

Company Number: 08850412

THE COMPANIES ACT 2006

PRIVATE COMPANY LIMITED BY SHARES

(adopted by Special Resolution dated 6th February 2015
and as further amended by Special Resolution dated 16 May 2023)

ARTICLES OF ASSOCIATION

of

PIL UK HOLDINGS 1 LIMITED

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1 **Introduction**

- 1.1 The model articles for private companies limited by shares contained or incorporated in Schedule 1 to the Companies (Model Articles) Regulations 2008 (SI 2008/3229) as amended prior to the date of adoption of these articles (the "**Model Articles**") shall apply to the Company, save insofar as they are varied or excluded by, or are inconsistent with, the following Articles.
- 1.2 Table A in the Schedule to the Companies (Tables A to F) Regulations 1985 (as amended) ("**Table A**") shall not apply to the Company.
- 1.3 In these Articles and the Model Articles any reference to any statutory provision shall be deemed to include a reference to each and every statutory amendment, modification, re-enactment and extension thereof for the time being in force.
- 1.4 In these Articles:
 - 1.4.1 article headings are used for convenience only and shall not affect the construction or interpretation of these Articles;
 - 1.4.2 words denoting the singular include the plural and vice versa and reference to one gender includes the other gender and neuter and vice versa,
 - 1.4.3 any reference to a person includes any individual, firm, company, corporation, government, state or agency or a state or any association, trust, joint venture, consortium or partnership (whether or not having separate legal personality); and
 - 1.4.4 Articles 8(2), 9(4), 11(2), 14, 17(2), 17(3), 19, 21, 26(5), 27, 28, 29, 30(5) to (7) (inclusive), 44(4), 51, 52 and 53 of the Model Articles shall not apply to the Company.

2 **Definitions**

In these Articles the following words and expressions shall have the following meanings:

"**Act**" means the Companies Act 2006 (as amended from time to time);

"**Acquisition Cost**" means the aggregate price paid for the relevant Shares (which shall include, where such Shares are issued as consideration for other shares, the value ascribed to such other shares) whether by purchase or subscription and including any premium paid on subscription;

"**Arrears**" means in relation to any Share, all arrears of any dividend or other sums payable in respect of that Share, whether or not earned or declared and irrespective of whether or not the Company has had at any time sufficient Available Profits to pay any dividend or sums, together with all interest and other amounts payable on that Share;

"**Articles**" means these Articles of Association as from time to time altered by special or written resolution;

"**Asset Sale**" means the disposal by the Company of all or substantially all of its undertaking and assets;

"**Auditors**" means the auditors of the Company from time to time;

"**Available Profits**" means profits available for distribution within the meaning of part 23 of the Act;

"Board" means the board of Directors and any committee of the board constituted for the purpose of taking any action or decision contemplated by these Articles;

"Business Day" means a day on which English clearing banks are ordinarily open for the transaction of normal banking business in the City of London (other than a Saturday or Sunday);

"Civil Partner" means in relation to a Shareholder, a civil partner (as defined in the Civil Partnership Act 2004) of the Shareholder;

"Company" means PIL UK Holdings 1 Limited (company number: 08850412);

"Company's Lien" has the meaning given in Article 24.1;

"Controlling Interest" means an interest in Shares giving the holder or holders control of the Company within the meaning of Section 1124 of the CTA 2010;

"CTA 2010" means the Corporation Tax Act 2010;

"Date of Adoption" means the date on which these Articles were adopted;

"Director(s)" means a director or directors of the Company from time to time;

"electronic address" has the same meaning as in Section 333 of the Act;

"electronic form" and **"electronic means"** have the same meaning as in Section 1168 of the Act;

"Eligible Director" means a Director who would be entitled to vote on a matter had it been proposed as a resolution at a meeting of the Directors;

"Encumbrance" means 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 other than liens arising by operation of law);

"Expert Valuer" is as determined in accordance with Article 9.2;

"Family Trusts" means as regards any particular individual member or deceased or former individual member, trusts (whether arising under a settlement, declaration of trust or other instrument by whomsoever or wheresoever made or under a testamentary disposition or on an intestacy) under which no immediate beneficial interest in any of the shares in question is for the time being vested in any person other than the individual and/or Privileged Relations of that individual, and so that for this purpose a person shall be considered to be beneficially interested in a share if such share or the income thereof is liable to be transferred or paid or applied or appointed to or for the benefit of such person or any voting or other rights attaching thereto are exercisable by or as directed by such person pursuant to the terms of the relevant trusts or in consequence of an exercise of a power or discretion conferred thereby on any person or persons;

"Financial Year" means an accounting reference period (as defined by the Act) of the Company;

"Group" means the Company and its Subsidiary Undertaking(s) (if any) from time to time and **"Group Company"** shall be construed accordingly;

"hard copy form" has the same meaning as in Section 1168 of the Act;

"Holding Company" means a newly formed holding company, pursuant to which the membership, pro rata shareholdings and classes of shares comprised in such holding company matches that of the Company immediately prior to the transfer of the issued share capital of the Company to such holding company;

"in the agreed terms" has the meaning in the Subscription Agreement;

"ITA" means Income Tax Act 2007;

"Lien Enforcement Notice" has the meaning given in Article 24.3;

"Listing" means the admission of all or any of the Shares or the shares of a Parent Undertaking or securities representing those shares ("**Listing Shares**") to or the grant of permission by any like authority for the same to be admitted to or traded or quoted on Nasdaq or the Official List of the United Kingdom Listing Authority or the AIM Market operated by the London Stock Exchange Plc or any other recognised investment exchange (as defined in Section 285 of the Financial Services and Markets Act 2000);

"Listing Value" means the market value of the Listing Shares determined by reference to a price per share equal to the market price on Listing;

"a Member of the same Group" means with regard to any company, a company which is from time to time a Parent Undertaking or a Subsidiary Undertaking of that company or a Subsidiary Undertaking of any such Parent Undertaking;

"Nasdaq" means the Nasdaq National Stock Market of the Nasdaq OMX Group Inc.;

"New Securities" means any shares or other securities convertible into, or carrying the right to subscribe for, those shares issued by the Company after the Date of Adoption;

"Offer" has the meaning set out in Article 11.1;

"Offer Period" has the meaning set out in Article 11.2;

"Ordinary Shareholders" means the holders from time to time of the Ordinary Shares;

"Ordinary Shares" means the ordinary shares of £1.00 each in the capital of the Company;

"Permitted Transfer" means a transfer of Shares in accordance with Article 7;

"Permitted Transferee" means:

- (a) in relation to a Shareholder who is an individual, any of his Privileged Relations or Trustees; or
- (b) in relation to a Shareholder which is an undertaking (as defined in Section 1161(1) of the Act), any Member of the same Group;

"Privileged Relation" in relation to a Shareholder who is an individual member or deceased or former member means a spouse, Civil Partner, child or grandchild (including step or adopted or illegitimate child and their issue);

"Proceeds of Sale" means the consideration payable, including all cash and non-cash consideration and any contingent consideration on a Sale;

"Proposed Purchaser" means a proposed purchaser who at the relevant time has made an offer on arm's length terms;

"Proposed Seller" means any person proposing to transfer any shares in the capital of the Company;

"Qualifying Person" has the meaning given in Section 318(3) of the Act;

"Relevant Interest" has the meaning set out in Article 20.4;

"Sale" means a Share Sale or an Asset Sale;

"Sale Shares" has the meaning set out in Article 8.2.1 of these Articles;

"Seller" has the meaning set out in Article 8.2 of these Articles;

"Shareholder" means any holder of any Shares;

"Share" means any issued share in the capital of the Company from time to time;

"Subsidiary", "Subsidiary Undertaking" and "Parent Undertaking" have the respective meanings set out in Sections 1159 and 1162 of the Act;

"Transfer Notice" shall have the meaning given in Article 8.2;

"Transfer Price" shall have the meaning given in Article 8.2.3; and

"Trustees" in relation to a Shareholder means the trustee or the trustees of a Family Trust.

3 Share capital

3.1 The share capital of the Company at the date of adoption of these Articles is divided into 100 Ordinary Shares. The Ordinary Shares shall rank pari passu in all respects.

3.2 Paragraph (c) of article 24(2) of the Model Articles shall be amended by the replacement of the words "that the shares are fully paid; and" with the words "the amount paid up on them; and".

3.3 In article 25(2) of the Model Articles, the words "payment of a reasonable fee as the directors decide" in paragraph (c) shall be deleted and replaced by the words "payment of the expenses reasonably incurred by the Company in investigating and obtaining such evidence as the directors may determine".

