

Filing Resolution

Company Number: 08500842

**PRIVATE COMPANY LIMITED BY SHARES**

**WRITTEN RESOLUTION**

- of -

**GB ENERGY SUPPLY LIMITED**  
(the "Company")

Passed: 30th April 2015

The following written resolution of the Company was passed on the above date in accordance with Chapter 2 of Part 13 of the Companies Act 2006:

**SPECIAL RESOLUTION**

**New Articles of Association**

THAT the articles of association of the Company in the form annexed hereto be approved and adopted as the articles of association of the Company in substitution for and to the exclusion of the existing articles of association of the Company

Signed

Director

Date



30/4/2015

THURSDAY



\*A47EF2KR\*

A16

14/05/2015

#218

COMPANIES HOUSE

**NOTES**

If you agree with any or all of the Resolutions, please indicate your agreement by signing and dating this document where indicated above and returning it to the Company using one of the following methods

THE COMPANIES ACT 2006

PRIVATE COMPANY LIMITED BY SHARES

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**ARTICLES OF ASSOCIATION**

of

**GB ENERGY SUPPLY LIMITED**

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Adopted on 30th April 2015

Company Number 08500842

**LAYTONS**  
SOLICITORS



**GUILDFORD**

•

**LONDON**

•

**MANCHESTER**

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**THE COMPANIES ACT 2006**

**PRIVATE COMPANY LIMITED BY SHARES**

**ARTICLES OF ASSOCIATION**

- of -

**GB ENERGY SUPPLY LIMITED**

**Company Number: 08500842**

**1. DEFINITIONS AND INTERPRETATION**

**1.1** The definitions set out in this Article 1 1 apply in these articles

"Act"	the Companies Act 2006,
"Alternate"	has the meaning given in Article 24 1,
"Appointor"	has the meaning given in Article 24 1,
"Asset Sale"	the disposal by the Company of all, or a substantial part of, its business and assets,
"Authorisation"	has the meaning given in Article 16 2 ,
"Authorised Person"	(a) any Director, (b) the company secretary (if any), or, (c) any person authorised by the Directors for the purpose of signing documents to which the common seal is applied,
"Available Profits"	the profits available for distribution within the meaning of Part 23 of the 2006 Act;
"Bad Leaver"	means a person who ceases to be a employed by the Company and whose employment has been determined by reason of gross misconduct (which is has not been determined by an employment tribunal or at a court of competent jurisdiction (from which there is no right to appeal or such time for appeal has expired) to be wrongful),

"Business Day"	a day (other than a Saturday, Sunday or public holiday) when clearing banks in the City of London are open for the transaction of normal banking business;
"Capitalised Sum"	has the meaning given in Article 49 ,
"Chairman"	the chairman of the Company from time to time,
"Chairman of the Meeting"	the person chairing the relevant general meeting in accordance with Article 53 ,
"Civil Partner"	a civil partner (as defined in the Civil Partnerships Act 2004) of the Employee,
"Company"	GB Energy Supply Limited
"Conflict"	has the meaning given in Article 16 1 ,
"Conflicted Director"	has the meaning given in Article 16 1 ,
"Connected Person"	a person connected with another within the meaning of section 1122 of the Corporation Tax Act 2010,
"Director"	a director of the Company, including any person occupying the position of director by whatever name called,
"Distribution Recipient"	in relation to a Share in respect of which a dividend or other sum is payable (a) the Holder of that Share; (b) if that Share has two or more joint Holders, whichever of them is named first in the register of members, or (c) if the Holder is no longer entitled to that Share by reason of death or bankruptcy, or otherwise by operation of law, the Transmitttee,
"Electronic Form"	has the meaning given in Section 1168 of the Act;
"Eligible Directors"	in relation to any matter, the Directors who would have been entitled to vote on, and whose votes would have been counted in respect of that matter had it been proposed as a resolution at a Directors' meeting,
"Encumbrance"	any mortgage, charge, security, interest, lien, pledge, assignment by way of security, equity, claim, right of pre-emption, option, covenant, restriction, reservation, lease, trust, order, decree, judgment, title defect (including, without limitation, any retention of title claim), conflicting claim of ownership or any other encumbrance of any nature

	whatsoever (whether or not perfected),
"Fully Paid"	in relation to a Share, that the nominal value and any premium is to be paid to the Company in respect of that Share have been paid to the Company,
"Group"	(a) the Company, (b) any subsidiary, and (c) any company of which the Company is a subsidiary from time to time (its holding company) or any other subsidiaries of any such holding company from time to time,
"Group Company"	any member of the Group;
"Hard Copy Form"	has the meaning given in section 1168 of the Act,
"Holder"	in relation to a Share, the person whose name is entered in the register of members as the holder of that Share from time to time,
"Majority Decision"	a majority decision taken at a Directors' meeting;
"Mr Watson"	Luke Watson a Director as at the date of adoption of these articles,
"Ordinary Resolution"	has the meaning given in section 282 of the Act,
"Paid"	paid or credited as paid,
"Participate"	has the meaning given in Article 11 1 and "Participating" shall be construed accordingly,
"Persons Entitled"	has the meaning given in Article 49.1 1,
"Proxy Notice"	has the meaning given in article 58 1 ,
"Proxy Notification Address"	has the meaning given in Article 59 1,
"Qualifying Person"	(a) an individual who is a Shareholder, (b) a person authorised under section 323 of the Act to act as the representative of a company in relation to the relevant general meeting, or (c) a person appointed as proxy of a Shareholder in relation to the relevant general meeting,
"Relevant Director"	any director or former director of any Group Company,
"Relevant Loss"	any loss or liability which has been or may be incurred by a Relevant Director in connection with his duties or powers in relation to any Group Company or any pension fund or



	employees' share scheme of any Group Company
Sale Shares	the Shares specified or deemed to be specified for sale in a Transfer Notice or Deemed Transfer Notice,
"Shareholder"	a person who is the Holder of a Share
"Shareholder Authorisation"	has the meaning given in Article 16 4,
"Shares"	shares in the Company,
"Special Resolution"	has the meaning given in section 283 of the Act,
"Subsidiary"	any company which is a subsidiary of the Company from time to time,
"Transaction"	has the meaning given in Article 17 1 ,
"Transaction Director"	has the meaning given in Article 17 1 ,
"Transfer Form"	an instrument of transfer of Shares in any usual form or in any other form approved by the Directors, which is executed by or on behalf of the transferor,
"Transfer Notice"	a notice in writing given by any Shareholder to the Company where that Shareholder desires, or is required by these Articles, to transfer (or enter into an agreement to transfer) any shares Where such notice is deemed to have been served, it shall be referred to as a Deemed Transfer Notice,
"Transmittee"	a person entitled to a Share by reason of the death or bankruptcy of a Shareholder or otherwise by operation of law;
"unanimous Decision"	has the meaning given in Article 9 1 ,
"Writing"	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** The rules of interpretation set out in Articles 1 3 to 1 8 (inclusive) apply in these articles

**1.3** A reference to -

1 3 1 A "person" includes a reference to -

- (a) any individual, firm, partnership, unincorporated association or company wherever incorporated or situate, and
- (b) that person's legal personal representatives, trustees in bankruptcy and successors

- 1 3 2 “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
- 1 3 3 a “document” includes, unless otherwise specified, any document sent or supplied in Electronic Form, and
- 1 3 4 a “company” shall include any company, corporation or other body corporate, wherever and however incorporated or established
- 1.4** Unless the context otherwise requires:-
  - 1 4 1 words denoting the singular shall include the plural and vice versa,
  - 1 4 2 words denoting a gender shall include all genders, and
  - 1 4 3 references to (or to specified provision of) these articles or any other document shall be construed as references to these articles, that provision or that document as in force and as amended from time to time
- 1.5** Unless stated to the contrary, a reference to a statute, statutory provision or subordinate legislation includes a reference to it as modified, replaced, amended and/or re-enacted from time to time (before or after the date of these articles) and any prior or subsequent legislation made under it but this Article 1 5 shall not operate so as to impose on any person any greater obligation than would otherwise apply
- 1.6** Unless the context otherwise requires, words or expressions used in these articles shall have the same meaning as in the Act
- 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** A reference to an “Article” is to an article of these articles

