3 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 the due date for payment of that amount.

48 Payment of dividends and other distributions

- 48.1 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:
 - 48.1.1 transfer to a bank or building society account specified by the distribution recipient in writing;
 - 48.1.2 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;
 - 48.1.3 sending a cheque made payable to such person by post to such person at such address as the distribution recipient has specified in writing; or

- 48.1.4 any other means of payment as the directors agree with the distribution recipient in writing.
- 48.2 In the articles, “distribution recipient” means, in respect of a share in respect of which a dividend or other sum is payable:
 - 48.2.1 the holder of the share; or
 - 48.2.2 if the share has two or more joint holders, whichever of them is named first in the register of members; or
 - 48.2.3 if the holder is no longer entitled to the share by reason of death or bankruptcy, or otherwise by operation of law, the transmittee.

49 No interest on distributions

- 49.1 The company may not pay interest on any dividend or other sum payable in respect of a share unless otherwise provided by:
 - 49.1.1 the rights attached to the share; or
 - 49.1.2 the provisions of another agreement between the holder of that share and the company.

50 Unclaimed distributions

- 50.1 All dividends or other sums which are:
 - 50.1.1 payable in respect of shares; and
 - 50.1.2 unclaimed after having been declared or become payablemay be invested or otherwise made use of by the directors for the benefit of the company until claimed.
- 50.2 The payment of any such dividend or other sum into a separate account does not make the company a trustee in respect of it.
- 50.3 If:
 - 50.3.1 twelve years have passed from the date on which a dividend or other sum became due for payment; and
 - 50.3.2 the distribution recipient has not claimed itthe distribution recipient is no longer entitled to that dividend or other sum and it ceases to remain owing by the company.

51 Non-cash distributions

- 51.1 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).

51.2 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:

51.2.1 fixing the value of any assets;

51.2.2 paying cash to any distribution recipient on the basis of that value in order to adjust the rights of recipients; and

51.2.3 vesting any assets in trustees.

52 Waiver of distributions

52.1 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:

52.1.1 the share has more than one holder; or

52.1.2 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

53 Authority to capitalise and appropriation of capitalised sums

53.1 Subject to the articles, the directors shall, if they are so authorised by an ordinary resolution:

53.1.1 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, capital redemption reserve, redenomination reserve or any other reserve; and

53.1.2 appropriate any sum which they so decide to capitalise ("capitalised sum") to the persons who would have been entitled to it if it were distributed by way of dividend ("persons entitled") and in the same proportions.

53.2 Capitalised sums must be applied:

53.2.1 on behalf of the persons entitled; and

53.2.2 in the same proportions as a dividend would have been distributed to them.

53.3 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.

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

53.5 Subject to the articles, the directors may:

- 53.5.1 apply capitalised sums in accordance with articles 53.3 and 53.4 partly in one way and partly in another;
- 53.5.2 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
- 53.5.3 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.

¹DECISION-MAKING BY SHAREHOLDERS

ORGANISATION OF GENERAL MEETINGS

54 Attendance and speaking at general meetings

- 54.1 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.
- 54.2 The Board may resolve to enable persons entitled to attend and participate in a general meeting to do so partly (but not wholly) by simultaneous attendance and participation by means of electronic facility or facilities, and may determine the means, or all different means, of attendance and participation used in relation to the general meeting. The members present in person or by proxy by means of an electronic facility or facilities (as so determined by the Board) shall be counted in the quorum for, and be entitled to participate in, the general meeting in question. That meeting shall be duly constituted and its proceedings valid if the chair is satisfied that adequate facilities are available throughout the meeting to ensure that members attending the meeting by all means (including the means of an electronic facility or facilities) are able to:
 - 54.2.1 participate in the business for which the meeting has been convened;
 - 54.2.2 hear all persons who speak at the meeting; and
 - 54.2.3 be heard by all other persons attending and participating in the meeting.
- 54.3 A person is able to exercise the right to vote at a general meeting when:
 - 54.3.1 that person is able to vote, during the meeting, on resolutions put to the vote at the meeting; and
 - 54.3.2 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.
- 54.4 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.

- 54.5 In determining attendance at a general meeting, it is immaterial whether any two or more members attending it are in the same place as each other.
- 54.6 Unless otherwise specified in the notice of meeting or determined by the chair of the meeting, a general meeting is deemed to take place at the place where the chair of the meeting is at the time of the meeting.
- 54.7 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.

55 Quorum for general meetings

- 55.1 No business other than the appointment of the chair of the meeting is to be transacted at a general meeting unless a quorum is present at the commencement of the meeting and also when that business is voted on.
- 55.2 If the company has more than one shareholder, two qualifying persons present at a meeting are a quorum, unless each is a representative of a corporation or each is appointed as proxy of a member and they are representatives of the same corporation or are proxies of the same shareholder.
- 55.3 For the purposes of these articles, a “qualifying person” is:
- 55.3.1 an individual who is a shareholder of the company;
 - 55.3.2 a person authorised to act as the representative of a corporation in relation to the meeting; or
 - 55.3.3 a person appointed as proxy of a shareholder in relation to the meeting.

