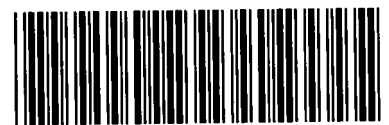


Annex

New Articles

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DATED 22 December 2020

ARTICLES OF ASSOCIATION
of
NORTHERN BLOC ICE CREAM LIMITED
(company number: 09078746)

(Adopted by Special Resolution passed on 22
December 2020)

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Company Number 09078746

THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
of
NORTHERN BLOC ICE CREAM LIMITED
(Adopted by Special Resolution passed on 22 December 2020)

INTRODUCTION

1 INTERPRETATION

1.1 In these Articles, unless expressly provided otherwise, the following words have the following meanings:

"Adoption Date" means the date of adoption of these Articles.

"Appointor" has the meaning given in Article 4.1.

"A Preferred Ordinary Shares" means A preferred ordinary shares of £0.00001 each in the capital of the Company.

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

"Asset Sale" has the meaning given in the Investment Agreement.

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

"Bad Leaver" means, unless otherwise determined by the Board with Investor Consent, a Leaver whose reason for ceasing employment or appointment with the Company or other Group Company is any of the following:

- (a) termination due to the commission of any act or omission that the Board reasonably considers to constitute gross misconduct;
- (b) termination due to material and persistent breach of employment obligations;
- (c) termination due to the Leaver having been disqualified from being a director, having been convicted of any offence (other than a motoring offence not punishable by imprisonment) or being guilty of fraud or dishonesty;
- (d) resignation to join a competitor; or

(e) termination due to, or followed by, a breach of restrictive covenant.

"Beneficial Owner" means a person whose Shares are held on trust by NomineeCo.

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

"Chairman" has the meaning given to it in Article 20.

"Co-Investment Scheme" has the meaning given in Article 14.4(a)(v).

"Companies Act" or "Act" means the Companies Act 2006.

"Company" means Northern Bloc Ice Cream Limited (company number 09078746).

"connected" has the meaning given in section 1122 Corporation Taxes Act 2010.

"Confidential Information" means all data or information (whether technical, commercial, financial or of any other type) in any form used in or relating to the business of any Group Company (including information relating to any Group Company's products (bought, manufactured, produced, distributed or sold), services (bought or supplied), operations, processes, formulae, methods, plans, strategy, product information, know-how, design rights, trade secrets, market opportunities, customer lists, commercial relationships, marketing, sales materials and general business affairs), and which are for the time being confidential to the relevant Group Company.

"Continuing Shareholders" has the meaning given in Article 15.5(a).

"Controlling Interest" means an interest in Shares conferring on the holder or holders control of the Company within the meaning of section 1124 of the Corporation Tax Act 2010.

"Conversion Shares" means any shares issued pursuant to the terms of the Loan Note Instrument.

"Directors" means the directors of the Company from time to time.

"Eligible Director" means a Director who would be entitled to vote on the matter at a meeting of Directors (but excluding any Director whose vote is not to be counted in respect of the particular matter).

"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).

"Family Member" means, in relation to any Shareholder, any of his spouse (or widow or widower), children and grandchildren (including step and adopted children and grandchildren);

"Family Trust" means, in relation to a Shareholder, a trust which does not permit any of the settled property or the income from it to be applied otherwise than for the benefit of that Shareholder or any of his family members and under which no power of control over the voting powers conferred by any Shares the subject of the trust is capable of being exercised by, or being subject to the consent of, any person other than the trustees or such Shareholder or any of his family members;

"FSMA" means the Financial Services and Markets Act 2000.

"Fund" means any bank, company, unit trust, investment trust, investment company, limited, general or other partnership, industrial provident or friendly society, any collective investment scheme (as defined by the FSMA), any investment professional (as defined in article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion Order) 2005, (*SI 2005/1529*) (the **"FPO"**)), any high net worth company, unincorporated association or partnership (as defined in article 49(2) of the FPO) or any high value trust (as defined in article 49(6) of the FPO), any pension fund or insurance company or any person who is an authorised person under the FSMA.

"Fund Participant" has the meaning given in Article **Error! Reference source not found..**

"Garden Leave" means any period during which the Company or other Group Company (if any), in respect of an employee and pursuant to the service contract between the Company or relevant Group Company and that employee, ceases or has ceased to provide that employee with work.

"Good Leaver" means a person:

- (a) who dies;
- (b) who is made redundant;
- (c) whose employment or engagement with the Company is terminated without cause, except where, in the reasonable opinion of the Board, the person's performance of their duties to the Company has fallen below that which could be reasonably expected of them and that person is at the Termination Date or has been at any time in the six months prior to the Termination Date, subject to the Company's performance management procedures (whether or not any formal warnings have been issued to the person). For the avoidance of doubt, this does not apply in circumstances where the person's performance is affected because of a disability, as defined in the Equality Act 2010;
- (d) who suffers a physical or mental deterioration which, in the reasonable opinion of the Investor Director, having taken external medical advice, is sufficiently serious to prevent the relevant person from carrying out their normal employment duties;
- (e) who retires at normal retirement age;
- (f) who is designated as such by the Board (with Investor Consent); or

- (g) who agrees with the Company that s/he is, or is determined by a court of competent jurisdiction from which there is no right of appeal to have been, wrongfully or constructively dismissed.