## **2. MODEL ARTICLES SHALL NOT APPLY**

Neither the model articles for private companies limited by shares prescribed pursuant to the Act, nor any other articles of association (whether prescribed pursuant to the Act or set out in any other statute, statutory instrument or other subordinate legislation concerning companies shall apply to the Company

## **3. LIABILITY OF MEMBERS**

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

**4. DIRECTORS' GENERAL AUTHORITY**

Subject to the other provisions of these articles, the Directors are responsible for the management of the Company's business, for which purpose they may exercise all the powers of the Company

**5. SHAREHOLDERS' RESERVE POWER**

**5.1** The Shareholders may, by Special Resolution, direct the Directors to take, or refrain from taking, specified action

**5.2** No Special Resolution passed pursuant to Article 5 1 invalidates anything which the Directors have done before the passing of that resolution

**6. DIRECTORS MAY DELEGATE**

**6.1** Subject to the other provisions of these articles, the Directors may delegate any of the powers which are conferred on them under these articles -

- 6.1 1 to such person or committee,
  - 6 1 2 by such means (including by power of attorney),
  - 6 1 3 to such an extent,
  - 6 1 4 in relation to such matters or territories, and
  - 6 1 5 on such terms and/or conditions
- as they think fit

**6.2** If the Directors so specify, any delegation pursuant to Article 6 1 may authorise further delegation of the Directors' powers by any person to whom they are delegated

**6.3** The Directors may at any time revoke any delegation made pursuant to Article 6 1 in whole or part, or alter its terms and/or conditions

**7. COMMITTEES OF DIRECTORS**

**7.1** Committees to which the Directors delegate any of their powers must follow procedures which are based (as far as they are applicable) on those provisions of these articles which govern the taking of decisions by Directors

**7.2** The Directors may make rules of procedure for all or any committees, which shall prevail over rules derived from these articles if they are not consistent with them

**8. DIRECTORS TO TAKE DECISIONS COLLECTIVELY**

**8.1** The general rule about decision-making by Directors is that any decision of the Directors must be either a Majority Decision or a Unanimous Decision

- 8.2** If at any time the Company only has one Director, the general rule in Article 8 1 does not apply and that Director may (until such time as he ceases to be the only Director) take decisions without regard to any of the provisions of these articles relating to Directors' decision-making

**9. UNANIMOUS DECISIONS**

- 9.1** A decision of the Directors is a unanimous decision (a "Unanimous Decision")
- 9 1 1 if all Eligible Directors indicate to each other by any means that they share a common view on a matter, and
- 9 1 2 had the matter in question been proposed as a resolution at a Directors' meeting, the Eligible Directors would have formed a quorum at that meeting
- 9.2** A Unanimous 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)

**10. CALLING A DIRECTORS' MEETING**

- 10.1** Any Director may call a Directors' meeting by giving notice of that meeting to the Directors or by authorising the company secretary (if any) to give such notice
- 10.2** Notice of any Directors' meeting must indicate -
- 10 2 1 Its proposed date and time,
- 10 2 2 Where it is to take place, and
- 10 2 3 If it is anticipated that the Directors Participating in that meeting will not be in the same place, how it is proposed that they should communicate with each other during that meeting.
- 10.3** Notice of a Directors' meeting must be given to each Director but need not be in Writing
- 10.4** Notice of a Directors' meeting need not be given to any director who waives his entitlement to notice of that meeting by giving notice to that effect to the Company either before or not more than seven days after the date on which that meeting is held Where such notice is given after the relevant meeting has been held, that does not affect the validity of that meeting or of any business conducted at it

**11. PARTICIPATION IN DIRECTORS' MEETINGS**

- 11.1** Subject to the other provisions of these articles, Directors participate ("Participate") in a Directors' meeting, or part of a Directors' meeting, when they can each communicate to the others any information or opinions they have on any particular item of the business of

that meeting (and for these purposes it is irrelevant where any Director is or how they communicate with each other)

**11.2** If all the Directors Participating in a Directors' 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

**11.3** Subject to Article 11.4, if a question arises at a Directors' meeting or a meeting of a committee of Directors as to the right of any Director to vote or count in the quorum at that meeting (or part of that meeting), the question may, before the conclusion of that meeting, be referred to the Chairman whose ruling in relation to any Director (other than the Chairman) is to be final and conclusive

**11.4** If a question arises at a Directors' meeting or a meeting of a committee of Directors as to the right of the Chairman to vote or count in the quorum at that meeting (or part of that meeting), that question is to be decided by a decision of the Directors Participating at that meeting (provided that in relation to that question, the Chairman is not entitled to vote or count in the quorum)

## **12. QUORUM FOR DIRECTORS' MEETINGS**

**12.1** At a Directors' meeting, unless a quorum is Participating, no proposal is to be voted on except a proposal to call another meeting

**12.2** The quorum for Directors' meetings is one save that in the event that there are more than one director appointed the quorum shall be two one of which, for so long as he is a Director, shall be Mr Watson

## **13. VOTING AT DIRECTORS MEETINGS**

Subject to the other provisions of these articles, each Director Participating in a Directors' meeting has one vote on each proposed resolution

## **14. CHAIRING OF DIRECTORS' MEETINGS**

**14.1** The Directors may appoint a Director to be the Chairman

**14.2** As at the date of adoption of these articles the Chairman shall be Mr Watson

## **15. CHAIRMAN'S CASTING VOTE**

**15.1** Subject to Article 15.2, if at any Directors' meeting the number of votes for and against a proposal are equal, the Chairman (or other Director chairing the meeting) has a casting vote

**15.2** The Chairman (or other Director chairing the meeting) shall not have a casting vote if, in accordance with these articles, he is not entitled to vote (or his vote would not be counted) or count in the quorum at the relevant meeting (or part of that meeting)

**16. SITUATIONAL CONFLICTS OF INTEREST**

**16.1** Subject to the other provisions of these articles, the Directors may, in accordance with (but subject to) the provisions of section 175 of the Act and this Article 16, authorise any matter which would, if not authorised, result in a Director (the "Conflicted Director") being in breach of his duty under section 175 of the Act to avoid a situation in which he has, or could have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company (a "Conflict")

**16.2** An authorisation given under Article 16 1 (an "Authorisation") (and any subsequent variation or termination of that Authorisation) will only be effective if-

16 2 1 any requirement as to the quorum at the Directors' meeting at which the matter is considered is met without counting the Conflicted Director (or any other interested Director), and

16 2 2 the matter was agreed to without the Conflicted Director (or any other interested Director) voting or would have been agreed to if his (or any other interested Director's) vote had not been counted

**16.3** The Directors may at any time -

16 3 1 make any Authorisation subject to such terms and conditions as they think fit, and

16 3 2 vary or terminate any Authorisation (provided that this will not affect anything done by the relevant Conflicted Director or the Company in accordance with that Authorisation before any such variation or termination)

**16.4** The Shareholders may also authorise a Conflict by Ordinary Resolution (a "Shareholder Authorisation") and may at any time, by Ordinary Resolution -

16 4 1 make any Shareholder Authorisation subject to such terms and conditions as they think fit, and

16 4 2 vary or terminate any Shareholder Authorisation (provided that this will not affect anything done by the relevant Conflicted Director or the Company in accordance with that Shareholder Authorisation before any such variation or termination)

**16.5** If the Conflicted Director receives an Authorisation or Shareholder Authorisation in respect of a conflict then (unless that Authorisation or Shareholder Authorisation provides otherwise) the Conflicted Director -

16 5 1 may vote at any future Directors' meeting (or meeting of a committee of the Directors) on any resolution in respect of that Conflict (and if he does vote his vote shall be counted) and he shall be taken into account in determining whether a quorum is Participating at that meeting,

16 5 2 may absent himself from the whole or any part of any Directors' meeting (or meeting of a committee of the Directors) at which anything relating to that Conflict may be discussed;

16 5 3 shall not be required to disclose to the Company (or use for its benefit) any confidential information he obtains otherwise than in his capacity as a Director, as a result of that Conflict where to do so would be a breach of any duty of confidence owed by him to a third party, and

16 5 4 shall not be liable to account to the Company for any benefit he or any of his Connected Persons derive as a result of that Conflict.