3.4 The Shares shall have and enjoy the following rights and be subject to the following restrictions.

3.5 With regards to dividends, in paying the holders of the Shares such dividend the Board may determine to distribute in cash in respect of any Financial Year, to be distributed among the holders of the Shares (pari passu as if the Shares constituted one class of share) pro rata to their respective holdings of Shares.

3.6 Except as otherwise provided by these Articles or the rights attached to Shares, all dividends must be:

3.6.1 declared and paid according to the amounts paid up on the Shares on which the dividend is paid; and

3.6.2 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.

3.7 If:

3.7.1 a Share is subject to the Company's Lien; and

3.7.2 the Directors are entitled to issue a Lien Enforcement Notice in respect of it,

the Directors may, instead of issuing a Lien Enforcement Notice, deduct from any dividend or other sum payable in respect of the Share any sum of money which is payable to the Company in respect of that Share to the extent that they are entitled to require payment under a Lien Enforcement Notice. Money so deducted shall be used to pay any of the sums payable to the Company in respect of that Share. The Company shall notify the distribution recipient in writing of the fact and sum of any such deduction.

3.8 In the event that any Director owes any sum of money to the Company, the Company shall be entitled to deduct from any dividend or other sum payable in respect of any Shares any such sum of money which is then due and payable to the Company. The Company shall notify the Director in writing of the fact and sum of any such deduction.

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

3.9.1 first, in paying to the holders of the Shares a sum equal to the Acquisition Cost of the Shares together with a sum equal to any Arrears. If there shall be insufficient surplus assets to pay such amounts in full the amount payable to such holders shall be abated pro rata to the number of such Shares held by each of them;

3.9.2 finally, in distributing the balance of such assets then remaining (if any) amongst the holders of the Shares in respect of their holding of Shares (pari passu as one class) in proportion to the number of Shares held by them respectively.

3.10 On a Sale each of the members of the Company hereby agrees that the Proceeds of Sale shall be distributed in the order of priority set out in Article 3.9 which is expressed as taking effect as a contract entered into between each of the members of the Company and such Proceeds of Sale shall be applied in the following order.

3.11 Immediately prior to and conditionally upon a Listing all Shares shall be converted into Ordinary Shares and the Listing Value shall be allocated between the members in the same proportions as the provisions of Article 3.9 would provide on a Sale at that Listing Value.

3.12 In the event that the application of any provision of Article 3.9 cannot be agreed between the Shareholders, any such matters in dispute shall be referred by the Board to the Expert Valuer whose costs shall be borne by the Shareholders in such proportions as the Expert Valuer may determine having regard to the conduct of the Shareholders and the merits of their arguments in relation to the matter(s) in dispute (or in the absence of such determination, shall be borne by the Shareholders pro rata to their respective holdings of Shares) and the decision of the Expert Valuer shall be final and binding on all Shareholders (save in the case of manifest error).

4 Votes in general meeting

4.1 The Ordinary Shares shall confer on each holder of Ordinary Shares the right to receive notice of and to attend, speak and vote at all general meetings of the Company and to receive and vote on proposed written resolutions of the Company.

4.2 Where Shares confer a right to vote, on a show of hands each holder of such shares who (being an individual) is present in person or by proxy or (being a corporation) is present by a duly authorised representative or by proxy shall have one vote and on a poll each such holder so present shall have one vote for each Share held by him.

5 Allotment of new shares

- 5.1 In accordance with Sections 567(1) of the Act, Sections 561(1) and 562(1) to (5) (inclusive) of the Act do not apply to an allotment of equity securities made by the Company.
- 5.2 Unless otherwise agreed by special resolution passed in general meeting or as a written resolution passed in accordance with Part 13 of the Act, if the Company proposes to allot any New Securities those New Securities shall not be allotted or granted to any person unless the Company has in the first instance offered them to the holders of Shares (taken together as if they constitute one class) on the same terms and at the same price as those New 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 may be without involving fractions). The offer:
- 5.2.1 shall be in writing and served by the Board on the holders of the Shares, give details of the number and subscription price of the New Securities;
 - 5.2.2 shall invite the holders of the Shares to respond in writing to the Company stating the number of New Securities for which they wish to subscribe and may stipulate that any holder of Shares who wishes to subscribe for a number of New Securities in excess of the proportion to which he is entitled shall in their acceptance state the number of excess New Securities ("**Excess Securities**") for which they wish to subscribe; and
 - 5.2.3 shall expire, and the offer made therein to an offeree shall be deemed to be withdrawn if not previously accepted by such offeree, on the date specified therein, being not less than 20 nor more than 30 Business Days after the date of the offer notice.
- 5.3 After the expiry of the period referred to in the offer notice or, if sooner, upon all holders of Equity Shares having responded to the offer notice (in either case, the "**Subscription Allocation Date**"), the Board shall allocate the New Securities in accordance with the applications received provided that any New Securities not accepted by the holders of Shares pursuant to the offer made to them in accordance with Article 5.2 shall be used for satisfying any requests for Excess Securities made pursuant to Article 5.2 and in the event that there are insufficient Excess Securities to satisfy such requests, the Excess Securities shall be allotted to the applicants on a pro rata basis to the number of Shares held by the applicants immediately prior to the offer made to the holders of Shares in accordance with Article 5.2 (as nearly as may be without involving fractions or increasing the number allotted to any Shareholder beyond that applied for by him).
- 5.4 Within 5 Business Days of the Subscription Allocation Date the Board shall give notice in writing (a "**Subscription Allocation Notice**") to each holder of Shares to whom New Securities have been allocated pursuant to Article 5.3 (each a "**Subscriber**"). A Subscription Allocation Notice shall state:
- 5.4.1 the number and class of New Securities allocated to that Subscriber;
 - 5.4.2 the aggregate subscription price payable by the Subscriber in respect of the New Securities allocated to him; and
 - 5.4.3 the place, date and time (being not less than 2 nor more than 5 Business Days after the date of the Subscription Allocation Notice) at which completion of the subscription for the New Securities shall take place.
- 5.5 Completion of a subscription for New Securities pursuant to a Subscription Allocation Notice shall take place at the place, date and time specified in the Subscription Allocation Notice when the Subscriber will pay the relevant subscription monies to the Company in cleared funds

and the Company will allot or grant the New Securities to that Subscriber and deliver to that Subscriber a duly executed share certificate or certificate of grant (as the case may be) in respect thereof. If a Subscriber shall fail for any reason to pay the relevant subscription monies in respect of any New Securities to the Company in cleared funds by the date specified in the Subscription Allocation Notice he shall be deemed to have declined the offer made to him in respect of those New Securities which shall immediately be deemed to be released from the provisions of Articles 5.2 to 5.3.

- 5.6 Subject to Articles 5.2 and 5.3 and to the provisions of Section 551 of the Act, any New Securities shall be at the disposal of the Board 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, provided that.

5.6.1 no New Securities shall be issued at a discount; and

5.6.2 no New Securities shall be allotted, granted or otherwise disposed of on terms which are more favourable than those on which they were offered to the holders of Shares pursuant to Article 5.2.

- 5.7 Notwithstanding any other provision of these Articles, no Share shall be allotted to a person who is not already a party to any shareholders' agreement of the Company unless that person has entered into a deed of adherence to the same

- 5.8 Where any Share is issued to an existing holder of Shares, such new Share shall on and from the time of registration of the allotment of that share in the register of members of the Company, be immediately and automatically (without resolution of the Shareholders or Board) redesignated as a Share of the same class as the Shares already held by such Shareholder.

6 Transfers of Shares - general

- 6.1 In Articles 6 to 11 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.

- 6.2 No Share may be transferred unless the transfer is made in accordance with these Articles.

- 6.3 If a Shareholder transfers or purports to transfer a Share otherwise than, in all material respects, in accordance with these Articles he will be deemed immediately to have served a Transfer Notice in respect of all Shares held by him.

- 6.4 The Board shall register a duly stamped transfer of any Share that is presented to it.

- 6.5 In any case where the Board requires a Transfer Notice to be given in respect of any Shares, if a Transfer Notice is not duly given within a period of 10 Business Days of demand being made, a Transfer Notice shall be deemed to have been given at the expiration of that period. If a Transfer Notice is required to be given or is deemed to have been given under these Articles, the Transfer Notice will be treated as having specified that:

6.5.1 if the Transfer Price is not expressly provided under these Articles, the Transfer Price for the Sale Shares will be as agreed between the Board (any Director with whom the Seller is connected (within the meaning of Section 252 of the Act) not voting) and the Seller, or, failing agreement within five Business Days after the date on which the Board becomes aware that a Transfer Notice has been deemed to have been given, will be the FMV of the Sale Shares;

- 6.5.2 it does not include a Minimum Transfer Condition (as defined in Article 8.2.4); and
 - 6.5.3 the Seller wishes to transfer all of the Shares held by it and its Permitted Transferees; and
 - 6.5.4 a Seller may retain any Sale Shares for which Applicant(s) (as defined in Article 8.1.1) are not found.
- 6.6 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:
- 6.6.1 the transferor, and
 - 6.6.2 (if any of the shares is partly or nil paid) the transferee.