"Group" the Company and its subsidiaries (if any) from time to time and Group Company shall be construed accordingly.

"Group Company Interest" has the meaning given in Article 9.2.

"holding company" has the meaning given in section 1159 of the Act.

"IGF" means the Income and Growth VCT plc (Company Number: 4069483).

"Independent Expert" means an independent accountant or firm of independent accountants who are sufficiently experienced in the valuation of shares in private companies, and who are appointed either by agreement between the relevant parties or (failing agreement within 5 Business Days of written notification by either party to the other), upon the written application of either party, by the President for the time being of the Institute of Chartered Accountants in England and Wales (such accountant or firm of accountants acting as an expert and not as an arbitrator).

"Initial Amount" means the sum of £124,895 less any sums previously distributed to the holders of the Preference Shares pursuant to articles 10 and/or 11 of the articles of association of the Company in force immediately prior to the Adoption Date.

"Intermediate Leaver" means a Leaver who is not a Good Leaver or a Bad Leaver.

"Investment Agreement" means the investment agreement dated on or around the Adoption Date and made between (1) the Company, (2) the Managers, (3) the Existing Shareholders, (4) Ross & Cashmore Limited, (5) the Investors and (6) MEP.

"Investor" means each of MIG1, MIG2, MIG4 and IGF and includes any party who subsequently adheres to any shareholders' agreement in place from time to time relating to the Company as an investor by entering into a deed of adherence thereto, and any such person's Permitted Transferees.

"Investor Associate" means:

- (a) each member of an Investor's Investor Group (other than the relevant Investor itself);
- (b) any person who manages or advises any or all of the assets for the time being of an Investor or the Family Trusts of any of its executives for the purposes of any Co-Investment Scheme;
- (c) any partner, general partner, nominee, trustee, custodian, operator, manager or adviser of an Investor or any member of its Investor Group;
- (d) any Fund, the assets of which are from time to time managed or advised (whether solely or jointly with others) by an Investor, its manager or its successor or any member of its Investor Group; and

- (e) any Fund in respect of which that Investor or any other member of its Investor Group is a general partner.

"Investor Consent" or "Investor Direction" means the giving of a written consent or direction by the Investor Director or by MEP.

"Investor Director" means a Director appointed by MEP pursuant to Article 6.2(a)(a).

"Investor Group" means, in relation to an Investor, that Investor and its subsidiaries or, as the case may be, that Investor, any holding company of which that Investor is, directly or indirectly, a wholly-owned subsidiary and any other subsidiary any such holding company from time to time (but excluding any Group Company) and references to **member** or **members** of an Investor Group shall be construed accordingly.

"Issue Price" means, in respect of a Share, the price at which the relevant Share is issued, being the aggregate of the amount paid up or credited as paid up in respect of the nominal value thereof and any share premium thereon, save in respect of any Shares issued pursuant to the exercise of conversion rights under the Loan Note Instrument upon which a discount was applied, the Issue Price shall be the amount that would have been paid up or credited as paid up had no such discount been applied.

"Leaver" means:

- (a) any Shareholder (other than Kathryn Woods, other than Paul Keen and other than Allan Leighton) who ceases, or has ceased, to be a Relevant Employee (and who does not continue to be a Relevant Employee by reason of his status in relation to any other Group Company), provided that, for these purposes, a Shareholder shall be deemed to cease, or have ceased, to be a Relevant Employee upon the commencement of any period during which the relevant individual is placed on Garden Leave pursuant to their service contract with the Company or other Group Company, notwithstanding that the relevant individual remains an employee of the Company or any other Group Company provided that such Shareholder ceases, or has ceased to be a Director or a director of any other Group Company;
- (b) any Shareholder who is (or is the nominee of) a Family Member of any person (other than Kathryn Woods, other than Paul Keen and other than Allan Leighton) who ceases to be a Relevant Employee;
- (c) any Shareholder who is (or is the nominee of) the trustee of a Family Trust of any person (other than Kathryn Woods, other than Paul Keen and other than Allan Leighton) who ceases to be a Relevant Employee in respect of the Shares held on behalf of such person or on behalf of any Family Member of such person;
- (d) any Shareholder (not being an Investor) holding Shares as a result of a transfer made after the date of the adoption of these Articles by a person in relation to whom such Shareholder was a Permitted Transferee who ceases to be a Permitted Transferee in relation to such person, including, without limitation, any Shareholder who ceases to be the spouse or civil partner of a Relevant Employee;
- (e) any person who holds or becomes entitled to any Shares:
 - (i) following the death of a Shareholder;

- (ii) following the bankruptcy of a Shareholder (if an individual) or the receivership, administrative receivership, administration, liquidation or other arrangement for the winding-up (whether solvent or insolvent) of a Shareholder (if a company); or
- (iii) following the exercise of an option after ceasing to be a Relevant Employee; or
- (f) any Shareholder holding Shares as a nominee for any person (other than Kathryn Woods and other than Allan Leighton) who ceases, or who has ceased, to be a Relevant Employee in respect of the Shares held on behalf of such person.