## **17. TRANSACTIONAL CONFLICTS OF INTEREST**

**17.1** If a Director (the "Transaction Director") is in any way directly or indirectly interested in a proposed or existing transaction or arrangement with the Company (the "Transaction") he must declare the nature and extent of that interest to the other Directors in accordance with the provisions of the Act

**17.2** Subject to the provisions of the Act, Article 17.1 and the terms of any relevant Authorisation or Shareholder Authorisation, the Transaction Director -

17 2 1 may be party to, or otherwise be interested in, the Transaction,

17 2 2 may vote at any Directors' meeting (or meeting of a committee of the Directors) on any resolution in respect of the Transaction (and if he does vote his vote shall be counted) and he shall be taken into account in determining whether a quorum is Participating in that meeting, and

17 2 3 shall not be liable to account to the Company for any benefit he or any of his Connected Persons derive as a result of the Transaction and the Transaction shall not be liable to be avoided on the ground of his interest

**18. RECORDS OF DECISIONS TO BE KEPT**

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

**19. DIRECTORS' DISCRETION TO MAKE FURTHER RULES**

Subject to the other provisions of these articles, the Directors may make any rule they think fit about how they take decisions and about how such rules are to be recorded or communicated to Directors

**20. NUMBER AND METHODS OF APPOINTING DIRECTORS**

**20.1** The number of directors shall be no fewer than one and no greater than 8

**20.2** 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 -

20 2 1 by Ordinary Resolution, or

20 2 2 by a decision of the directors

**20.3** In any case where, as a result of death or bankruptcy, the Company has no Shareholders and no Directors, the Transmittree(s) of the last Shareholder to have died or have a bankruptcy order made against him (as the case may be) have the right, by notice in writing to the Company to appoint a natural person to be a Director

**20.4** For the purposes of Article 20 3, 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

**20.5** Without prejudice to the powers of the Company under Section 168 of the Act to remove a Director by Ordinary Resolution -

20.5 1 Mr Watson shall be entitled to appoint a director at any time that he, or his nominees, hold shares in the capital of the Company, and

20 5 2 the Shareholder or Shareholders who for the time being hold more than 50% in nominal value of the shares may, from time to time and at any time,

appoint any person or persons as a Director or Directors and remove from office any Director (regardless of how he was appointed) Any such appointment or removal shall be made by notice in writing to the Company signed by such Shareholder or Shareholders giving it (or, in the case of a Shareholder being a company, signed on its behalf by one of its directors) and shall take effect when the notice is delivered to the



Company's registered office The office of a Director shall be vacated if he is removed from office under this Article 20 5

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

A person ceases to be a director as soon as -

21 1 1 he ceases to be a Director by virtue of any provision of the Act or is prohibited from being a Director by law,

21 1 2 a bankruptcy order is made against him,

21 1 3 a composition is made with his creditors generally in satisfaction of his debts,

21 1 4 a registered medical practitioner who is treating him gives an opinion in writing to the Company stating that he has become physically or mentally incapable of acting as a director and may remain so for more than three months and the other Directors resolve that his office be vacated,

21 1 5 by reason of his mental health, a court makes an order which wholly or partly prevents him from personally exercising any powers or rights which he would otherwise have and the other Directors resolve that his office be vacated, or

21 1 6 notification is received by the Company from him that he is resigning from office and that resignation has taken effect in accordance with its terms

**22. DIRECTORS' REMUNERATION**

**22.1** Any Director may undertake any services for the Company that the Directors decide

**22.2** A Director is entitled to such remuneration as the Directors determine -

22 2 1 for his services to the Company as a Director; and

22 2 2 for any other service which he undertakes for the Company

**22.3** Subject to the other provisions of these articles, a Director's remuneration may -

22 3 1 take any form, and

22 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

**22.4** Unless the Directors decide otherwise, each Director's Remuneration accrues from day to day

**22.5** Unless the Directors decide otherwise, no Director is accountable to the Company for any remuneration which he receives as a director, other office or employee of any other Group Company or of any other company in which the Company is interested

**23. DIRECTORS' EXPENSES**

The Company may pay any reasonable expenses which any Director (or any Alternate) properly incurs in connection with his attendance at.-

**23.1** Directors' meetings or meetings of committees of Directors,

**23.2** general meetings, or

**23.3** separate meetings of the holders of any class of Shares or of the holders of any debentures of the Company,

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

**24. APPOINTMENT AND REMOVAL OF ALTERNATES**

**24.1** Any Director (the "Appointor") may appoint as an alternate director (an "Alternate") any other Director, or any other person approved by resolution of the Directors, to -

24 1 1 exercise the Appointor's powers; and

24 1 2 carry out the Appointor's responsibilities  
in the absence of the Appointor.

**24.2** Any appointment or removal of an Alternate must be effected by notice in Writing to the Company signed by the Appointor or in any other manner approved by the Directors

**24.3** The notice must -

24 3 1 identify the proposed Alternate, and

24 3 2 in the case of a notice of appointment, contain a statement signed by the proposed Alternate that he is willing to act as the Alternate of the Appointor

**24.4** A person may act as the Alternate of more than one Director

**25. RIGHTS AND RESPONSIBILITIES OF ALTERNATES**

**25.1** An Alternate has the same rights, in relation to any Directors' meeting or Unanimous Decision, as his Appointor.

**25.2** Except as otherwise provided by these articles, an Alternate -

25 2 1 is deemed for all purposes to be a Director,

25 2 2 is liable for his own acts and omissions,

25 2.3 is subject to the same restrictions as his Appointor, and

25 2 4 is not deemed to be an agent of or for his Appointor

**25.3** Subject to the other provisions of these Articles, a person who is an Alternate but is not otherwise a Director -

- 25 3 1 shall be counted in the quorum at any Directors' meeting in which he is Participating (but only if his Appointor would be counted in the quorum and is not Participating),
  - 25 3 2 may vote at any Directors' meeting in which he is Participating (but only if his Appointor would be eligible to vote and is not Participating, and
  - 25 3 3 may participate in taking any Unanimous Decision (but only if his Appointor is an Eligible Director for the purposes of that Unanimous Decision and does not himself participate in taking that Unanimous Decision)
- 25.4** No Alternate may be counted as more than one Director for determining whether a quorum is Participating at any Directors' meeting
- 25.5** A Director who is also an Alternate has an additional vote on behalf of each of his Appointors who -
  - 25 5 1 is not Participating in the relevant Directors' meeting, and
  - 25 5 2 would have been entitled to vote if that Appointor was Participating in it
- 25.6** An Alternate is not entitled to receive any remuneration from the Company for serving as an Alternate except such part of his Appointor's remuneration as his Appointor may direct by notice in writing made to the Company
- 26. TERMINATION OF APPOINTMENT OF ALTERNATES**

An Alternate's appointment as an Alternate terminates:-

  - 26.1** When his Appointor revokes the appointment by notice in Writing to the Company specifying when it is to terminate,
  - 26.2** On the occurrence (in relation to that Alternate) of any event which, if it occurred in relation to his Appointor, would result in the termination of his Appointor's appointment as a Director,
  - 26.3** On the death of his Appointor, or
  - 26.4** When his Appointor's appointment as a Director terminates
- 27. ALL SHARES TO BE FULLY PAID UP**
  - 27.1** Subject to Article 27 2, 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** Article 27 1 does not apply to the Shares taken on the formation of the Company by the subscribers to the Company's memorandum

**28. POWERS TO ISSUE DIFFERENT CLASSES OF SHARES**

**28.1** Subject to the other provisions of these articles, but without prejudice to the rights attached to any existing Shares, 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

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

Except as required by law, no person is to be recognised by the Company as holding any Shares on any trust and, except as otherwise required by law or these articles, the Company is not in any way to be bound by, or obliged to recognise, any interest in any Shares other than the Holder's absolute ownership of them and all the rights attaching to them.