7 Permitted Transfers

- 7.1 A Shareholder (the "**Original Shareholder**") may transfer all or any of his or its Shares to a Permitted Transferee without restriction as to price or otherwise.
- 7.2 Where under the provision of a deceased Shareholder's will or laws as to intestacy, the persons legally or beneficially entitled to any Shares, whether immediately or contingently, are Permitted Transferees of the deceased Shareholder, the legal representative of the deceased Shareholder may transfer any Share to those Permitted Transferees, in each case without restriction as to price or otherwise. Shares previously transferred as permitted by this Article 7.2 may be transferred by the transferee to any other Permitted Transferee of the Original Shareholder without restriction as to price or otherwise.
- 7.3 Trustees may (i) transfer Shares to a company in which they hold the whole of the share capital and which they control (a "**Qualifying Company**") or (ii) transfer Shares to the Original Shareholder or to another Permitted Transferee of the Original Shareholder or (iii) transfer Shares to the new or remaining trustees upon a change of Trustees without restriction as to price or otherwise.
- 7.4 No transfer of Shares may be made to Trustees unless the Board is satisfied:
- 7.4.1 with the terms of the trust instrument and in particular with the powers of the trustees;
 - 7.4.2 with the identity of the proposed trustees; and
 - 7.4.3 that no costs incurred in connection with the setting up or administration of the Family Trust in question are to be paid by the Company.
- 7.5 If a company to which Shares has been transferred under Article 7.3, ceases to be a Qualifying Company it must within five Business Days of so ceasing, transfer the Shares held by it to the Trustees or to a Qualifying Company (any may do so without restriction as to price or otherwise) failing which it will be deemed to have given a Transfer Notice in respect of such Shares.
- 7.6 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/she must, within 15 Business Days of so ceasing:
- 7.6.1 execute and deliver to the Company a transfer of the Shares held by him/her to the Original Shareholder (or, to any Permitted Transferee of the Original Shareholder) for such consideration as may be agreed between them, or

7.6.2 failing which he shall be deemed to have given a Transfer Notice.

- 7.7 On the death (subject to Article 7.2), bankruptcy, liquidation, administration or administrative receivership of a Permitted Transferee (other than a joint holder) his personal 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 the 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 without restriction as to price or otherwise. The transfer shall be to the Original Shareholder if still living (and not bankrupt or in liquidation) 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 or is in liquidation, administration or administrative receivership, the personal representative or trustee in bankruptcy or liquidator, administrator or administrative receiver will be deemed to have given a Transfer Notice.

8 Transfers of Shares subject to pre-emption rights

- 8.1 Save where the provisions of Articles 7, 11 and 12 apply, any transfer of Shares by a Shareholder shall be subject to the pre-emption rights contained in this Article 8.
- 8.2 A Shareholder who wishes to transfer Shares (a "**Seller**") shall, except as otherwise provided in these Articles, before transferring or agreeing to transfer any Shares give notice in writing (a "**Transfer Notice**") to the Company specifying:
- 8.2.1 the number and class of Shares which he wishes to transfer (the "**Sale Shares**");
 - 8.2.2 if he wishes to sell the Sale Shares to a third party, the name of the proposed transferee;
 - 8.2.3 the price (in cash) at which he wishes to transfer the Sale Shares (the "**Proposed Price**"); and
 - 8.2.4 whether the Transfer Notice is conditional on all or a specific number of the Sale Shares being sold (a "**Minimum Transfer Condition**").
- 8.3 No Transfer Notice once given or deemed to have been given under these Articles may be varied or withdrawn.
- 8.4 A Transfer Notice constitutes the Company the agent of the Seller for the sale of the Sale Shares at the Transfer Price.
- 8.5 The Sale Shares will be offered for sale in accordance with this Article 8 at the following price (the "**Transfer Price**"):
- 8.5.1 subject to the consent of the Board, the Proposed Price, or
 - 8.5.2 such other price as may be agreed between the Seller and the Board, within 5 Business Days of the date of service (or deemed service) of the Transfer Notice, or
 - 8.5.3 if no price is agreed pursuant to Article 8.5.2 above within the period specified therein, or if the Board directs at any time during that period, FMV.
- 8.6 As soon as practicable, and in any event within 10 Business Days, following the later of:
- 8.6.1 receipt of a Transfer Notice, and

8.6.2 agreement of the Transfer Price under Article 8 or determination of the Transfer Price under Article 9,

the Board shall offer the Sale Shares for sale to the Shareholders in the manner set out in Article 8.7. Each offer must be in writing and give details of the number and Transfer Price of the Sale Shares offered.

8.7

8.7.1 The Board shall offer the Sale Shares to all Shareholders other than the Seller (the "**Continuing Shareholders**") inviting them to apply in writing within the period from the date of the offer to the date 10 Business Days after the date of the offer (inclusive) (the "**Offer Period**") for the maximum number of Sale Shares they wish to buy.

8.7.2 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 Continuing Shareholder in the proportion (fractional entitlements being rounded to the nearest whole number) which his existing holding of the relevant class of Shares bears to the total number of the relevant class of Shares held by those Continuing Shareholders who have applied for Sale Shares but 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.

8.7.3 If not all Sale Shares are allocated in accordance with Article 8.7.2 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 8.7.2.

8.7.4 If at the end of the Offer Period, the number of Sale Shares applied for is less than the number of Sale Shares and the Transfer Notice contained a Total Transfer Condition then:

- (a) the Board shall conditionally allocate the Sale Shares to the Continuing Shareholders in accordance with their applications but a further notice will be served on such Continuing Shareholders (the "**Further Notification**") reminding them of the Total Transfer Condition and such notice will contain a further offer (the "**Further Offer**") to such Continuing Shareholders inviting them to apply for further Sale Shares at the Transfer Price;
- (b) the Further Offer shall expire, and shall be deemed to be withdrawn, upon the expiry of the period (being not more than 20 Business Days) specified in the Further Notification;
- (c) any Sale Shares accepted by the Continuing Shareholders pursuant to the Further Notification shall be allocated amongst them in accordance with the provisions of Articles 8.7.2 and 8.8.3; and
- (d) following the allocation of any Sale Shares amongst the Continuing Shareholders in accordance with paragraph (c) above, and provided all the Sale Shares have then been allocated, the Board shall issue Allocation Notices in accordance with Article 8.8.1,

provided that if after following the procedure set out in this Article 8.7.4 the total number of Sale Shares applied for and allocated to Continuing Shareholders remains less than the total number of Sale Shares then, notwithstanding any

other provision of this Article 8, no Sale Shares shall be deemed to have been allocated to any Continuing Shareholder and the Seller and the Continuing Shareholders shall not be bound to sell or purchase any Sale Shares in accordance with this Article 8 and the Company shall notify the Seller that it has failed to find buyers for all or some (as the case may be) of the Sale Shares.

- 8.7.5 If, at the end of the Offer Period, the number of Sale Shares applied for is less than the number of Sale Shares and the Transfer Notice did not contain a Total Transfer Notice, the Board shall allocate the Sale Shares to the Continuing Shareholders in accordance with their applications and at any time within 3 calendar months of the date of expiry of the Offer Period, either (a) sell the remaining Sale Shares comprised in the Transfer Notice to the person(s) named in the transfer notice or, if none was so named, any third party who is approved by the holders of a majority of the Shares from time to time.

8.8 Completion of transfer of Sale Shares

- 8.8.1 If allocations have been made in respect of the Sale Shares, the Board shall, when no further offers are required to be made, give written notice of allocation (an "**Allocation Notice**") to the Seller and each Shareholder to whom Sale Shares have been allocated (an "**Applicant**") specifying the number and class of Sale Shares allocated to each Applicant, the aggregate purchase price payable by the Applicant in respect of the Sale Shares and the place, date and time (being not less than 10 Business Days nor more than 20 Business Days after the date of the Allocation Notice) for completion of the transfer of the Sale Shares.
- 8.8.2 Completion of a sale and purchase of Sale Shares pursuant to an Allocation Notice shall take place at the place, date and time specified in the Allocation Notice when the Seller must, against payment of the Transfer Price in respect of the Sale Shares allocated to the Applicant, transfer the Sale Shares and deliver the relevant share certificate(s) therefor in accordance with the requirements specified in it.
- 8.8.3 If the Seller fails to comply with the provisions of Article 8.8.1:
- (a) 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 (and the Seller shall be deemed to have appointed such person as the Seller's agent and attorney):
 - (i) complete, execute and deliver in his name all documents necessary to give effect to the transfer of the relevant Sale Shares to the Applicants; and
 - (ii) (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
 - (b) the Company shall receive the Transfer Price and give good discharge for it and transfer the same into a separate bank account in the Company's name on trust (but without interest) for the Seller and the Company shall not pay such money to the Seller until he has delivered to the Company his certificate or certificates for the relevant Shares (or an indemnity, in a form reasonably satisfactory to the Board, in respect of any lost certificate).