"Leaver's Shares" means two thirds of:

- (a) all of the Shares held by a Leaver, or to which they are entitled, on the Leaving Date;
- (b) all Shares originally held by them but transferred pursuant to Article 14 (Permitted Transfers) (or an equivalent provision in any earlier articles of association); and
- (c) any Shares acquired by a Leaver after the Leaving Date under an employee share scheme.

"Leaving Date" means the date on which the relevant person becomes a Leaver.

"Listing" has the meaning given in the Investment Agreement.

"Listing Value" means the market value of the Shares subject to a Listing, determined by reference to the price per Share at which such Shares are to be offered for sale (excluding for this purpose any new money raised pursuant to such Listing), placed or otherwise marketed pursuant to the arrangements relating to the Listing, all as determined by the merchant bank or, if none, the broker appointed to advise in connection with the Listing.

"Loan Note Instrument" has the meaning given in the Investment Agreement.

"Loan Notes" has the meaning given in the Investment Agreement.

"MEP" means Mobeus Equity Partners LLP (LLP Number OC320577) or any MEP Successor.

"MEP Successor" means any company, limited liability company, partnership, limited liability partnership or person who takes over from MEP as manager or adviser to any of the Investors.

"MIG1" means Mobeus Income and Growth VCT plc (Company Number: 5153931)

"MIG1" means Mobeus Income and Growth 2 VCT plc (Company Number: 3946235).

"MIG1" means Mobeus Income and Growth 4 VCT plc (Company Number: 3707697).

"Model Articles" means the model articles for private companies limited by shares contained in Schedule 1 to The Companies (Model Articles) Regulations 2008 (SI 2008/3229), as amended prior to the Adoption Date.

"NomineeCo" means Crowdcube Nominees Limited (company number 09820478) or such replacement nominee to which it transfers its Shares pursuant to Article 14.5(a).

"Ordinary Shares" means ordinary shares of £0.00001 each in the capital of the Company.

"Permitted Transfer" any transfer of Shares by a Shareholder in accordance with Article 13.7.

"Permitted Transferee" means, in relation to a Shareholder, any person to whom that Shareholder may make a Permitted Transfer.

"Preference Shares" means preference shares of £0.01 each in the capital of the Company.

"Relevant Employee" means:

- (a) an employee of the Company or any other Group Company; or
- (b) a Director or a director of any other Group Company (other than in either case, for the purposes of Article 17, an Investor Director); or
- (c) an individual (other than an employee) whose services are made available to the Company, either directly or through a third party means.

"Relevant Investor" has the meaning given in Article 9.1(a).

"Sale Notice" has the meaning given in Article 17.2.

"Sale Shares" means the shares specified or deemed to be specified for sale in a Transfer Notice or Transfer Notice required to be served.

"Seller" means the transferor of shares pursuant to a Transfer Notice.

"Shareholder" means a holder for the time being of any Share or Shares.

"Shares" means shares (of any class) in the capital of the Company and Share shall be construed accordingly.

"Share Sale" has the meaning given in the Investment Agreement.

"subsidiary" in relation to a holding company wherever incorporated, means a "subsidiary" (as defined in section 1159 of the Act) for the time being and any other company which for the time being is itself a subsidiary (as so defined) of a company which is itself a subsidiary of such holding company.

"Termination Date"

- (a) where employment ceases by virtue of notice given by the employer to the employee, the date on which such notice expires;
- (b) where a contract of employment is terminated by the employer and a payment is made in lieu of notice, the date on which notice of termination was served;

- (c) where employment ceases by virtue of notice given by the employee to the employer, the date on which such notice was served;
- (d) where an employee dies, the date of his death; and
- (e) in any other case, the date on which the employment agreement is terminated.

"Transfer Notice" means a notice in writing given or required to be given by any Shareholder to the Company whereby that Shareholder desires, or is required by these Articles, to transfer (or enter into an agreement to transfer) any Shares.

"Valuer" means an independent accountant nominated by agreement between the Board (acting with Investor Consent) and the transferor(s) or, failing agreement within 10 Business Days, nominated by the President for the time being of the Institute of Chartered Accountants in England and Wales.

"Valuer's Certificate" has the meaning given in Article 16.4.