**30. SHARE CERTIFICATES**

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

**30.2** Every certificate must specify -

30.2.1 in respect of how many Shares, of what class, it is issued,

30.2.2 the nominal value of those Shares

30.2.3 that the Shares are Fully Paid, and

30.2.4 any distinguishing numbers assigned to them.

**30.3** No certificate may be issued in respect of Shares of more than one class

**30.4** If more than one person holds a Share, only one Certificate may be issued in respect of it

**30.5** Certificates must -

30.5.1 have affixed to them the Company's common seal, or

30.5.2 be otherwise executed in accordance with the Act

**31. REPLACEMENT SHARE CERTIFICATES**

**31.1** If a certificate issued in respect of a Shareholder's shares is -

31.1.1 damaged or defaced, or

31.1.2 said to be lost, stolen or destroyed,

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

**31.2** A Shareholder exercising the right to be issued with a replacement certificate pursuant to Article 31 1 -

31 2 1 may at the same time exercise the right to be issued with a single certificate or separate certificates,

31 2 2 must return the certificate which is to be placed to the Company if it is damaged or defaced, and

31 2 3 must comply with such conditions as to evidence, indemnity and the payment of a reasonable fee as the Directors decide

## **32. SHARE TRANSFERS**

**32.1** In Articles 32 to 36 inclusive, reference to the transfer of a Share includes the transfer or assignment of a beneficial or other interest in that Share or the creation of a trust or Encumbrance over that share, and reference to a Share includes a beneficial or other interest in a Share

**32.2** No Share may be transferred unless the transfer is made in accordance with these Articles

**32.3** If a Shareholder transfers (or purports to transfer) a share other than in accordance with these Articles, he shall be deemed to have served a Transfer Notice immediately in respect of all shares held by him

**32.4** Any transfer of a share by way of sale that is required to be made under Articles 32 to 36 inclusive shall be deemed to include a warranty that the transferor sells the share with full title guarantee

**32.5** The Directors shall, as a condition to the registration of any transfer of Shares require the transferee to execute and deliver to the Company a deed agreeing to be bound by the terms of any shareholders' agreement (or similar document) in force between any of the Shareholders and the Company in such form as the Directors shall reasonably require (but not so as to oblige the transferee to have any obligations or liabilities greater than those of the proposed transferor under any such agreement or other document) If any condition is imposed in accordance with this Article 32 5, the transfer may not be registered unless that deed has been executed and delivered to the Company's registered office by the transferee

**32.6** To enable the Directors to determine whether or not there has been any disposal of Shares (or any interest in shares in the capital of the Company) in breach of these Articles, the Directors may require any holder, or the legal personal representatives of any deceased holder, or any person named as transferee in any transfer lodged for

registration or any other person who the Directors believe to have information relevant to that purpose, to provide the Company with any information and evidence that the Directors request regarding any matter which they deem relevant to that purpose. If the information or evidence is not provided to enable the Directors to determine to their reasonable satisfaction that no breach has occurred, or if as a result of the information and evidence the Directors are reasonably satisfied that a breach has occurred, the Directors shall immediately notify the holder of such Shares in writing of that fact and the following shall occur

32 6 1 the relevant Shares shall cease to confer on the holder of them (or any proxy) any rights

- (a) to vote, whether on a show of hands or on a poll, and whether exercisable at a general meeting of the Company or at any separate meeting of the class in question, or
- (b) to receive dividends or other distributions otherwise attaching to those shares or to any further shares in the capital of the Company issued in respect of those shares, or in pursuance of an offer made to the relevant holder, and

32 6.2 the holder may be required, at any time following receipt of the notice, to transfer some or all of its shares to any person(s) at the price that the Directors may require by notice in writing to that holder

**32.7** The rights referred to in Article 36 1. may be reinstated by the Board or, if earlier, shall be reinstated on the completion of any transfer referred to in Article 32 6 2

### **33. TRANSFER OF SHARES SUBJECT TO PRE-EMPTION RIGHTS**

**33.1** Except where the provisions of Articles 34, 36 and 37 apply, any transfer of shares shall be subject to the pre-emption rights in this Article 33

33 1 1 A Seller shall, before transferring or agreeing to transfer any shares, give a Transfer Notice to the Company specifying

33 1 2 the number of Sale Shares,

33 1 3 if he wishes to sell the Sale Shares to a third party, the name of the proposed transferee,

33 1 4 the price (in cash) at which he wishes to transfer the Sale Shares or if no price is specified then the price shall be the fair value determined pursuant to Article 33 (Transfer Price); and

33 1 5 whether the Transfer Notice is conditional on all, or a specific number of, the Sale Shares being sold to Shareholders (Minimum Transfer Condition)

- 33.2** Once given (or deemed to have been given under these Articles), a Transfer Notice may not be withdrawn
- 33.3** A Transfer Notice appoints the Company the agent of the Seller for the sale of the Sale Shares at the Transfer Price
- 33.4** As soon as practicable following receipt of a Transfer Notice the Board (which for the purposes of this Article shall exclude any Director who is a Seller (or who is a representative of a Seller) who shall not be entitled to participate or vote in respect of any decision required on the Board under this Article) shall offer the Sale Shares for sale to the Shareholders in the manner set out in Article 33.5. Each offer shall be in writing and give details of the number and Transfer Price of the Sale Shares offered
- 33.5** The Board shall first offer the Sale Shares to all holders of all Shares if the Sale Shares (other than the Seller), inviting them to apply in writing within the period from the date of the offer to the date ten Business Days after the offer (inclusive) (**Offer Period**) for the maximum number of Sale Shares they wish to buy
- 33.6** Subject to Article 33.7, if, at the end of the Offer Period, the number of Sale Shares applied for is equal to or exceeds the number of Sale Shares, the Board shall allocate the Sale Shares to each Shareholder in the proportion which his existing holding of Shares bears to the total number of Shares held by those Shareholders who have applied for Sale Shares. Fractional entitlements shall be rounded to the nearest whole number. No allocation shall be made to a Shareholder of more than the maximum number of Sale Shares which he has stated he is willing to buy
- 33.7** If the Sale Shares are subject to a Minimum Transfer Condition, any allocation made under Article 33.6 shall be conditional on the fulfilment of the Minimum Transfer Condition
- 33.8** If not all of the Sale Shares are allocated in accordance with Article 33.6, but there are applications for Sale Shares that have not been satisfied, those Sale Shares shall be allocated to the relevant applicant(s) in accordance with the procedure set out in Article 33.6
- 33.9** Subject to Article 33.7, if, at the end of the Offer Period, the total number of Sale Shares applied for is less than the number of Sale Shares, the Board shall allocate the Sale Shares to the Shareholders in accordance with their applications. The surplus shares may be offered to any other person in accordance with Article 33.14
- 33.10** If the Transfer Notice includes a Minimum Transfer Condition and the total number of shares applied for is less than the number of Sale Shares specified in such Minimum Transfer Condition, the Board shall notify the Seller and all those to whom Sale Shares

have been conditionally allocated under Article 33 6 , stating that the condition has not been met and that the relevant Transfer Notice has lapsed with immediate effect

**33.11** If

33 11 1 the Transfer Notice does not include a Minimum Transfer Condition, and

33 11 2 allocations have been made in respect of all the Sale Shares,

the Board shall, when no further offers are required to be made under Article 33 6, forthwith give written notice of allocation (**Allocation Notice**) to the Seller and each Shareholder to whom Sale Shares have been allocated (**Applicant**) The Allocation Notice shall specify the number of Sale Shares allocated to each Applicant and the place and time for completion of the transfer of the Sale Shares (which shall be at least five Business Days and not more than 15 Business Days after the date of the Allocation Notice)

**33.12** On the service of an Allocation Notice, the Seller shall, against payment of the Transfer Price, transfer the Sale Shares in accordance with the requirements specified in it

**33.13** If the Seller fails to comply with Article 33 13

33 13 1 the Chairman of the Company (or, failing him, one of the Directors, or some other person nominated by a resolution of the Board) may, on behalf of the Seller

- (a) complete, execute and deliver in his name all documents necessary to give effect to the transfer of the relevant Sale Shares to the Applicants,
- (b) receive the Transfer Price and give a good discharge for it; and
- (c) (subject to the transfer being duly stamped) enter the Applicants in the register of Shareholders as the holders of the shares purchased by them, and

33 13 2 the Company shall pay the Transfer Price into a separate bank account in the Company's name on trust (but without interest) for the Seller until he has delivered his certificate for the relevant shares (or an indemnity, in a form reasonably satisfactory to the Board, in respect of any lost certificate, together with such other evidence (if any) as the Board may reasonably require to prove good title to those shares) to the Company



**33.14** If an Allocation Notice does not relate to all the Sale Shares then, subject to Article 33.15 and within four weeks following service of the Allocation Notice, the Seller may transfer any unsold Sale Shares to any person at a price at least equal to the Transfer Price. The sale of such unsold Sale Shares in accordance with this Article 33.14 shall continue to be subject to any Minimum Transfer Condition.