56 Chairing general meetings

- 56.1 If the directors have appointed a chair, the chair shall chair general meetings if present and willing to do so.
- 56.2 If the directors have not appointed a chair, or if the chair is unwilling to chair the meeting or is not present within ten minutes of the time at which a meeting was due to start:
- 56.2.1 the directors present; or
 - 56.2.2 (if no directors are present), the meeting
- must appoint a director or shareholder to chair the meeting, and the appointment of the chair of the meeting must be the first business of the meeting.
- 56.3 The person chairing a meeting in accordance with this article is referred to as “the chair of the meeting”.

57 Attendance and speaking by directors and non-shareholders

- 57.1 Directors may attend and speak at general meetings, whether or not they are shareholders.
- 57.2 The chair of the meeting may permit other persons who are not:

57.2.1 shareholders of the company; or

57.2.2 otherwise entitled to exercise the rights of shareholders in relation to general meetings

to attend and speak at a general meeting.

58 Adjournment

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

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

58.2.1 the meeting consents to an adjournment; or

58.2.2 it appears to the chair 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.

58.3 The chair of the meeting must adjourn a general meeting if directed to do so by the meeting.

58.4 When adjourning a general meeting, the chair of the meeting must:

58.4.1 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

58.4.2 have regard to any directions as to the time and place of any adjournment which have been given by the meeting.

58.5 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):

58.5.1 to the same persons to whom notice of the company's general meetings is required to be given; and

58.5.2 containing the same information which such notice is required to contain.

58.6 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.

VOTING AT GENERAL MEETINGS

59 Voting: general

59.1 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 the articles.

59.2 Subject to the provisions of the CA 2006 and to any rights or restrictions set out in these articles, at a general meeting, on a show of hands each shareholder who is present in person or by proxy or by representative shall have one vote, unless the proxy is also a shareholder entitled to vote; on a poll each shareholder present in

person or by proxy or by representative shall have one vote for each share of which such person is the holder; and on a vote on a written resolution each shareholder shall have one vote for each share of which such person is the holder.

60 Voting: joint holders

60.1 If two or more persons are joint holders of a share, then in voting on any question the vote of the senior who tenders a vote, whether in person or by proxy, or who signifies their agreement to a written resolution, shall be accepted to the exclusion of the votes of the other joint holders. For this purpose seniority shall be determined by the order in which the names of the holders are recorded in the register of members in respect of that joint holding.

61 Errors and disputes

61.1 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.

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

62 Poll votes

62.1 A poll on a resolution may be demanded:

62.1.1 in advance of the general meeting where it is to be put to the vote; or

62.1.2 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.

62.2 A poll may be demanded at any general meeting by any qualifying person (as defined in section 318 CA 2006) present and entitled to vote at the meeting.

62.3 A demand for a poll may be withdrawn if:

62.3.1 the poll has not yet been taken; and

62.3.2 the chair of the meeting consents to the withdrawal.

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

62.4 Polls must be taken immediately and in such manner as the chair of the meeting directs.

63 Content of proxy notices

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

63.1.1 states the name and address of the shareholder appointing the proxy;

63.1.2 identifies the person appointed to be that shareholder's proxy and the general meeting in relation to which that person is appointed;

63.1.3 is signed by or on behalf of the shareholder appointing the proxy, or is authenticated in such manner as the directors may determine; and

63.1.4 is delivered to the company in accordance with the articles not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in accordance with any instructions contained in the notice of the general meeting (or adjourned meeting) to which they relate

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

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

63.3 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.

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

63.4.1 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

63.4.2 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.

64 Delivery of proxy notices

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

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

64.3 A notice revoking a proxy appointment only takes effect if it is delivered before the start of the meeting or adjourned meeting to which it relates.

64.4 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.

65 Amendments to resolutions

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

65.1.1 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 chair of the meeting may determine); and

- 65.1.2 the proposed amendment does not, in the reasonable opinion of the chair of the meeting, materially alter the scope of the resolution.
- 65.2 A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if:
 - 65.2.1 the chair of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed; and
 - 65.2.2 the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.
- 65.3 If the chair of the meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the chair's error does not invalidate the vote on that resolution.