"Vested Shares" means, in respect of a Leaver, a proportion of that Leaver's Leaver's Shares determined as follows:

Leaving Date	Proportion of Shares which are Vested Shares (%)	Proportion of Shares which are not Vested Shares (%)
Before the first anniversary of the Adoption Date	0	100
On or after the first anniversary of the Adoption Date but before the second anniversary thereof	20	80
On or after the second anniversary of the Adoption Date but before the third anniversary thereof	40	60
On or after the third anniversary of the Adoption Date but before the fourth anniversary thereof	55	45
On or after the fourth anniversary of the Adoption Date	70	30

1.2 A reference in these Articles to:

- (a) an **Article** is a reference to the relevant numbered article of these Articles; and
- (b) a **model article** is a reference to the relevant article,

unless expressly provided otherwise.

1.3 Save as otherwise specifically provided in these Articles, words and expressions which have particular meanings in the Model Articles shall have the same meanings in these Articles, subject to which and unless the context otherwise requires, words and expressions which have particular meanings in the Act shall have the same meanings in these Articles (but excluding any statutory modification of them not in force on the Adoption Date).

- 1.4 Headings in these Articles are used for convenience only and shall not affect the construction or interpretation of these Articles.
- 1.5 In these Articles, words denoting the singular include the plural and vice versa and reference to one gender includes the other gender and neuter and vice versa.
- 1.6 Unless expressly provided otherwise, a reference to a statute, statutory provision or subordinate legislation is a reference to it as it is in force from time to time, taking account of:
- (a) any subordinate legislation from time to time made under it; and
 - (b) any amendment or re-enactment and includes any statute, statutory provision or subordinate legislation which it amends or re-enacts.

2 ADOPTION OF THE MODEL ARTICLES

- 2.1 The Model Articles shall apply to the Company, except in so far as they are modified or excluded by these Articles or are inconsistent with these Articles, and, subject to any such modifications, exclusions or inconsistencies, shall together with these Articles constitute the articles of association of the Company to the exclusion of any other articles or regulations set out in any statute or in any statutory instrument or other subordinate legislation. A copy is set out in the Schedule to these Articles.
- 2.2 Model articles 7, 8, 9(1) and (3), 11(2) and (3), 12, 13, 14(1) to (4) (inclusive), 16, 17(1)(b), 22, 26(5), 38, 39, 49, 50 and 51 to 53 (inclusive) shall not apply to the Company.
- 2.3 In model article 25(2)(c), the words "evidence", "indemnity" and "the payment of a reasonable fee" shall be deleted and replaced with the words "evidence and indemnity".
- 2.4 Model article 29 shall be amended by the insertion of the words ", or the name of any person(s) named as the transferee(s) in an instrument of transfer executed under article 28(2)," after the words "the transmittee's name".

DIRECTORS

3 NUMBER OF DIRECTORS

Unless otherwise determined by ordinary resolution and with Investor Consent, the number of Directors (including the Investor Director but excluding alternate directors) shall not be less than two.

4 ALTERNATE DIRECTORS

- 4.1 A Director (other than an alternate director) (the "**Appointor**") may appoint any other Director or (in the case of the Investor Director) any other person whomsoever to be an alternate director and may remove from office an alternate director so appointed. Any appointment or removal of an alternate director must be effected by notice in writing to the Company signed by the Appointor, or in any other manner approved with Investor Consent.
- 4.2 A person who holds office only as an alternate director shall, if their Appointor is not present, be counted in the quorum at any meeting of the Directors of the Company. An

alternate director shall have the same rights in relation to any such meeting of the Directors or Directors' written resolution, as the alternate's Appointor.

- 4.3 Any Director who is appointed an alternate director shall be entitled to vote at a meeting of the Board on behalf of the Director so appointing them in addition to being entitled to vote in their own capacity as a Director and shall also be considered as two Directors for the purpose of making a quorum of Directors unless they are the only individual present.
- 4.4 An alternate director's appointment as an alternate terminates:
- (a) when the alternate's Appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate;
 - (b) on the occurrence in relation to the alternate of any event which, if it occurred in relation to the alternate's Appointor, would result in the termination of the Appointor's appointment as a Director;
 - (c) on the death of the alternate's Appointor; or
 - (d) when the alternate's Appointor's appointment as a Director terminates.

5 PROCEEDINGS OF DIRECTORS

- 5.1 Any decision of the Directors must be taken at a meeting of Directors in accordance with these Articles or must be a decision taken in accordance with Article 5.2 (subject to Article 5.3 and Article 5.4). All decisions made at any meeting of the Directors (or any committee of the Directors) shall be made only by resolution and resolutions at any meeting of the Directors (or committee of the Directors) shall be decided by a majority of votes.
- 5.2 A unanimous decision of the Directors is taken when all Eligible Directors indicate to each other by any means that they share a common view on a matter.
- 5.3 A decision taken in accordance with Article 5.2 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.
- 5.4 A decision may not be taken in accordance with Article 5.2 if the Eligible Directors would not have formed a quorum at a Directors' meeting to vote on the matter in accordance with Article 5.6 and Article 5.7.
- 5.5 Meetings of the Directors shall take place at least 10 times in each year, with a period of not more than eight weeks between any two meetings. Any Director may call a meeting of the Directors. At least seven days' advance notice in writing of each such meeting shall be given to each Director, unless otherwise agreed by the Investor Director.
- 5.6 The quorum for any meeting (or part of a meeting, as the case may be) of the Directors any three Eligible Directors (of whom one shall be the Investor Director). If the necessary quorum is not present within 30 minutes from the time appointed for the meeting, or if, during a meeting, such quorum ceases to be present, the meeting shall stand adjourned for five Business Days to the same time and place. If a quorum is not present at any such adjourned meeting within 30 minutes from the time appointed, then any two Eligible Directors shall be capable of forming a quorum at such meeting.