**33.15** The Seller's right to transfer shares under Article 33.14 does not apply if the Board in its absolute discretion (acting reasonably) considers that

33.15.1 the transferee is a person (or a nominee for a person) who is a competitor with (or an Associate of a competitor with) the business of the Company or with a Subsidiary Undertaking of the Company, or

33.15.2 the sale of the Sale Shares is not bona fide or the price is subject to a deduction, rebate or allowance to the transferee, or

33.15.3 the Seller has failed or refused to provide promptly information available to it or him and reasonably requested by the Board to enable it to form the opinion mentioned above.

#### **34. PERMITTED TRANSFERS**

**34.1** An Employee who is a Shareholder (the **Original Shareholder**) may transfer all or any of his or its shares to a Permitted Transferee.

**34.2** Trustees may transfer shares (i) to the Original Shareholder or to another Permitted Transferee of the Original Shareholder or (ii) to the new or remaining trustees upon a change of Trustees.

**34.3** No transfer of shares may be made to Trustees unless the Board is satisfied

34.3.1 with the terms of the trust instrument and, in particular, with the powers of the trustees,

34.3.2 with the identity of the proposed trustees,

**34.4** If a Permitted Transferee who is a spouse or Civil Partner of the Original Shareholder ceases to be a spouse or Civil Partner of the Original Shareholder whether by reason of divorce or otherwise he must, within 15 Business Days of so ceasing either

34.4.1 execute and deliver to the Company a transfer of all the shares held by him to the Original Shareholder (or, to any Permitted Transferee of the Original Shareholder) for such consideration as may be agreed between them, or

34.4.2 give a Transfer Notice to the Company in respect of all the shares held by him in accordance with Article 33.2,

failing which he shall be deemed to have given a Deemed Transfer Notice in respect of all the shares held by him and Article 33 2 shall apply.

- 34.5** On the death, bankruptcy, liquidation, administration or administrative receivership of a Permitted Transferee (other than a joint holder) his personnel representatives or trustee in bankruptcy, or its liquidator, administrator or administrative receiver must within five Business Days after the date of the grant of probate the making of a bankruptcy order or the appointment of the liquidator, administrator or the administrative receiver execute and deliver to the Company a transfer of the shares held by the Permitted Transferee. The transfer shall be to the Original Shareholder if still living (and not bankrupt) or, if so directed by the Original Shareholder, to any Permitted Transferee of the Original Shareholder. If the transfer is not executed and delivered within five Business Days of such period or if the Original Shareholder has died or is bankrupt, the Permitted Transferee's personnel representatives or trustee in bankruptcy or its liquidator, administrator or administrative receiver will be deemed to have given a Deemed Transfer Notice in respect of all the shares held by it and Article 33 shall apply

**35. VALUATION**

- 35.1** If a Deemed Transfer Notice is served other than under Article 36 (or prior to the completion of the purchase of Shares pursuant to the service of any call option notice that has been served by a Shareholder), then, after service of the Deemed Transfer Notice, on the date on which the Board first has actual knowledge of the facts giving rise to the service of such a notice, the Board shall either

- 35 1 1 appoint an Independent Expert to determine the fair value of the Sale Shares, or
- 35 1 2 if the fair value has been determined by an Independent Expert within the preceding four weeks, specify that the fair value of the Sale Shares shall be calculated by dividing that fair value by the number of Sale Shares to which it related and multiplying such fair value by the number of Sale Shares the subject of the Deemed Transfer Notice

- 35.2** The fair value of the Sale Shares shall be determined by the Independent Expert on the following assumptions and bases.

- 35 2 1 the sale is between a willing Seller and a willing Buyer of Sale Shares,
- 35 2 2 if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so,
- 35 2.3 the Sale Shares are sold free from all Encumbrances but subject to restrictions on transfer, and

35.2.4 such sale is taking place on the date the Independent Expert is requested to determine fair value of the Sale Shares

**35.3** The Independent Expert shall be requested to determine the fair value within ten Business Days of their appointment and notify the Board of their determination

**35.4** Subject to any confidentiality provisions, the Independent Expert may have access to all accounting records or other relevant documents of the Company

**35.5** The Independent Expert's determination shall be final and binding on the parties (in the absence of fraud or manifest error)

**36. COMPULSORY TRANSFERS**

**36.1** An individual entitled to a Share in consequence of the bankruptcy of a Shareholder shall (save where Article 34.5 applies) be regarded as giving a Deemed Transfer Notice in relation to such Shares at such time as the Directors (excluding the bankrupt shareholder) determine

**36.2** If a company that is a Shareholder resolves to appoint a liquidator, administrator or administrative receiver over it (or a material part of its business), that Shareholder shall (save where Article 34.5 applies) be regarded as giving a Deemed Transfer Notice in respect of all Shares held by it at such time as the Directors determine

**36.3** If an Employee becomes a Bad Leaver that Bad Leaver shall be regarded as giving a Deemed Transfer Notice in respect of all the Shares held by the Bad Leaver or its Permitted Transferees (the 'Sale Shares') In such circumstances, such Sale Shares shall be offered for sale by the Board (which for the purposes of this Article shall exclude any Director who is a Bad Leaver who shall not be entitled to participate or vote in respect of any decision required on the Board under this Article 36) with no Minimum Transfer Conditions to all Shareholders who are holders of Shares other than the Bad Leaver (**Continuing Shareholders**) on the Termination Date

**36.4** The Board shall invite the Continuing Shareholders to apply in writing within the period from the date of the offer to the date ten Business Days after the offer (inclusive) (**Deemed Offer Period**) for the maximum number of Sale Shares they wish to buy, stating the aggregate cash price they are prepared to pay for the same.

**36.5** At the end of the Deemed Offer Period, the Board shall compile a list of the bids received from the Continuing Shareholders for Sale Shares within five Business Days

**36.6** If the number of Sale Shares applied for

36.6.1 is equal to the number of Sale Shares, the Board shall provisionally allocate the Sale Shares to those Continuing Shareholders who have bid for them, or