9 Valuation of Shares

- 9.1 If a Transfer Price has not been agreed or if a Transfer Notice is deemed to have been served then, subject to an agreement being reached within 5 Business Days after the date on which the Board first becomes aware that a Transfer Notice had been deemed to have been given, the Board shall either:
- 9.1.1 appoint an expert valuer in accordance with Article 9.2 (the "**Expert Valuer**") to determine and certify the FMV of the Sale Shares; or
 - 9.1.2 (if the FMV has been determined and certified by the Expert Valuer within the preceding 12 weeks) specify that the FMV of the Sale Shares will be calculated by dividing any FMV so certified by the number of Sale Shares to which it related and multiplying such FMV by the number of Sale Shares the subject of the Transfer Notice.
- 9.2 The Expert Valuer will be either
- 9.2.1 the Auditors, if the Auditors are prepared to accept such assignment; or
 - 9.2.2 if so specified in the relevant Transfer Notice or the Auditors cannot be appointed under Article 9.2.1 an independent firm of Chartered Accountants to be agreed between the Board and the Seller or failing agreement not later than the date 10 Business Days after the date of service of the Transfer Notice (or, in the case of the deemed service of a Transfer Notice, on the date on which the Board first has actual knowledge of the facts giving rise to such deemed service), to be appointed by the then President of the Institute of Chartered Accountants in England and Wales on the application of either party,
- and in either case, will act as agent for the Company and each relevant Shareholder.
- 9.3 The fair market value "**FMV**" of the Sale Shares shall be determined by the Expert Valuer on the following assumptions and bases:
- 9.3.1 valuing the Shares on the date of service of the Transfer Notice;
 - 9.3.2 valuing the Sale Shares as on an arm's-length sale between a willing seller and a willing buyer;
 - 9.3.3 if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so;
 - 9.3.4 that the Sale Shares are capable of being transferred without restriction;
 - 9.3.5 valuing the Sale Shares as a rateable proportion of the total value of all the issued Shares without any premium or discount being attributable to the percentage of the issued share capital of the Company which they represent; and
 - 9.3.6 reflect any other factors which the Expert Valuer reasonably believe should be taken into account.
- 9.4 If any difficulty arises in applying any of these assumptions or bases then the Expert Valuer shall resolve that difficulty in whatever manner they shall in their absolute discretion think fit.
- 9.5 The Expert Valuer shall be requested to determine the FMV within 20 Business Days of their appointment and to notify the Board of their determination.

- 9.6 The Expert Valuer shall act as experts and not as arbitrators and their determination shall be final and binding on the parties (in the absence of fraud or manifest error).
- 9.7 The Board will give the Expert Valuer access to all accounting records or other relevant documents of the Company subject to them agreeing such confidentiality provisions as the Board may reasonably impose.
- 9.8 The Expert Valuer shall deliver their determination and certificate to the Company. As soon as the Company receives the certificate it shall deliver a copy of it to the Seller. Unless the Sale Shares are to be sold under a Transfer Notice, which is deemed to have been served, the Seller may by notice in writing to the Company within five Business Days of the service on him of the copy certificate, cancel the Company's authority to sell the Sale Shares.
- 9.9 The cost of obtaining the certificate shall be paid by the Company unless
- 9.9.1 the Seller cancels the Company's authority to sell; or
- 9.9.2 the sale is pursuant to a Transfer Notice which is deemed to have been served, and the Sale Price certified by the Expert Valuer is less than the price (if any) offered by the Directors to the Seller for the Sale Shares before the Expert Valuer was instructed,

in which case the Seller shall bear the cost.

10 Compulsory transfers

- 10.1 A person entitled to a Share in consequence of the bankruptcy of a Shareholder shall be deemed to have given a Transfer Notice in respect of that Share at a time determined by the Directors.
- 10.2 If a Share remains registered in the name of a deceased Shareholder for longer than one year after the date of his death the Directors may require the legal personal representatives of that deceased Shareholder either:
- 10.2.1 to effect a Permitted Transfer of such Share (including for this purpose an election to be registered in respect of the Permitted Transfer); or
- 10.2.2 to show to the satisfaction of the Directors that a Permitted Transfer will be effected before or promptly upon the completion of the administration of the estate of the deceased Shareholder.

If either requirement in this Article 10.2 shall not be fulfilled to the satisfaction of the Directors a Transfer Notice shall be deemed to have been given in respect of each such Share save to the extent that, the Directors may otherwise determine.

11 Taq Along

- 11.1 No sale or transfer of the legal or beneficial interest in any Shares may be made or validly registered if, as a result of such sale or transfer and registration thereof, a Controlling Interest is obtained in the Company, unless the proposed transferees have offered to purchase all the Shares held by any other Shareholder at the Specified Price (the "**Offer**").
- 11.2 The Offer must be given by written notice (a "**Proposed Sale Notice**") at least 10 Business Days (the "**Offer Period**") prior to the proposed sale date ("**Proposed Sale Date**"). The Proposed Sale Notice must set out, to the extent not described in any accompanying documents, the identity of the Proposed Purchaser, the purchase price and other terms and conditions of payment, the Proposed Sale Date and the number of Shares proposed to be

purchased by the Proposed Purchaser and invite the relevant offerees to respond in writing to the Proposed Purchaser stating whether they wish to accept the Offer.

11.3 For the purpose of this Article

11.3.1 the expression "**transfer**" and "**purchaser**" shall include the renunciation of a renounceable letter of allotment and the renouncee under any such letter of allotment respectively,

11.3.2 "**Specified Price**" shall mean in respect of each Share an amount equal to the highest price per Share offered or paid by the Proposed Purchaser or its nominees in cash at completion for each of the Shares the subject of the transaction plus an amount per share equal to the relevant proportion of any other consideration (in cash or otherwise) received or receivable by the holders of such other Shares which, having regard to the substance of the transaction as a whole, can reasonably be regarded as an addition to the price paid or payable for such other Shares.

11.4 If any transferor fails to deliver stock transfer forms and share certificates (or indemnity) for its Shares in accordance with this Article, the Directors (or any of them) may authorise one of their number to execute a stock transfer form and indemnity for the Shares to the Proposed Purchaser (or as it may direct) and the Company may give a good receipt for the purchase price of such Shares and may register the Proposed Purchaser as holder thereof and issue to it (or as it may direct) certificates for the same. Such Shareholder shall be bound to deliver up its share certificate or a suitable indemnity in respect thereof for the Shares to the Company whereupon the Shareholder shall be entitled to receive the purchase price which shall in the meantime be held by the Company on trust for the Shareholder but without interest. For the avoidance of doubt, this Article shall be construed as requiring the relevant offerees to give the same representations, indemnities or warranties as those given pursuant to the acquisition of the Controlling Interest.

12 **Drag Along**

12.1 At any time after the Date of Adoption, the holders of at least 51 per cent of the issued Shares (hereafter the "**Selling Shareholders**") shall have the right (the "**Drag Along Right**") to require all the other holders of Shares (the "**Called Shareholders**") to sell and transfer all their Shares to any Proposed Purchaser to whom the Selling Shareholders wish to transfer all their interests in Shares.

12.2 The Selling Shareholders may exercise the Drag Along Right by giving a written notice to that effect (a "**Drag Along Notice**") to the Company which the Company shall forthwith copy to the Called Shareholders (including any option holders on the basis that all options issued by the Company will be deemed to have been exercised on the delivery of the Drag Along Notice) at any time before the transfer of the Selling Shareholders' Shares to the Proposed Purchaser. A Drag Along Notice shall specify that the Called Shareholders are required to transfer all their Shares (the "**Called Shares**") under this Article 11, the person to whom they are to be transferred, the consideration for which the Called Shares are to be transferred (calculated in accordance with this Article 11) and the proposed date of transfer.

12.3 Drag Along Notices shall be irrevocable but will lapse if for any reason there is not a sale of the Selling Shareholders' Shares to the Proposed Purchaser within 40 Business Days after the date of service of the Drag Along Notice. The Selling Shareholders shall be entitled to serve further Drag Along Notices following the lapse of any particular Drag Along Notice.