- 5.7 For the purposes of any meeting (or part of a meeting) held pursuant to Article 8 to authorise a Conflict (as defined in Article 8.1), if there are less than three Eligible Directors in office other than the conflicted Director(s), the quorum for such meeting (or part of a meeting) shall be such number of Eligible Directors.
- 5.8 If the number of Directors in office for the time being is less than two, the Directors in office must not take any decision other than a decision to:
- (a) appoint further Directors; or
 - (b) call a general meeting so as to enable the Shareholders to appoint further Directors or amend these Articles, as appropriate.
- 5.9 Questions arising at any meeting of the Directors shall be decided by a majority of votes. If there is an equality of votes, the Chairman (or other chairman of the meeting) shall not have a second or casting vote.
- 5.10 Any Director or alternate director may validly participate in a meeting of the Board through telephone conference or similar form of communication equipment provided that all persons participating in the meeting are able to hear and speak to each other throughout such meeting. A person so participating shall be deemed to be present in person at the meeting and shall accordingly be counted in a quorum and be entitled to vote. Subject to the Act, all business transacted in such manner by the Board or a committee of the Board shall for the purpose of these Articles be deemed to be validly and effectively transacted at a meeting of the Board or a committee of the Board notwithstanding that a quorum of Directors is not physically present in the same place. If the Directors cannot or do not decide upon where such a meeting shall be deemed to take place, then it shall be where the Chairman of the meeting then is located. Model Article 10(3) shall be amended accordingly.

6 APPOINTMENT AND REMOVAL OF DIRECTORS

- 6.1 Model Article 17(1)(b) is modified by adding the words with prior Investor Consent before the words 'by a decision of the directors'.
- 6.2 MEP shall, for so long as the Investors or any nominee of the Investors holds any Shares, be entitled to:
- (a) appoint one person to be a Director of the Company (the "**Investor Director**");
 - (b) remove any such Investor Director (as the case may be) from the Board for any reason whatsoever and appoint another person in their place,
- with such appointment and removal being made by notice in writing served on the Company and taking effect on the date specified in the notice.
- 6.3 Upon request by MEP, the Company shall procure that the Investor Director be appointed as a director of any Group Company. The Company shall procure that such Investor Director is not removed from his office as director of the relevant subsidiary other than at the request of MEP or if he ceases to be a director of the Company.
- 6.4 MEP shall, for so long as the Investors or any nominee of the Investors holds any Shares, also be entitled to appoint any third party to act as an observer to the Board. The observer

shall be entitled to attend and speak at all meetings of the Board and receive copies of all board papers as if he were a Director but shall not count in the quorum or be entitled to vote on any resolutions proposed at a Board meeting.

- 6.5 The Board shall, with Investor Consent, direct that any person appointed as a Director be appointed as Chairman.
- 6.6 In addition to the provisions of Model Article 18, the office of a Director shall also be vacated if:
 - (a) he is convicted of a criminal offence (other than a minor motoring offence) and the Directors (with Investor Consent) resolve that his office be vacated; or
 - (b) unless the Board (with Investor Consent) resolves otherwise, he ceases to be a Relevant Employee.
- 6.7 Subject to Section 168 of the Companies Act, on any resolution to remove an Investor Director, upon election in writing to the Company by MEP, the Shares held by the Investors or any nominee of the Investors (as the case may be), may, at MEP's option in writing together carry at least one vote in excess of 51% of the votes exercisable in respect of that resolution at the general meeting at which such resolution is to be proposed or in respect of the total voting rights of Shareholders eligible to vote on that resolution if proposed as a written resolution.

7 TRANSACTIONS OR OTHER ARRANGEMENTS WITH THE COMPANY

Subject to sections 177(5) and 177(6) and sections 182(5) and 182(6) of the Act and provided he has declared the nature and extent of his interest in accordance with the requirements of the Companies Acts, a Director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the Company:

- (a) may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise (directly or indirectly) interested;
- (b) shall be an Eligible Director for the purposes of any proposed decision of the Directors (or committee of the Directors) in respect of such existing or proposed transaction or arrangement in which he is interested;
- (c) shall be entitled to vote at a meeting of Directors (or of a committee of the Directors) or participate in any unanimous decision, in respect of such existing or proposed transaction or arrangement in which he is interested;
- (d) may be a Director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate in which the Company is otherwise (directly or indirectly) interested; and
- (e) shall not, save as he may otherwise agree, be accountable to the Company for any benefit which he (or a person connected with him) derives from any such transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit nor shall the

receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the Act.