- 36.6.2 exceeds the number of Sale Shares, the Board shall provisionally allocate the Sale Shares to bidding Continuing Shareholders in such a way as will ensure that all the Sale Shares can be sold at the best possible price for the Bad Leaver; or
- 36.6.3 is less than all Sale Shares, the Board shall provisionally allocate those Sale Shares which have been bid for to the Continuing Shareholders who submitted bids pro rata to their respective holdings of Shares
- 36.7** Fractional entitlements shall be rounded to the nearest whole number. No allocation shall be made to a Shareholder of more than the maximum number of Sale Shares which he has stated he is willing to buy. The Board shall notify all Shareholders of provisional allocations (including the price per share bid in respect thereof) (**Provisional Allocations**) made under Article 36.6 within five Business Days of the making of such allocation (a **Provisional Allocation Notice**).
- 36.8** A Bad Leaver in receipt of a Provisional Allocation Notice may
- 36.8.1 by notice in writing to the Board within ten Business Days of receipt of a Provisional Allocation Notice, reject any or all bids comprised in Provisional Allocations where such offers offer a price per Sale Share which is less than the price per share paid upon the acquisition of the relevant Sale Shares (whether or not the Bad Leaver was the original subscriber for such shares or otherwise) (the **Reserve Price**), or
- 36.8.2 by notice in writing to the Board within ten Business Days of receipt of a Provisional Allocation Notice, accept any or all bids comprised in Provisional Allocations
- 36.9** A Bad Leaver shall be obliged by notice in writing to the Board within ten Business Days of receipt of a Provisional Allocation Notice to accept all bids comprised in Provisional Allocations where such offers offer a price per Sale Share which exceeds the Reserve Price
- 36.10** The Board shall issue an Allocation Notice in accordance with Article 33.11.2 (and on the basis that Article 33.11.1 is not applicable) once the Bad Leaver has communicated its decision in accordance with Articles 36.8 and 36.9 to accept Provisional Allocations (if any). If the Bad Leaver fails to respond as required by Articles 36.8 and 36.9 in the manner required or at all, the Board shall be entitled to issue an Allocation Notice in accordance with Article 33.11.2 (and on the basis that Article 33.11.2 is not applicable) on the basis of its Provisional Allocations
- 36.11** Following the service of an Allocation Notice under Articles 36.10 to 33.15 and 33.17 shall apply save that references to the Transfer Price shall be deemed to be references to

the relevant prices set out in the Provisional Allocations stated in the Allocation Notice References in Articles 33 13 and 33 14 to the Seller shall include Permitted Transferees of Bad Leavers who shall be bound by any Allocation Notice made in respect of the Sale Shares held by them.

- 36.12** All voting rights attached to the Bad Leaver's (or its Permitted Transferee's) Shares (Restricted Shares), if any, shall be suspended on the Termination Date. However, the holders of Restricted Shares shall have the right to receive a notice of, and to attend, all general meetings of the Company, but shall have no right to vote either in person or by proxy.
- 36.13** Voting rights suspended by Article 36 10 shall be automatically restored before a Listing.
- 36.14** All voting rights attached to the Restricted Shares transferred under this Article 36 shall be automatically restored on completion of the transfer.
- 36.15** In the event that having completed the process under this Article 36 a Bad Leaver has not sold all of the Sale Shares and remains the holder of any of the Sale Shares then the Board at its absolute discretion may at any time treat the Bad Leaver as having given the Deemed Transfer Notice once again on the same terms as given previously (other than that the number of Sale Shares shall be the number of Sale Shares still held by the Bad Leaver at that date) and then the process set out under this Article 36 shall be repeated. The Board may repeat this process under this Article 36 15 until the Bad Leaver is no longer the holder of any Shares.

**37. DRAG ALONG**

- 37.1** If the holders of 75% or more of the Shares in issue for the time being (**Selling Shareholders**) wish to transfer all of their interests in the Shares (**Sellers' Shares**) to a bona fide arm's length purchaser (**Proposed Buyer**), the Selling Shareholders may require all the other holders of Shares (**Called Shareholders**) to sell and transfer all their shares to the Proposed Buyer (or as the Proposed Buyer directs) in accordance with the provisions of this Article (**Drag Along Option**) subject to the terms of any agreement signed by all shareholders of the Company.
- 37.2** The Selling Shareholders may exercise the Drag Along Option by giving written notice to that effect (**Drag Along Notice**) at any time before the transfer of the Sellers' Shares to the Proposed Buyer. The Drag Along Notice shall specify
- 37 2 1 that the Called Shareholders are required to transfer all their Shares (Called Shares) pursuant to this Article 37 ,
- 37 2 2 the person to whom the Called Shares are to be transferred,

- 37.2.3 the consideration payable for the Called Shares calculated in accordance with Article 37.4, and
- 37.2.4 the proposed date of the transfer
- 37.3** Once issued, a Drag Along Notice shall be irrevocable. However, a Drag Along Notice shall lapse if, for any reason, the Selling Shareholders have not sold the Sellers' Shares to the Proposed Buyer within 21 Business Days of serving the Drag Along Notice. The Selling Shareholders may serve further Drag Along Notices following the lapse of any particular Drag Along Notice.
- 37.4** The Called Shareholders shall sell each Called Share for the amount that they would be entitled to receive if the total consideration proposed to be paid by the third party purchaser were distributed to the holders of the Called Shares and the Sellers' Shares in accordance with the provisions of Article 48.
- 37.5** No Drag Along Notice shall require a Called Shareholder to agree to any terms except those specifically set out in this Article 37.
- 37.6** The rights of pre-emption set out in these Articles shall not apply to any transfer of shares to a Proposed Buyer (or as it may direct) pursuant to a sale for which a Drag Along Notice has been duly served.
- 37.7** Within five Business Days of the Selling Shareholders serving a Drag Along Notice on the Called Shareholders, the Called Shareholders shall deliver stock transfer forms for the Called Shares, together with the relevant share certificate (or a suitable indemnity for any lost share certificate) to the Company. On the expiration of that five Business Day period, the Company shall pay the Called Shareholders, on behalf of the Proposed Buyer, the amounts they are due pursuant to Article 37.4 to the extent that the Proposed Buyer has put the Company in the requisite funds. The Company's receipt for the price shall be a good discharge to the Proposed Buyer. The Company shall hold the amounts due to the Called Shareholders pursuant to Article 37.4 in trust for the Called Shareholders without any obligation to pay interest.
- 37.8** To the extent that the Proposed Buyer has not, on the expiration of the five Business Day period referred to in Article 37.6, put the Company in funds to pay the consideration due pursuant to Article 37, the Called Shareholders shall be entitled to the return of the stock transfer form and share certificate (or suitable indemnity) for the relevant Called Shares and the Called Shareholders shall have no further rights or obligations under this Article 37 in respect of their Shares.
- 37.9** If any Called Shareholder does not, on completion of the sale of the Called Shares, execute transfer(s) in respect of all of the Called Shares held by it, the defaulting Called

Shareholder shall be deemed to have irrevocably appointed any person nominated for the purpose by the Selling Shareholders to be their agent and attorney to execute all necessary transfer(s) on his behalf, against receipt by the Company (on trust for such holder) of the consideration payable for the Called Shares, and to deliver such transfer(s) to the Proposed Buyer (or as it may direct) After the Proposed Buyer (or its nominee) has been registered as the holder, the validity of such proceedings shall not be questioned by any such person Failure to produce a share certificate shall not impede the registration of shares under this Article 37

**37.10** Following the issue of a Drag Along Notice, on any person becoming a Shareholder of the Company pursuant to the exercise of a pre-existing option to acquire shares in the Company or on the conversion of any convertible security of the Company (a New Shareholder), a Drag Along Notice shall be deemed to have been served on the New Shareholder on the same terms as the previous Drag Along Notice The New Shareholder shall then be bound to sell and transfer all Shares acquired by it to the Proposed Buyer (or as the Proposed Buyer may direct) and the provisions of this Article 37 shall apply with the necessary changes to the New Shareholder, except that completion of the sale of the Shares shall take place immediately on the Drag Along Notice being deemed served on the New Shareholder

**38. TAG ALONG**

**38.1** If at any time one or more holders (**Proposed Sellers**) of Shares propose to sell, in one or a series of related transactions, Shares comprising 10% or more of the Shares ( a **Holding**) to any person (not being a Shareholder), the Proposed Sellers may only sell the Holding if they comply with the provisions of this Article 38

**38.2** The Proposed Sellers shall give written notice (**Proposed Sale Notice**) to the other holders of the Shares of such intended sale at least ten Business Days prior to the date thereof The Proposed Sale Notice shall set out, to the extent not described in any accompanying documents, the identity of the proposed buyer (Proposed Buyer), the purchase price and other terms and conditions of payment, the proposed date of sale (Proposed Sale Date) and the number of Shares proposed to be purchased by the Proposed Buyer (**Proposed Sale Shares**)