12.4 The Called Shareholders shall only be obliged to sell the Called Shares on terms that they shall be entitled to receive for their holdings of Shares consideration (in cash or otherwise)

(the "**Drag Along Price**") equal to the price per Share paid or payable by, or due from, the Proposed Purchaser for the Selling Shareholders' Shares, provided that for the avoidance of doubt this Article shall be construed as requiring the Called Shareholders to give the same representations, indemnities or warranties as the Selling Shareholders.

- 12.5 Completion of the sale of the Called Shares shall take place on the date specified for that purpose by the Selling Shareholders to the Called Shareholders in the Drag Along Notice save that

12.5.1 the Selling Shareholders may not specify a date that is less than 10 days after the date of the Drag Along Notice, and

12.5.2 the date so specified by the Selling Shareholders shall be the same date as the date proposed for completion of the sale of the Sellers' Shares,

unless, in the case of the sale by any particular Called Shareholder, that Called Shareholder and the Selling Shareholders otherwise agree.

- 12.6 If any Called Shareholder fails to deliver stock transfer forms and share certificate(s) (or a suitable indemnity in a form reasonably satisfactory to the Board) for its Shares in accordance with this Article, the Directors (or any of them) may authorise one of their number to execute a stock transfer form and indemnity for the Called Shares to the Proposed Purchaser (or as it may direct) and to deliver that transfer to the Proposed Purchaser. The Company may give a good receipt for the purchase price of such Called Shares and may register the Proposed Purchaser as holder thereof and issue to it (or as it may direct) certificates for the same. Such Called Shareholder shall be bound to deliver up its share certificate or a suitable indemnity in respect thereof for the Called Shares to the Company whereupon the Called Shareholder shall be entitled to receive the Drag Along Price which shall in the meantime be held by the Company on trust for the Called Shareholder but without interest.
- 12.7 Any transfer of Shares to a Proposed Purchaser (or as they may direct) pursuant to a sale in respect of which a Drag Along Notice has been duly served shall not be subject to the provisions of Article 8.

13 General meetings

- 13.1 No business shall be transacted at any general meeting unless the requisite quorum is present at its commencement and also when the business is voted on. Two Shareholders present in person or by proxy (or, in the case of a corporate member, by representative) shall be a quorum for all purposes. Where all Shareholders have waived in writing the quorum requirement in relation to that class, the waiver shall be effective for the meeting or particular business, or otherwise, as specified in the waiver.
- 13.2 If any two or more Shareholders attend the meeting in different locations, the meeting shall be treated as being held at the location specified in the notice of the meeting, save that if no one is present at that location so specified, the meeting shall be deemed to take place where the largest number of Qualifying Persons is assembled or, if no such group can be identified, at the location of the chairman.
- 13.3 If a demand for a poll is withdrawn under Article 44(3) of the Model Articles, the demand shall not be taken to have invalidated the result of a show of hands declared before the demand was made and the meeting shall continue as if the demand had not been made.
- 13.4 Polls must be taken in such manner as the chairman directs. A poll demanded on the election of a chairman or on a question of adjournment must be held immediately. A poll demanded on any other question must be held either immediately or at such time and place as the chairman directs not being more than 14 days after the poll is demanded. The demand for a poll shall

not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll was demanded.

- 13.5 No notice need be given of a poll not held immediately if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case at least seven clear days' notice shall be given specifying the time and place at which the poll is to be taken.
- 13.6 If the poll is to be held more than 48 hours after it was demanded the Shareholders shall be entitled to deliver proxy notices in respect of the poll at any time up to 24 hours before the time appointed for taking that poll. In calculating that period, no account shall be taken of any part of a day that is not a working day.

14 Proxies

- 14.1 Paragraph (c) of Article 45(1) of the Model Articles shall be deleted and replaced by the words: "is signed by or on behalf of the shareholder appointing the proxy and accompanied by any authority under which it is signed (or a certified copy of such authority or a copy of such authority in some other way approved by the directors)".
- 14.2 The instrument appointing a proxy and any authority under which it is signed or a certified copy of such authority or a copy in some other way approved by the Directors may
 - 14.2.1 be sent or supplied in hard copy form, or (subject to any conditions and limitations which the Board may specify) in electronic form, to the registered office of the Company or to such other address (including electronic address) as may be specified for this purpose in the notice convening the meeting or in any instrument of proxy or any invitation to appoint a proxy sent or supplied by the Company in relation to the meeting at any time before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote;
 - 14.2.2 be delivered at the meeting or adjourned meeting at which the person named in the instrument proposes to vote to the chairman or to the company secretary or to any Director; or
 - 14.2.3 in the case of a poll, be delivered at the meeting at which the poll was demanded to the chairman or to the company secretary or to any Director, or at the time and place at which the poll is held to the chairman or to the company secretary or to any Director or scrutineer;

and an instrument of proxy which is not deposited or delivered in a manner so permitted shall be invalid.

15 Directors' borrowing powers

The Directors may exercise all the powers of the Company to borrow or raise money and to mortgage or charge its undertaking, property and uncalled capital and to issue debentures, debenture stock and other securities as security for any debt, liability or obligation of the Company or of any third party.

16 Alternate Directors

- 16.1 Notwithstanding any provision of these Articles to the contrary, any person appointed as a Director (the "**Appointor**") may appoint any director or any other person as he thinks fit to be his alternate Director to
 - 16.1.1 exercise that Director's powers, and

- 16.1.2 carry out that Director's responsibilities in relation to the taking of decisions by the Directors in the absence of the alternate's Appointor.

The appointment of an alternate Director shall not require approval by a resolution of the Directors.

- 16.2 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, and must identify the proposed alternate.
- 16.3 An alternate Director may act as an alternate to more than one Director and has the same rights, in relation to any Directors' meeting (including as to notice) or Directors' written resolution, as the alternate's Appointor.

- 16.4 Except as these Articles specify otherwise, alternate directors:

- 16.4.1 are deemed for all purposes to be Directors;
- 16.4.2 are liable for their own acts and omissions;
- 16.4.3 are subject to the same restrictions as their Appointors; and
- 16.4.4 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 his Appointor is a member.

- 16.5 A person who is an alternate Director but not a Director

- 16.5.1 may be counted as participating for the purposes of determining whether a quorum is participating (but only if that person's Appointor is not participating), and
- 16.5.2 may sign a Directors' written resolution (but only if his Appointor is an Eligible Director in relation to that decision, but does not participate).

No alternate may be counted as more than one Director for such purposes.

- 16.6 A Director who is also an alternate Director is entitled, in the absence of his Appointor, to a separate vote on behalf of each Appointor, in addition to his own vote on any decision of the Directors (provided that his Appointor is an Eligible Director in relation to that decision).
- 16.7 An alternate Director is not entitled to receive any remuneration from the Company for serving as an alternate Director, except such part of the alternate's Appointor's remuneration as the Appointor may direct by notice in writing made to the Company.
- 16.8 An alternate Director's appointment as an alternate shall terminate:

- 16.8.1 when the alternate's Appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate;
- 16.8.2 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;
- 16.8.3 on the death of the alternate's Appointor; or
- 16.8.4 when the alternate's Appointor's appointment as a Director terminates.

17 Number of Directors

Unless and until the Company shall otherwise determine by ordinary resolution, the number of Directors shall be not less than two.

18 Disqualification of Directors

In addition to that provided in Article 18 of the Model Articles, the office of a Director shall also be vacated if:

- 18.1 he is convicted of a criminal offence (other than a minor motoring offence) and the Directors resolve that his office be vacated; or
- 18.2 in the case of Directors, if a majority of his co-Directors serve notice on him in writing, removing him from office; or
- 18.3 he ceases to be an employee or consultant to the Company.

19 Proceedings of Directors

- 19.1 The quorum for Directors' meetings shall be two Directors (or their alternates). If such a quorum is not present within half an hour from the time appointed for the meeting, or if during a meeting such quorum ceases to be present, the meeting shall stand adjourned to the same day in the next week at the same time and place or at such time and place as determined by the Directors. If a quorum is not present at any such adjourned meeting within half an hour from the time appointed, then the meeting shall proceed. At any meeting of the Directors where the removal of any Director is to be considered, the Director who is the subject of the resolution shall be included for the purpose of forming the quorum but shall not be permitted to vote on such resolution.
- 19.2 Any director may call a directors' meeting by giving notice of the meeting to the directors or by authorising the company secretary (if any) to give such notice. Notice of any directors' meeting must indicate its proposed date and time and where it is to take place.
- 19.3 In the event that a meeting of the Directors is attended by a Director who is acting as alternate for one or more other Directors, the Director or Directors for whom he is the alternate shall be counted in the quorum despite their absence, and if on that basis there is a quorum the meeting may be held despite the fact (if it is the case) that only one Director is physically present.
- 19.4 Any Director may participate in a meeting of the Directors by means of a conference telephone or similar communicating equipment, whereby all persons participating in the meeting can hear each other and participation in a meeting in this manner shall be deemed to constitute presence in person at such meeting.
- 19.5 If all the Directors participating in a meeting of the Directors are not physically in the same place, the meeting shall be deemed to take place where the largest group of participators in number is assembled. In the absence of a majority the location of the chairman shall be deemed to be the place of the meeting.
- 19.6 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 at any time before or 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.
- 19.7 Provided (if these Articles so require) that he has declared to the Directors, in accordance with the provisions of these Articles, the nature and extent of his interest (and subject to any restrictions on voting or counting in a quorum imposed by the Directors in authorising a

Relevant Interest), a Director may vote at a meeting of the Directors or of a committee of the Directors on any resolution concerning a matter in which he has an interest, whether a direct or an indirect interest, or in relation to which he has a duty and shall also be counted in reckoning whether a quorum is present at such a meeting.