ADMINISTRATIVE ARRANGEMENTS

66 Means of communication to be used

- 66.1 Subject to the articles, anything sent or supplied by or to the company under the articles may be sent or supplied in any way in which the CA 2006 provides for documents or information which are authorised or required by any provision of that Act to be sent or supplied by or to the company.
- 66.2 Subject to the articles, any notice or document to be sent or supplied to a director in connection with the taking of decisions by directors may also be sent or supplied by the means by which that director has asked to be sent or supplied with such notices or documents for the time being.
- 66.3 A director may agree with the company that notices or documents sent to that director in a particular way are to be deemed to have been received within a specified time of their being sent, and for the specified time to be less than 48 hours.
- 66.4 Subject to articles 66.5 and 66.6, any notice, document or other information shall be deemed served on, or delivered to, the intended recipient:
 - 66.4.1 if delivered by hand, on signature of a delivery receipt or at the time the notice, document or other information is left at the address; or
 - 66.4.2 if sent by fax, at the time of transmission; or
 - 66.4.3 if sent by pre-paid United Kingdom first class post, Signed For recorded delivery or Special Delivery Guaranteed to an address in the United Kingdom, at 9.00 am on the second business day after posting; or
 - 66.4.4 if sent by pre-paid international airmail to an address outside the country from which it is sent, at 9.00 am on the fifth business day after posting; or
 - 66.4.5 if sent by reputable international overnight courier to an address outside the country from which it is sent, on signature of a delivery receipt or at the time the notice, document or other information is left at the address; or
 - 66.4.6 if sent or supplied by e-mail, one hour after the notice, document or information was sent or supplied; and

- 66.4.7 if deemed receipt under the previous paragraphs of this article 66.1 would occur outside business hours (meaning 9.00 am to 5.30 pm Monday to Friday on a day that is not a public holiday in the place of deemed receipt), at 9.00 am on the day when business next starts in the place of deemed receipt. For the purposes of this article, all references to time are to local time in the place of deemed receipt.
- 66.5 To prove service, it is sufficient to prove that:
- 66.5.1 if delivered by hand or by reputable international overnight courier, the notice was delivered to the correct address; or
- 66.5.2 if sent by fax, a transmission report was received confirming that the notice was successfully transmitted to the correct fax number; or
- 66.5.3 if sent by post or by international airmail, the envelope containing the notice was properly addressed, paid for and posted; or
- 66.5.4 if sent by e-mail, the notice was properly addressed and sent to the e-mail address of the recipient.
- 66.6 In proving that any notice, document or other information was properly addressed, it shall be sufficient to show that the notice, document or other information was addressed to an address permitted for the purpose by the CA 2006.
- 67 No right to inspect accounts and other records
- 67.1 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.
- 68 Provision for employees on cessation of business
- 68.1 The directors may decide to make provision for the benefit of persons employed or formerly employed by the company or any of its subsidiaries (other than a director or former director or shadow director) in connection with the cessation or transfer to any person of the whole or part of the undertaking of the company or that subsidiary.

DIRECTORS' INDEMNITY AND INSURANCE

- 69 Indemnity
- 69.1 Subject to the provisions of, and so far as may be consistent with, the Companies Acts and any other provision of law, but without prejudice to any indemnity to which a relevant officer may otherwise be entitled, the company may indemnify every relevant officer out of the company's assets against all costs, charges, losses, expenses and liabilities incurred by such person as a relevant officer in the actual or purported execution and/or discharge of their duties and/or the actual or purported exercise of their powers and/or otherwise in relation to or in connection with their duties, powers or office, including (without prejudice to the generality of the foregoing) any liability incurred by such person in relation to any proceedings (whether civil or criminal) or any regulatory investigation or action which relate to anything done or omitted or alleged to have been done or omitted by such person as a relevant officer provided that, in the case of any director, any such indemnity shall not apply to any liability of that director:

- 69.1.1 to the company or to any of its associated companies;
- 69.1.2 to pay any fine imposed in criminal proceedings or any sum payable to a regulatory authority by way of penalty in respect of non-compliance with any requirement of a regulatory nature (however arising); or
- 69.1.3 incurred:
 - (i) in defending any criminal proceedings in which the director is convicted or any civil proceedings brought by the company, or any of its associated companies, in which judgment is given against the director; or
 - (ii) in connection with any application under any statute for relief from liability in respect of any such act or omission in which the court refuses to grant the director relief

in each case where the conviction, judgment or refusal of relief by the court is final within the meaning stated in section 234(5) CA 2006.

- 69.2 Subject to the provisions of, and so far as may be consistent with, the Companies Acts and any other provision of law, every director may be entitled to have funds provided to them by the company to meet expenditure incurred or to be incurred in connection with any proceedings (whether civil or criminal), investigation or action brought by any party which relate to anything done or omitted or alleged to have been done or omitted by them as a director, provided that such amounts shall be obliged to be repaid no later than:

- 69.2.1 in the event of a conviction in proceedings, the date when the conviction becomes final;
- 69.2.2 in the event of judgment being given against the director in proceedings, the date when the judgment becomes final; or
- 69.2.3 in the event of the court refusing to grant the director relief on any application under any statute for relief from liability, the date when refusal becomes final

in each case where the conviction, judgment or refusal of relief by the court is final within the meaning stated in section 234(5) CA 2006.

70 Insurance

- 70.1 The directors may decide to purchase and maintain insurance, at the expense of the company, for the benefit of any relevant officer in respect of any relevant loss.
- 70.2 In this article a "relevant loss" means any loss or liability which has been or may be incurred by a relevant officer in connection with that relevant officer's duties or powers in relation to the company, any associated company or any pension fund or employees' share scheme of the company or associated company.