**38.3** Any other holder of Shares shall be entitled, by written notice given to the Proposed Sellers within five Business Days of receipt of the Proposed Sale Notice, to be permitted to sell all of his Shares to the Proposed Buyer on the same terms and conditions as those

set out in the Proposed Sale Notice for Shares on the same terms and conditions as those set out in the Proposed Sale Notice, save as to price

- 38.4** If any other holder of Shares is not given the rights accorded to him by the provisions of this Article 38, the Proposed Sellers shall be required not to complete their sale and the Company shall be bound to refuse to register any transfer intended to carry such a sale into effect

**39. TRANSMISSION OF SHARES**

- 39.1** If title to a Share passes to a Transmittree ( subject always to any shareholders agreement the Company is a party to), the Company may only recognise that Transmittree as having any title to that Share

- 39.2** A Transmittree who produces such evidence of entitlement to Shares as the Directors may properly require -

39 2 1 may, subject to the other provisions of these articles, choose either to become the Holder of those Shares or to have them transferred to another person, and

39 2 2 subject to Article 33 3 and the other provisions of these articles and pending any transfer of those Shares to another person, has the same rights as the Holder had

- 39.3** A Transmittree does not have the right to attend or vote at a general meeting or agree to a proposed written resolution, in respect of any Shares to which he is entitled by reason of the Holder's death or bankruptcy or otherwise, unless that Transmittree becomes the Holder of those Shares

**40. EXERCISE OF TRANSMITTEES' RIGHTS**

- 40.1** A Transmittree who wishes to become the Holder of any Shares to which he has become entitled must notify the Company in writing of that wish

- 40.2** If a Transmittree wishes to have a Share transferred to another person, that Transmittree must execute a Transfer Form in respect of it

- 40.3** Any transfer made or executed under this Article 40 is to be treated as if it were made or executed by the person from whom the Transmittree has derived rights in respect of the relevant Share and as if the event which gave rise to the transmission had not occurred

**41. TRANSMITTEES BOUND BY PRIOR NOTICES**



If a notice is given to a Shareholder in respect of any Shares and a Transmittree is entitled to those Shares, that Transmittree is bound by the notice if it was given to that Shareholder before that Transmittree's name has been entered in the register of members as Holder of those Shares

**42. PROCEDURE FOR DECLARING DIVIDENDS**

**42.1** The Company may by Ordinary Resolution declare dividends and the Directors may decide to pay interim dividends

**42.2** 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

**42.3** No dividend may be declared or paid unless it is in accordance with Shareholders' respective rights.

**42.4** Unless -

42.4.1 the Shareholders resolution to declare, or Directors' decision to pay, a dividend,  
or

42.4.2 the terms on which Shares are issued,  
specify otherwise, each dividend 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

**42.5** If the Company's share capital is divided into difference 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

**42.6** 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

**42.7** 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.

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

**43.1** The Directors may determine to distribute up to 40% of Available Profits in respect of the Shares

**43.2** 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 -

43.2.1 Transfer to a bank or building society account specified by the relevant Distribution Recipient either in writing or as the Directors may otherwise decide;

43 2 2 Sending a cheque made payable to the Relevant Distribution Recipient by post to him at his registered address (if he is a Holder of the Share), or (in any other case) to an address specified by him either in writing or as the Directors may otherwise decide,

- (a) Sending a cheque made payable to such person by post to such person at such address as the relevant Distribution Recipient has specified either in writing or as the Directors may otherwise decide; or
- (b) Any other means of payment as the Directors agree with the relevant Distribution Recipient either in writing or by such other means as the Directors decide

#### **44. NO INTEREST ON DISTRIBUTIONS**

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

**44.1** The terms on which that Share was issued, or

**44.2** The provisions of another agreement between the Holder of that Share and the Company.

#### **45. UNCLAIMED DISTRIBUTIONS**

**45.1** All dividends or other sums which are -

45 1 1 payable in respect of Shares, and

45 1 2 unclaimed after having been declared or become payable

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

**45.2** The payment of any unclaimed dividend or other sum into a separate account does not make the Company a Trustee in respect of it.

**45.3** If -

45 3 1 12 years have passed from the date on which a dividend or other sum become due for payment, and

45 3 2 The relevant Distribution Recipient has not claimed it

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

**46. NON-CASH DISTRIBUTIONS**

**46.1** 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 that Share by transferring non-cash assets of equivalent value (including shares or other securities in any company)

**46.2** 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 -

46.2 1 fixing the value of any assets,

46.2 2 paying cash to any Distribution Recipient on the basis of that value in order to adjust the rights of recipients, and

46.2 3 vesting any assets in trustees

**47. WAIVER OF DISTRIBUTIONS**

Any Distribution Recipient may waive his entitlement to a dividend or other distribution payable in respect of any Share by giving the Company notice in writing to that effect, but if -

**47.1** That share has more than one Holder, or

**47.2** More than one person is entitled to that 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 that Share

**48. EXIT PROVISIONS**

**48.1** On an Asset Sale, the surplus assets of the Company remaining after payment of its liabilities shall be distributed (to the extent that the Company is lawfully able to do so) to the Shareholders, pro rata to their holdings of Shares at the time of distribution

**48.2** If it is not lawful for the Company to distribute its surplus assets following an Asset Sale in accordance with the provisions of these Articles, the Shareholders shall take any actions that may be necessary to put the Company into voluntary liquidation)

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

**49.1** Subject to the other provisions of these articles, the Directors may, if they are so authorised by an Ordinary Resolution -

- 49 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 or capital redemption reserve, and
  - 49 1.2 Appropriate any sum which they decide to capitalise in accordance with Article 49 1 2 (a "Capitalised Sum") to the persons who would have been entitled to it if it were distributed by way of dividend (the "Persons Entitled") and in the same proportions
- 49.2** Capitalised sums must be applied -
  - 49 2 1 on behalf of the Persons Entitled; and
  - 49 2 2 in the same proportions as a dividend would have been distributed to them
- 49.3** Any Capitalised Sum may be applied in paying up new Shares of a nominal amount equal to the Capitalised Sum which are then allotted created as Fully Paid to the Persons Entitled or as they may direct
- 49.4** 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.
- 49.5** Subject to the other provisions of these articles, the Directors may -
  - 49 5.1 apply Capitalised Sums in accordance with Articles 49.2 and 49 4 partly in one way and partly in another,
  - 49 5 2 make such arrangements as they think fit to deal with Shares or debentures becoming distributable in fractions under this Article 49 (including the issuing of fractional certificates or the making of cash payments), and
  - 49 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 49 .
- 50. ATTENDANCE AND SPEAKING AT GENERAL MEETINGS**
- 50.1** A person is able to exercise the right to speak at a general meeting when he is in a position to communicate to all those attending the meeting, during the meeting Any information or opinions which he has on the business of the meeting
- 50.2** A person is able to exercise the right to vote at a general meeting when
  - 50 2 1 he is able to vote, during the meeting, or resolutions put to the vote at the meeting, and

50.2.2 his 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

**50.3** The Directors may make whatever arrangements they consider appropriate to enable those attending a general meeting to exercise their rights to speak or vote at it

**50.4** In determining attendance at a general meeting it is immaterial whether any two or more persons attending it are in the same place as each other

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

## **51. QUORUM FOR GENERAL MEETINGS**

**51.1** No business other than the appointment of the Chairman of the Meeting is to be transacted at a general meeting if the persons attending it do not constitute a quorum.