19.8 Questions arising at any meeting of the Directors shall be decided by a majority of votes.

19.9 A decision of the Directors 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 (including confirmation given by electronic means). Reference in Article 7(1) of the Model Articles to Article 8 of the Model Articles shall be deemed to include a reference to this Article also.

20 Directors' interests

Specific interests of a Director

20.1 Subject to the provisions of the Act and provided (if these Articles so require) that he has declared to the Directors in accordance with the provisions of these Articles, the nature and extent of his interest, a Director may (save as to the extent not permitted by law from time to time), notwithstanding his office, have an interest of the following kind:

20.1.1 where a Director (or a person connected with him) is party to or in any way directly or indirectly interested in, or has any duty in respect of, any existing or proposed contract, arrangement or transaction with the Company or any other undertaking in which the Company is in any way interested;

20.1.2 where a Director (or a person connected with him) is a director, employee or other officer of, or a party to any contract, arrangement or transaction with, or in any way interested in, any body corporate promoted by the Company or in which the Company is in any way interested;

20.1.3 where a Director (or a person connected with him) is a shareholder in the Company or a shareholder in, employee, director, member or other officer of, or consultant to, a Parent Undertaking of, or a Subsidiary Undertaking of a Parent Undertaking of, the Company;

20.1.4 where a Director (or a person connected with him) holds and is remunerated in respect of any office or place of profit (other than the office of auditor) in respect of the Company or body corporate in which the Company is in any way interested;

20.1.5 where a Director is given a guarantee, or is to be given a guarantee, in respect of an obligation incurred by or on behalf of the Company or any body corporate in which the Company is in any way interested;

20.1.6 where a Director (or a person connected with him or of which he is a member or employee) acts (or any body corporate promoted by the Company or in which the Company is in any way interested of which he is a director, employee or other officer may act) in a professional capacity for the Company or any body corporate promoted by the Company or in which the Company is in any way interested (other than as auditor) whether or not he or it is remunerated for this;

20.1.7 an interest which cannot reasonably be regarded as likely to give rise to a conflict of interest; or

20.1.8 any other interest authorised by ordinary resolution

Interests of which a Director is not aware

- 20.2 For the purposes of this Article 20, an interest of which a Director is not aware and of which it is unreasonable to expect him to be aware shall not be treated as an interest of his

Accountability of any benefit and validity of a contract.

- 20.3 In any situation permitted by this Article 20 (save as otherwise agreed by him) a Director shall not by reason of his office be accountable to the Company for any benefit which he derives from that situation and no such contract, arrangement or transaction shall be avoided on the grounds of any such interest or benefit

Terms and conditions of Board authorisation

- 20.4 Any authority given in accordance with Section 175(5)(a) of the Act in respect of a Director ("**Interested Director**") who has proposed that the Directors authorise his interest ("**Relevant Interest**") pursuant to that Section may, for the avoidance of doubt

20.4.1 be given on such terms and subject to such conditions or limitations as may be imposed by the authorising Directors as they see fit from time to time, including, without limitation:

- (a) restricting the Interested Director from voting on any resolution put to a meeting of the Directors or of a committee of the Directors in relation to the Relevant Interest;
- (b) restricting the Interested Director from being counted in the quorum at a meeting of the Directors or of a committee of the Directors where such Relevant Interest is to be discussed; or
- (c) restricting the application of the provisions in Articles 20.5 and 20.6, so far as is permitted by law, in respect of such Interested Director;

20.4.2 be withdrawn, or varied at any time by the Directors entitled to authorise the Relevant Interest as they see fit from time to time.

An Interested Director must act in accordance with any such terms, conditions or limitations imposed by the authorising Directors pursuant to Section 175(5)(a) of the Act and this Article 20.

Director's duty of confidentiality to a person other than the Company

- 20.5 Subject to Article 20.6 (and without prejudice to any equitable principle or rule of law which may excuse or release the Director from disclosing information, in circumstances where disclosure may otherwise be required under this Article 20), if a Director, otherwise than by virtue of his position as director, receives information in respect of which he owes a duty of confidentiality to a person other than the Company, he shall not be required:

20.5.1 to disclose such information to the Company or to any Director, or to any officer or employee of the Company; or

20.5.2 otherwise to use or apply such confidential information for the purpose of or in connection with the performance of his duties as a Director.

- 20.6 Where such duty of confidentiality arises out of a situation in which a Director has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company, Article 20.5 shall apply only if the conflict arises out of a matter which falls within Article 20.1 or has been authorised under Section 175(5)(a) of the Act.

Additional steps to be taken by a Director to manage a conflict of interest

- 20.7 Where a Director has an interest which can reasonably be regarded as likely to give rise to a conflict of interest, the Director may take such additional steps as may be necessary or desirable for the purpose of managing such conflict of interest, including compliance with any procedures laid down from time to time by the Directors for the purpose of managing conflicts of interest generally and/or any specific procedures approved by the Directors for the purpose of or in connection with the situation or matter in question, including without limitation
- 20.7.1 absenting himself from any discussions, whether in meetings of the Directors or otherwise, at which the relevant situation or matter falls to be considered; and
- 20.7.2 excluding himself from documents or information made available to the Directors generally in relation to such situation or matter and/or arranging for such documents or information to be reviewed by a professional adviser to ascertain the extent to which it might be appropriate for him to have access to such documents or information.

Requirement of a Director to declare an interest

- 20.8 Subject to Section 182 of the Act, a Director shall declare the nature and extent of any interest permitted by Article 20.1 at a meeting of the Directors, or by general notice in accordance with Section 184 (notice in writing) or Section 185 (general notice) of the Act or in such other manner as the Directors may determine, except that no declaration of interest shall be required by a Director in relation to an interest:
- 20.8.1 falling under Article 20.1.7;
- 20.8.2 if, or to the extent that, the other Directors are already aware of such interest (and for this purpose the other Directors are treated as aware of anything of which they ought reasonably to be aware); or
- 20.8.3 if, or to the extent that, it concerns the terms of his service contract (as defined by Section 227 of the Act) that have been or are to be considered by a meeting of the Directors, or by a committee of Directors appointed for the purpose under these Articles.

Shareholder approval

- 20.9 Subject to Section 239 of the Act, the Company may by ordinary resolution ratify any contract, transaction or arrangement, or other proposal, not properly authorised by reason of a contravention of any provisions of this Article 20.
- 20.10 For the purposes of this Article 20.
- 20.10.1 a conflict of interest includes a conflict of interest and duty and a conflict of duties;
- 20.10.2 the provisions of Section 252 of the Act shall determine whether a person is connected with a Director;
- 20.10.3 a general notice to the Directors that a Director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the Director has an interest in any such transaction of the nature and extent so specified.

21 Notices

21.1 Subject to the requirements set out in the Act, any notice given or document sent or supplied to or by any person under these Articles, or otherwise sent by the Company under the Act, may be given, sent or supplied;

21.1.1 in hard copy form;

21.1.2 in electronic form; or

21.1.3 if given, sent or supplied by the Company, by means of a website (other than notices calling a meeting of Directors),

or partly by one of these means and partly by another of these means.

Notices shall be given and documents supplied in accordance with the procedures set out in the Act, except to the extent that a contrary provision is set out in this Article 21.

Notices in hard copy form

21.2 Any notice or other document in hard copy form given or supplied under these Articles may be delivered or sent by first class post (airmail if overseas):

21.2.1 to the Company or any other company at its registered office; or

21.2.2 to the address notified to or by the Company for that purpose, or

21.2.3 in the case of an intended recipient who is a member or his legal personal representative or trustee in bankruptcy, to such member's address as shown in the Company's register of members, or

21.2.4 in the case of an intended recipient who is a Director or alternate, to his address as shown in the register of Directors; or

21.2.5 to any other address to which any provision of the Companies Acts (as defined in the Act) authorises the document or information to be sent or supplied; or

21.2.6 where the Company is the sender, if the Company is unable to obtain an address falling within one of the addresses referred to in 21.2.1 to 21.2.5 above, to the intended recipient's last address known to the Company.