8 DIRECTORS' CONFLICTS

- 8.1 The Directors may, in accordance with the requirements set out in this Article 8 authorise any matter or situation proposed to them by any Director which would, if not authorised, involve a Director (an **"Interested Director"**) breaching his duty under section 175 of the Act to avoid conflicts of interest (**"Conflict"**).
- 8.2 Any authorisation under this Article 8 will be effective only if:
- (a) any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested Director; and
 - (b) the matter was agreed to without the Interested Director voting or would have been agreed to if the Interested Director's vote had not been counted.
- 8.3 If the relevant Director is the Investor Director, for the purposes of any part of the meeting of the Directors at which a resolution authorising such is to be considered, the quorum requirement for such part of the meeting shall be any one Director, who does not have any interest in the matter and notwithstanding the provisions of Article 5.6 it shall not be necessary for such Investor Director to be present during such part of the meeting for the quorum requirement to be met.
- 8.4 Any authorisation of a Conflict under this Article 8 may (whether at the time of giving the authorisation or subsequently):
- (a) extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised;
 - (b) provide that the Interested Director be excluded from the receipt of documents and information and the participation in discussions (whether at meetings of the Directors or otherwise) related to the Conflict;
 - (c) provide that the Interested Director shall or shall not be an Eligible Director in respect of any future decision of the Directors in relation to any resolution related to the Conflict;
 - (d) impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the Directors think fit;
 - (e) provide that, where the Interested Director obtains, or has obtained (through his involvement in the Conflict and otherwise than through his position as a Director of the Company) information that is confidential to a third party, he will not be obliged to disclose that information to the Company, or to use it in relation to the Company's affairs where to do so would amount to a breach of that confidence; and
 - (f) permit the Interested Director to absent himself from the discussion of matters relating to the Conflict at any meeting of the Directors and be excused from reviewing papers prepared by, or for, the Directors to the extent they relate to such matters.

- 8.5 Where the Directors authorise a Conflict, the Interested Director will be obliged to conduct himself in accordance with any terms and conditions imposed by the Directors in relation to the Conflict.
- 8.6 The Directors may revoke or vary such authorisation at any time, but this will not affect anything done by the Interested Director, prior to such revocation or variation, in accordance with the terms of such authorisation.
- 8.7 A Director is not required, by reason of being a Director (or because of the fiduciary relationship established by reason of being a Director), to account to the Company for any remuneration, profit or other benefit which he derives from or in connection with a relationship involving a Conflict which has been authorised by the Directors in accordance with these Articles or by the Company in general meeting (subject in each case to any terms and conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds.

9 INVESTOR DIRECTOR AND GROUP COMPANY INTERESTS

- 9.1 Subject to compliance by them with their duties as a Director under Part 10 of the Companies Act (other than the duty in section 175(1) of the Companies Act to the extent that it is the subject of this Article 9), an Investor Director may, at any time, be a director or other officer of, employed by, hold shares or other securities in, or otherwise be interested, whether directly or indirectly, in:
- (a) any Investor, Investor Associate, or other entity which, directly or indirectly, holds Shares (a "**Relevant Investor**") and as such the Investor Director may, on behalf of the Investor, give or withhold any consent or give any direction required of any Investor pursuant to the terms of any subscription, investment or shareholders' agreement relating to the Company, or of any similar agreement or document ancillary to such an agreement; or
 - (b) any other company in which a Relevant Investor also holds shares or other securities or is otherwise interested, whether directly or indirectly, (in either case an "Investor Director Interest"), and notwithstanding their office or the existence of an actual or potential conflict between the Investor Director Interest and the interests of the Company which would fall within the ambit of section 175(1) of the Companies Act, the Investor Director:
 - (i) shall be entitled to attend any meeting or part of a meeting of the Directors or a committee of the Directors at which any matter which may be relevant to the Investor Director Interest may be discussed, and to vote on a resolution of the Directors or a committee thereof relating to such matter, and any Board papers relating to such matter shall be provided to the relevant Investor Director at the same time as other Directors;
 - (ii) shall not be obliged to account to the Company for any remuneration or other benefits received by them in consequence of any Investor Director Interest;
 - (iii) shall be entitled to consult freely about the Group and its affairs with, and to disclose, for investment appraisal purposes, Confidential Information to, any Investor, Investor Associate, or proposed investor in the Group or any other person on whose behalf it is investing in the Group, and to the

Group's auditors, lenders and proposed lenders (or with and to any of its or their professional advisers);

- (iv) for the purposes of facilitating a Sale or Listing, shall be entitled to disclose any Confidential Information to any proposed purchaser, underwriter, sponsor or broker, subject to the relevant Investor Director:
 - (A) using their reasonable endeavours to procure that any such recipient is made aware that it is Confidential Information and agrees to treat it accordingly; and
 - (B) keeping the Board informed of the identity of any persons to whom disclosures are made pursuant to this Article 9.1(b)(iv); and
- (v) shall not be obliged to disclose to the Company or use for the benefit of the Company any other confidential information received by them by virtue of their Investor Director Interest and otherwise than by virtue of their position as a Director, if to do so would breach any duty of confidentiality to a third party.