**51.2** If the Company has only one Shareholder, one Qualifying Person in attendance at a general meeting is a quorum

**51.3** If the Company has more than one Shareholder, two Qualifying Persons in attendance at a general meeting are a quorum, unless -

51.3.1 each is a Qualifying Person only because he is authorised under Section 323 of the Act to act as the representative of a company in relation to that meeting and they are representatives of the same company, or

51.3.2 each is a Qualifying Person only because he is appointed as a proxy of a Shareholder in relation to that meeting and they are proxies of the same Shareholder

## **52. CHAIRING GENERAL MEETINGS**

**52.1** If the Directors have appointed a Chairman, the Chairman shall chair general meetings if present and willing to do so -

52.1.1 If the Directors have not appointed a Chairman or if the Chairman is unwilling to chair the relevant general meeting or is not present within 10 minutes of the time at which the relevant general meeting was due to start,

52.1.2 the Directors present, or

52.1.3 (if no Directors are present), the meeting

must appoint a Director or Shareholder to chair that meeting and that appointment must be the first business of that meeting

**53. ATTENDANCE AND SPEAKING BY DIRECTORS AND NON-SHAREHOLDERS AT GENERAL MEETINGS**

**53.1** Directors may attend and speak at general meetings whether or not they are shareholders

**53.2** The Chairman of the meeting may permit other persons who are not -

53 2 1 Shareholders, or

53 2 2 otherwise entitled to exercise the rights of Shareholders in relation to general meetings

to attend and speak at any general meeting

**54. ADJOURNMENT OF GENERAL MEETINGS**

**54.1** If the persons attending a general meeting within 30 minutes of the time at which the meeting was due to start do not constitute a quorum or if during a general meeting a quorum ceases to be present, the Chairman of the meeting must adjourn it

**54.2** The Chairman of the meeting may adjourn a general meeting at which a quorum is present if,

54 2 1 that meeting consents to an adjournment, or

54 2 2 it appears to him that an adjournment is necessary to protect the safety of any person attending that meeting or ensure that the business of that meeting is conducted in an orderly manner.

**54.3** The Chairman of the meeting must adjourn a general meeting if directed to do so by that meeting

**54.4** When Adjourning a general meeting, the Chairman of the meeting must -

54 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

54 4 2 have regard to any directions as to the time and place of any adjournment which have been given by that meeting

**54.5** 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 seven clear days' notice of it (that is, excluding the day of the adjourned meeting and the day on which the notice is given) -

54 5 1 to the same persons to whom notice of the Company's general meetings is required to be given, and

54 5 2 containing the same information which such notice is required to contain

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

**55. VOTING AT GENERAL MEETINGS: GENERAL**

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

**55.2** On a vote on a resolution on a show of hands at a general meeting every Shareholder (whether present in person or by one or more proxies or corporate representatives) has one vote

**55.3** On a vote on -

55 3 1 a resolution on a poll taken at a general meeting, or

55 3 2 a written resolution

every shareholder has one vote in respect of each Share held by him

**56. ERRORS AND DISPUTES**

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

**56.2** Any objection pursuant to Article 49 1 must be referred to the Chairman of the meeting, whose decision is final

**57. POLL VOTES**

**57.1** A poll on a resolution may be demanded -

57 1 1 in advance of the general meeting where it is to be put to the vote, or

57 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

**57.2** A poll may be demanded by.-

57 2 1 the Chairman of the meeting,

57.2 2 the Directors,

57 2 3 two or more persons having the right to vote on the relevant resolution, or

57 2 4 a person or persons representing not less than one tenth of the total voting rights of all the Shareholders having the right to vote on the relevant resolution

**57.3** A demand for a poll may be withdrawn if -

57 3 1 the poll has not yet been taken, and  
57 3 2 the chairman of the meeting consents to the withdrawal  
but any such withdrawal shall not invalidate the result of a show of hands declared prior  
to the demand for a poll being made

**57 4** Polls must be taken immediately and in such manner as the Chairman of the meeting  
directs

## **58. CONTENT OF PROXY NOTICES**

**58.1** Proxies may only validly be appointed by a notice in writing (a "Proxy Notice") which -

- 58 1 1 states the name and address of the Shareholder appointing the proxy,
- 58 1 2 identifies the person appointed to be the proxy and the general meeting in  
relation to which he is appointed,
- 58 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
- 58 1 4 is delivered to the Company in accordance with these articles and any  
instructions contained in the notice of the general meeting to which the Proxy  
Notice relates

**58.2** The Company may require Proxy Notices to be delivered in a particular form and may  
specify different forms for different purposes

**58.3** 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

**58.4** Unless a Proxy Notice indicates otherwise, it must be treated as -

- 58 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 relevant general meeting;  
and
- 58 4 2 appointing that person as a proxy in relation to any adjournment of the general  
meeting to which it relates as well as that general meeting itself

## **59. DELIVERY OF PROXY NOTICES**

**59.1** Any notice of a general meeting must specify the address or addresses (the "Proxy  
Notification Address") at which the Company or its agents will receive Proxy Notices  
relating to that meeting, or any adjournment of it, delivered in Hard Copy Form or  
Electronic Form



- 59.2** Subject to Articles 59 2 and 59 4 1, a Proxy Notice must be delivered to the Proxy Notification address not less than 24 hours before the general meeting or adjourned meeting to which it relates
- 59.3** In the case of a poll taken more than 48 hours after it is demanded, a Proxy Notice must be delivered to the Proxy Notification Address not less than 24 hours before the time appointed for the taking of the poll
- 59.4** In the case of a poll not taken during the meeting but taken not more than 48 hours after it was demanded, the Proxy Notice must be delivered.-
- 59 4 1 in accordance with Article 59 2 , or
- 59 4 2 at the meeting at which the poll was demanded to the Chairman, company secretary or any Director
- 59.5** 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
- 59.6** 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 to the Proxy Notification Address
- 59.7** A notice revoking a proxy appointment only takes effect if it is delivered before the start of the general meeting or adjourned general meeting to which it relates
- 59.8** If a Proxy Notice is not executed by the person appointing the proxy, it must be accompanied by evidence in writing of the authority of the person who executed it to execute it on the person appointing the proxy's behalf

**60. AMENDMENTS TO RESOLUTIONS**

- 60.1** An Ordinary Resolution to be proposed at a general meeting may be amended by Ordinary Resolution if -
- 60.1 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 that meeting is to take place (or such later time as the Chairman of the meeting may determine), and
- 60 1 2 the proposed amendment does not, in the reasonable opinion of the Chairman of the meeting, materially alter the scope of the resolution
- 60.2** A Special Resolution to be proposed at a general meeting may be amended by Ordinary Resolution if -

- 60 2 1 the Chairman of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed, and
  - 60 2 2 the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution
- 60.3** If the Chairman of the meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, his error does not invalidate the vote on that resolution.

## **61. MEANS OF COMMUNIATION TO BE USED**

### **61.1** Subject to the other provisions of these articles:-

- 61 1 1 anything sent or supplied by or to the Company under these articles may be sent or supplied in any way in which the Act provides for documents or information which are authorised or required by any provision of the Act to be sent or supplied by or to the Company,
  - 61 1 2 and the provisions of the Act, the Company may make any documents or information authorised or required by any provision of these articles or the Act to be sent or supplied by the Company to any Shareholder available on a website, and
  - 61 1 3 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
- 61.2** 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
- 61.3** Section 1147(5) of the Act shall not apply in relation to documents and information sent or supplied by the Company

## **62. COMPANY SEALS**

- 62.1** Any common seal may only be used by the authority of the Directors
- 62.2** The Directors may decide by what means and in what form any common seal is to be used
- 62.3** Unless otherwise decided by the Directors, if the Company has a common seal and it is affixed to a document, that document must also be signed by at least one Authorised Person in the presence of a witness who attests the signature

**63. NO RIGHT TO INSPECT ACCOUNTS AND OTHER RECORDS**

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

**64. DIRECTORS' INDEMNITY**

**64.1** Subject to Article 65, a Relevant Director may be indemnified out of the Company's assets against -

64 1 1 any liability incurred by him in connection with any negligence, default, breach of duty or breach of trust in relation to any Group Company

64 1.2 any liability incurred by him in connection with the activities of any Group Company in its capacity as a trustee of any occupational pension scheme (as defined in section 235(6) of the Act),

64 1 3 any other liability incurred by him as an officer of any Group Company

**64.2** Article 57 1 does not authorise any indemnity which would be prohibited or rendered void by any provision of the Act or by any other provision of law

**65. DIRECTORS' INSURANCE**

The Directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any Relevant Director in respect of any Relevant Loss