21.3 Any notice or other document in hard copy form given or supplied under these Articles shall be deemed to have been served and be effective:

21.3.1 if delivered, at the time of delivery,

21.3.2 if posted, on receipt or 48 hours after the time it was posted, whichever occurs first.

Notices in electronic form

21.4 Subject to the provisions of the Act, any notice or other document in electronic form given or supplied under these Articles may

21.4.1 if sent by fax or email (provided that a fax number or an address for email has been notified to or by the Company for that purpose), be sent by the relevant form of communication to that address;

21.4.2 if delivered or sent by first class post (airmail if overseas) in an electronic form (such as sending a disk by post), be so delivered or sent as if in hard copy form under Article 21.2; or

21.4.3 be sent by such other electronic means (as defined in Section 1168 of the Act) and to such address(es) as the Company may specify:

(a) on its website from time to time; or

(b) by notice (in hard copy or electronic form) to all members of the Company from time to time.

21.5 Any notice or other document in electronic form given or supplied under these Articles shall be deemed to have been served and be effective:

21.5.1 if sent by facsimile or email (where a fax number or an address for email has been notified to or by the Company for that purpose), on receipt or 48 hours after the time it was sent, whichever occurs first;

21.5.2 if posted in an electronic form, on receipt or 48 hours after the time it was posted, whichever occurs first;

21.5.3 if delivered in an electronic form, at the time of delivery; and

21.5.4 if sent by any other electronic means as referred to in Article 21.4.3, at the time such delivery is deemed to occur under the Act.

21.6 Where the Company is able to show that any notice or other document given or sent under these Articles by electronic means was properly addressed with the electronic address supplied by the intended recipient, the giving or sending of that notice or other document shall be effective notwithstanding any receipt by the Company at any time of notice either that such method of communication has failed or of the intended recipient's non-receipt.

Notice by means of a website

21.7 Subject to the provisions of the Act, any notice or other document or information to be given, sent or supplied by the Company to Shareholders under these Articles may be given, sent or supplied by the Company by making it available on the Company's website.

General

21.8 In the case of joint holders of a share all notices shall be given to the joint holder whose name stands first in the register of members of the Company in respect of the joint holding (the "**Primary Holder**"). Notice so given shall constitute notice to all the joint holders.

21.9 Anything agreed or specified by the Primary Holder in relation to the service, sending or supply of notices, documents or other information shall be treated as the agreement or specification of all the joint holders in their capacity as such (whether for the purposes of the Act or otherwise).

22 Indemnities and insurance

22.1 Subject to the provisions of and so far as may be permitted by, the Act:

22.1.1 every Director or other officer of the Company (excluding the Auditors) shall be entitled to be indemnified by the Company (and the Company shall also be able to indemnify directors of any associated company (as defined in Section 256 of the Act)) out of the Company's assets against all liabilities incurred by him in

the actual or purported execution or discharge of his duties or the exercise or purported exercise of his powers or otherwise in relation to or in connection with his duties, powers or office, provided that no director of the Company or any associated company is indemnified by the Company against:

- (a) any liability incurred by the director to the Company or any associated company; or
- (b) any liability incurred by the director to pay a fine imposed in criminal proceedings or a sum payable to a regulatory authority by way of a penalty in respect of non-compliance with any requirements of a regulatory nature; or
- (c) any liability incurred by the director:
 - (i) in defending any criminal proceedings in which he is convicted;
 - (ii) in defending civil proceedings brought by the Company or any associated company in which final judgment (within the meaning set out in Section 234 of the Act) is given against him; or
 - (iii) in connection with any application under Sections 661(3) or 661(4) or 1157 of the Act (as the case may be) for which the court refuses to grant him relief,

save that, in respect of a provision indemnifying a director of a company (whether or not the Company) that is a trustee of an occupational pension scheme (as that term is used in Section 235 of the Act) against liability incurred in connection with that company's activities as trustee of the scheme, the Company shall also be able to indemnify any such director without the restrictions in Articles 22.1.1(a), 22.1.1(c)(ii) and 22.1.1(c)(iii) applying;

22.1.2 the Directors may exercise all the powers of the Company to purchase and maintain insurance for any such director or other officer against any liability which by virtue of any rule of law would otherwise attach to him in respect of any negligence, default, breach of duty or breach of trust of which he may be guilty in relation to the Company, or any associated company including (if he is a director of a company which is a trustee of an occupational pension scheme) in connection with that company's activities as trustee of an occupational pension scheme.

22.2 The Company shall (at the cost of the Company) effect and maintain for each Director policies of insurance insuring each Director against risks in relation to his office as each Director may reasonably specify including without limitation, any liability which by virtue of any rule of law may attach to him in respect of any negligence, default of duty or breach of trust of which he may be guilty in relation to the Company.

23 Secretary

Subject to the provisions of the Act, the Directors may appoint a secretary for such term, at such remuneration and upon such conditions as they may think fit, and any secretary so appointed may be removed by them.

24 Lien

24.1 The Company shall have a first and paramount lien (the "**Company's Lien**") over every Share not fully paid for all indebtedness of any holder of it to the Company (whether a sole holder or

one of two or more joint holders), whether or not that indebtedness or liability is in respect of the Shares concerned and whether or not it is presently payable.

24.2 The Company's Lien over a Share:

24.2.1 shall take priority over any third party's interest in that Share; and

24.2.2 extends to any dividend or other money payable by the Company in respect of that Share and (if the lien is enforced and the Share is sold by the Company) the proceeds of sale of that Share.

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

24.3 Subject to the provisions of this Article 24, if

24.3.1 a notice complying with Article 24.4 (a "**Lien Enforcement Notice**") has been given by the Company in respect of a Share, and

24.3.2 the person to whom the notice was given has failed to comply with it,

the Company shall be entitled to sell that Share in such manner as the Directors decide.

24.4 A Lien Enforcement Notice:

24.4.1 may only be given by the Company in respect of a Share which is subject to the Company's Lien, in respect of which a sum is payable and the due date for payment of that sum has passed,

24.4.2 must specify the Share concerned;

24.4.3 must require payment of the sum payable within 14 days of the notice,

24.4.4 must be addressed either to the holder of the Share or to a person entitled to it by reason of the holder's death, bankruptcy or otherwise, and

24.4.5 must state the Company's intention to sell the Share if the notice is not complied with.

24.5 Where any Share is sold pursuant to this Article 24:

24.5.1 the Directors may authorise any person to execute an instrument of transfer of the Share to the purchaser or a person nominated by the purchaser; and

24.5.2 the transferee shall not be bound to see to the application of the consideration, and the transferee's title shall not be affected by any irregularity in or invalidity of the process leading to the sale.

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

24.6.1 first, in payment of so much of the sum for which the lien exists as was payable at the date of the Lien Enforcement Notice;

24.6.2 secondly, to the person entitled to the Share at the date of the sale, but only after the certificate for the Share sold has been surrendered to the Company for cancellation or an indemnity in a form reasonably satisfactory to the Directors has been given for any lost certificate, and subject to a lien equivalent to the Company's Lien for any money payable (whether or not it is presently

payable) as existing upon the Share before the sale in respect of all Shares registered in the name of that person (whether as the sole registered holder or as one of several joint holders) after the date of the Lien Enforcement Notice.

- 24.7 A statutory declaration by a Director or the company secretary that the declarant is a Director or the company secretary and that a Share has been sold to satisfy the Company's Lien on a specified date:
- 24.7.1 shall be conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the Share; and
- 24.7.2 subject to compliance with any other formalities of transfer required by these Articles or by law, shall constitute a good title to the Share.