9.2 Subject to compliance by them with their duties as a Director under Part 10 of the Companies Act (other than the duty in section 175(1) of the Companies Act which is the subject of this Article 9.2), a Director may, at any time, notwithstanding their office or the existence of an actual or potential conflict between the interests of the Company and those of a Group Company which would fall within the ambit of that section 175(1), be a director or other officer of, employed by or otherwise interested, whether directly or indirectly, in any other Group Company (a **"Group Company Interest"**) and the relevant Director:

- (a) shall be entitled to attend any meeting or part of a meeting of the Directors or a committee of the Directors at which any matter which may be relevant to the Group Company Interest may be discussed, and to vote on any resolution of the Directors or a committee thereof relating to such matter, and any Board papers relating to such matter shall be provided to the relevant Director at the same time as the other Directors;
- (b) shall not be obliged to account to the Company for any remuneration or other benefits received by them in consequence of any Group Company Interest; and
- (c) will not be obliged to disclose to the Company or use for the benefit of the Company any confidential information received by them by virtue of their Group Company Interest and otherwise than by virtue of their position as a Director, if to do so would breach any duty of confidentiality to any other Group Company or third party.

9.3 Any Director who has a Group Company Interest (or in the case of the Investor Director, an Investor Director Interest or a Group Company Interest), shall, as soon as reasonably practicable following the relevant interest arising, disclose to the Board the existence of such interest and the nature and extent of such interest so far as the Investor Director or other Director is able at the time the disclosure is made provided that no such disclosure is required to be made of any matter in respect of which the Investor Director or other Director owes any duty of confidentiality to any third party. A disclosure made to the Board under this Article 9.3 may be made either at a meeting of the Board or by notice in writing to the Company marked for the attention of the Directors.

- 9.4 Notwithstanding the provisions of Articles 9.1 and 9.3, the holders of the Preferred A Ordinary Shares in issue from time to time may, at any time, by notice in writing to the Company, direct that any Investor Director Interest or any Group Company Interest be submitted to the Shareholders for authorisation. If such a direction is made, the authorisation may be given by the consent in writing of the holders of the Preferred A Ordinary Shares in issue at the relevant time. For the avoidance of doubt, the holders of the A Ordinary Shares in issue at the relevant time shall not be required to give their consent for the authorisation pursuant to this Article 9.2 to be valid. Upon such consent being given, the provisions of Articles 9.1(b)(i) to 9.1(b)(v) (in the case of an Investor Director Interest) and the provisions of Articles 9.2(a) to 9.2(c) (in the case of a Group Company Interest) shall apply.
- 9.5 No contract entered into shall be liable to be avoided by virtue of:
- (a) any Director having an interest of the type referred to in Article 8.1 where the relevant situation has been approved as provided by that Article;
 - (b) the Investor Director having an Investor Director Interest which falls within Article 9.1 or which is authorised pursuant to Article 9.2; or
 - (c) any Director having a Group Company Interest which falls within Article 9.2 or which is authorised pursuant to Article 9.2.
- 9.6 The provisions of Articles 8 and 9 shall not apply to a conflict of interest which arises in relation to an existing or proposed transaction or arrangement with the Company but the provisions of Article 7 shall so apply.

10 COMPANY SECRETARY

- 10.1 The Directors may, with Investor Consent, appoint a company 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.
- 10.2 Model Article 20 shall apply to the company secretary by insertion of the words 'company secretary' in place of 'directors' in the first instance it appears.

SHARES AND DISTRIBUTIONS

11 SHARE RIGHTS

- 11.1 Save as otherwise provided in these Articles, the A Preferred Ordinary Shares and Ordinary Shares shall be treated *pari passu* and as if they constituted one class of Share. The rights attached to the Preference Shares, the A Preferred Ordinary Shares and the Ordinary Shares are as follows:
- 11.2 Income
- (a) Subject to the Companies Act and these Articles and with Investor Consent, the Directors may pay interim dividends provided that the Available Profits of the Company justify the payment.
 - (b) Each dividend shall be distributed to the Shareholders pro rata according to the number of Ordinary Shares and A Preferred Ordinary Shares held by them (as if

the Ordinary Shares and the A Preferred Ordinary Shares constituted one class of Share) respectively.

- (c) The holders of the Preference Shares shall not be entitled to a dividend.
- (d) The provisions of this Article 11.2 are subject to any restrictions on the payment of dividends imposed by law.