25 Call Notices

- 25.1 Subject to these Articles and the terms on which Shares are allotted, the Directors may send a notice (a "**Call Notice**") to a Shareholder requiring the Shareholder to pay the Company a specified sum of money (a "**call**") which is payable to the Company by that Shareholder when the Directors decide to send the Call Notice.
- 25.2 A Call Notice.
- 25.2.1 may not require a Shareholder to pay a call which exceeds the total sum unpaid on that Shareholder's Shares (whether as to the Share's nominal value or any sum payable to the Company by way of premium),
- 25.2.2 shall state when and how any call to which it relates it is to be paid, and
- 25.2.3 may permit or require the call to be paid by instalments.
- 25.3 A Shareholder shall comply with the requirements of a Call Notice, but no Shareholder shall be obliged to pay any call before 14 days have passed since the notice was sent.
- 25.4 Before the Company has received any call due under a Call Notice the Directors may
- 25.4.1 revoke it wholly or in part, or
- 25.4.2 specify a later time for payment than is specified in the Call Notice, by a further notice in writing to the Shareholder in respect of whose Shares the call is made.
- 25.5 Liability to pay a call shall not be extinguished or transferred by transferring the Shares in respect of which it is required to be paid. Joint holders of a Share shall be jointly and severally liable to pay all calls in respect of that Share.
- 25.6 Subject to the terms on which Shares are allotted, the Directors may, when issuing Shares, provide that Call Notices sent to the holders of those Shares may require them to
- 25.6.1 pay calls which are not the same; or
- 25.6.2 pay calls at different times.
- 25.7 A Call Notice need not be issued in respect of sums which are specified, in the terms on which a Share is issued, as being payable to the Company in respect of that Share (whether in respect of nominal value or premium)
- 25.7.1 on allotment,
- 25.7.2 on the occurrence of a particular event, or

- 25.7.3 on a date fixed by or in accordance with the terms of issue.
- 25.8 If the due date for payment of such a sum as referred to in Article 25.7 has passed and it has not been paid, the holder of the Share concerned shall be treated in all respects as having failed to comply with a Call Notice in respect of that sum, and shall be liable to the same consequences as regards the payment of interest and forfeiture.
- 25.9 If a person is liable to pay a call and fails to do so by the Call Payment Date (as defined below)
- 25.9.1 the Directors may issue a notice of intended forfeiture to that person; and
- 25.9.2 until the call is paid, that person shall be required to pay the Company interest on the call from the call payment date at the Relevant Rate (as defined below).
- 25.10 For the purposes of Article 25.9
- 25.10.1 the "**Call Payment Date**" shall be the time when the call notice states that a call is payable, unless the Directors give a notice specifying a later date, in which case the "**Call Payment Date**" is that later date;
- 25.10.2 the "**Relevant Rate**" shall be:
- (a) the rate fixed by the terms on which the Share in respect of which the call is due was allotted;
 - (b) such other rate as was fixed in the Call Notice which required payment of the call, or has otherwise been determined by the Directors; or
 - (c) if no rate is fixed in either of these ways, 5 per cent a year,
- provided that the Relevant Rate shall not exceed by more than five percentage points the base lending rate most recently set by the Monetary Policy Committee of the Bank of England in connection with its responsibilities under Part 2 of the Bank of England Act 1998(a).
- 25.11 The Directors may waive any obligation to pay interest on a call wholly or in part.
- 25.12 The Directors may accept full payment of any unpaid sum in respect of a Share despite payment not being called under a Call Notice.

26 Forfeiture of Shares

- 26.1 A notice of intended forfeiture:
- 26.1.1 may be sent in respect of any Share in respect of which a call has not been paid as required by a Call Notice;
- 26.1.2 shall be sent to the holder of that Share or to a person entitled to it by reason of the holder's death, bankruptcy or otherwise;
- 26.1.3 shall require payment of the call and any accrued interest and all expenses that may have been incurred by the Company by reason of such non-payment by a date which is not fewer than 14 days after the date of the notice;
- 26.1.4 shall state how the payment is to be made; and
- 26.1.5 shall state that if the notice is not complied with, the Shares in respect of which the call is payable will be liable to be forfeited.

- 26.2 If a notice of intended forfeiture is not complied with before the date by which payment of the call is required in the notice of intended forfeiture, then the Directors may decide that any Share in respect of which it was given is forfeited, and the forfeiture is to include all dividends or other moneys payable in respect of the forfeited Shares and not paid before the forfeiture.
- 26.3 Subject to these Articles, the forfeiture of a Share extinguishes:
- 26.3.1 all interests in that Share, and all claims and demands against the Company in respect of it; and
 - 26.3.2 all other rights and liabilities incidental to the Share as between the person whose Share it was prior to the forfeiture and the Company.
- 26.4 Any Share which is forfeited in accordance with these Articles:
- 26.4.1 shall be deemed to have been forfeited when the Directors decide that it is forfeited;
 - 26.4.2 shall be deemed to be the property of the Company; and
 - 26.4.3 may be sold, re-allotted or otherwise disposed of as the Directors think fit.
- 26.5 If a person's Shares have been forfeited then:
- 26.5.1 the Company shall send that person notice that forfeiture has occurred and record it in the register of members;
 - 26.5.2 that person shall cease to be a Shareholder in respect of those Shares;
 - 26.5.3 that person shall surrender the certificate for the Shares forfeited to the Company for cancellation;
 - 26.5.4 that person shall remain liable to the Company for all sums payable by that person under the Articles at the date of forfeiture in respect of those Shares, including any interest (whether accrued before or after the date of forfeiture); and
 - 26.5.5 the Directors shall be entitled to waive payment of such sums wholly or in part or enforce payment without any allowance for the value of the Shares at the time of forfeiture or for any consideration received on their disposal.
- 26.6 At any time before the Company disposes of a forfeited Share, the Directors shall be entitled to decide to cancel the forfeiture on payment of all calls and interest and expenses due in respect of it and on such other terms as they think fit.
- 26.7 If a forfeited Share is to be disposed of by being transferred, the Company shall be entitled to receive the consideration for the transfer and the Directors shall be entitled to authorise any person to execute the instrument of transfer.
- 26.8 A statutory declaration by a Director or the company secretary that the declarant is a Director or the company secretary and that a Share has been forfeited on a specified date:
- 26.8.1 shall be conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the Share; and
 - 26.8.2 subject to compliance with any other formalities of transfer required by the Articles or by law, constitutes a good title to the Share.

- 26.9 A person to whom a forfeited Share is transferred shall not be bound to see to the application of the consideration (if any) nor shall that person's title to the Share be affected by any irregularity in or invalidity of the process leading to the forfeiture or transfer of the Share.
- 26.10 If the Company sells a forfeited Share, the person who held it prior to its forfeiture shall be entitled to receive the proceeds of such sale from the Company, net of any commission, and excluding any sum which:
- 26.10.1 was, or would have become, payable; and
- 26.10.2 had not, when that Share was forfeited, been paid by that person in respect of that Share,
- but no interest shall be payable to such a person in respect of such proceeds and the Company shall not be required to account for any money earned on such proceeds.

27 Surrender of Shares

- 27.1 A Shareholder shall be entitled to surrender any Share:
- 27.1.1 in respect of which the Directors issue a notice of intended forfeiture;
- 27.1.2 which the Directors forfeit; or
- 27.1.3 which has been forfeited.
- The Directors shall be entitled to accept the surrender of any such Share.
- 27.2 The effect of surrender on a Share shall be the same as the effect of forfeiture on that Share.
- 27.3 The Company shall be entitled to deal with a Share which has been surrendered in the same way as a Share which has been forfeited.

28 Overriding Provisions

- 28.1 Notwithstanding anything to the contrary in these Articles, the directors of the Company (or, if applicable, a sole director) must register any transfer of shares and may not suspend registration of such shares where such transfer:
- 28.1.1 is to:
- (a) a bank or financial institution or to a trust, fund or other entity which is regularly engaged in or established for the purpose of making, purchasing or investing in loans, securities or other financial assets or to an affiliate, agent or trustee thereof (any such entity a "**Financial Institution**") where a security interest has been or is purported to be granted over those shares (each a "**Security**") that benefits a Financial Institution; and/or
- (b) a company or other entity to whom such shares are transferred at the direction of a Financial Institution and/or any administrative receiver, administrator, receiver or receiver and manager or similar entity (a "**Receiver**") pursuant to powers granted to it under the Security; and
- 28.1.2 is delivered to the Company for registration in order to perfect or protect any Security of a Financial Institution; or
- 28.1.3 is executed by a Financial Institution or Receiver pursuant to a power of sale or other such power under any Security,

and a certificate by any officer of a Financial Institution that the shares in the Company were so charged, mortgaged or pledged and the transfer was so executed shall be conclusive evidence of such facts.

28.2 Notwithstanding anything contained in these Articles:

28.2.1 the Company shall have no present or future lien on any share, dividend or moneys payable in respect of shares which have been mortgaged, charged or pledged by way of security to a Financial Institution and any lien conferred pursuant to these Articles shall not apply in respect of any such share, dividend or moneys payable;

28.2.2 a holder of shares in the Company shall not be required to comply with any provision of the Articles which restricts the transfer of shares or which requires any such shares to be first offered to all or any shareholders for the time being of the Company before any transfer to a Financial Institution may take place; and

28.2.3 a holder of shares in the Company shall not have any right under the Articles or otherwise to require any shares that are the subject of a transfer to a Financial Institution to be transferred to them.

28.3 If there is any inconsistency between this Article 28 and any other Article (including for the avoidance of doubt, Articles 6-12), the provisions of this Article 28 shall prevail.