11.3 Capital

- (a) On a return of assets on liquidation, reduction of capital (other than a purchase of own Shares by the Company) or otherwise, the surplus assets of the Company remaining after payment of its liabilities (including the Loan Notes, to the extent they have not previously been redeemed or converted) and available for distribution to the holders of Shares (the "**Proceeds**") shall be applied as follows:
 - (i) first, a sum equal to the aggregate Issue Price of the A Preferred Ordinary Shares, to be paid:
 - (A) 99.9999% to the holders of the A Preferred Ordinary Shares pro rata to the number of A Preferred Ordinary Shares held by them;
 - (B) 0.00005% to the holders of the Ordinary Shares pro rata to the number of Ordinary Shares held by them; and
 - (C) 0.00005% to the holders of the Preference Shares pro rata to the number of Preference Shares held by them;
 - (ii) second, in paying to the holders of Preference Shares, an amount up to the Initial Amount, to be paid:
 - (A) 0.00005% to the holders of the A Preferred Ordinary Shares pro rata to the number of A Preferred Ordinary Shares held by them;
 - (B) 0.00005% to the holders of the Ordinary Shares pro rata to the number of Ordinary Shares held by them; and
 - (C) 99.9999% to the holders of the Preference Shares pro rata to the number of Preference Shares held by them; and
 - (iii) subject thereto, in paying the balance of the Proceeds after the payments pursuant to Articles 11.3(a)(i) and 11.3(a)(ii) to the holders of A Preferred Ordinary Shares and Ordinary Shares, allocated amongst them pro rata to the number of A Preferred Ordinary Shares and Ordinary Shares held by them as if the A Preferred Ordinary Shares and Ordinary Shares constituted one class of Share.
- (b) In the event of a Share Sale then, notwithstanding anything to the contrary in the terms of such Share Sale (unless all the holders of Shares immediately prior to the Share Sale have agreed in writing to the contrary, whether in the agreements for the Share Sale or otherwise), the holders of Shares immediately prior to such Share Sale shall procure that the proceeds from such Share Sale are paid into a

designated trustee account and shall be distributed amongst the selling holders of Shares in accordance with Article 11.3(a).

- (c) Upon the completion of an Asset Sale, all of the holders of Shares shall procure that the Company is wound up and shall take all such steps as are required to wind up the Company and distribute the assets of the Company remaining after the payment of its liabilities to the holders of Shares in accordance with Article 11.3(a).
- (d) Immediately prior to and conditionally upon a Listing all holders of Shares shall enter into such reorganisation of the share capital of the Company as they may agree, or in default, as an MEP may reasonably specify to ensure that the Listing Value is reallocated between the holders of Shares in the same amounts as they would receive on a Share Sale at the Listing Value pursuant to Article 11.3(b).

11.4 Voting

- (a) Subject to Article 6.7 and any rights or restrictions for the time being attached to any class or classes of Shares each holder of A Preferred Ordinary Shares and/or Ordinary Shares shall be entitled to receive notice of, and to attend and speak, at any general meeting and at any separate class meeting of the Company for Shares of the class they hold and vote on a written resolution or on a show of hands and each holder of A Preferred Ordinary Shares or Ordinary Shares shall be entitled, in that capacity, to exercise one vote per A Preferred Ordinary Share and one vote per Ordinary Share held.
- (b) The holders of the Preference Shares shall not be entitled to receive notice of and attend and speak at any general meeting or separate class meeting or vote on any written resolutions.
- (c) Each holder of Shares shall be entitled to appoint more than one proxy to exercise all or any of his rights to attend and to speak and vote at a general meeting or at a separate class meeting of the Company provided that each proxy is appointed to exercise the rights attached to a different Share or Shares held by such holder.

11.5 The rights conferred on each of the holders of Preferred A Ordinary Shares shall be deemed to be varied by the occurrence of any of the following without Investor Consent:

- (a) the creation or issue of any further shares (whether ranking equally, in priority to them or subsequent to them);
- (b) any reduction, subdivision, consolidation, redenomination, purchase, redemption or other alteration by the Company of the Company's share capital; or
- (c) any amendment to these Articles.

12 ISSUE OF FURTHER SHARES

12.1 Save to the extent authorised by these Articles, the Directors shall not exercise any power to allot Shares or to grant rights to subscribe for, or to convert any security into, any Shares and the provisions of section 550 of the Act shall not apply to the Company.

12.2 Subject to the remaining provisions of this Article 12, the Directors are generally and unconditionally authorised, for the purposes of section 551 of the Act, to exercise any power of the Company to:

- (a) offer or allot;
- (b) grant rights to subscribe for or to convert any security into; and
- (c) otherwise deal in, or dispose of,

any Shares (or any options, warrants, conversion rights and all other rights to acquire or subscribe for Shares) to any person, at any time and subject to any terms and conditions as the Directors think proper.

12.3 The authority referred to in Article 12.2:

- (a) shall be limited to a maximum nominal amount of £108.2349 of Shares;
- (b) shall only apply insofar as the Company has not, subject to these Articles, renewed, waived or revoked it by ordinary resolution; and
- (c) may only be exercised for a period of five years from the Adoption Date save that, subject to these Articles, the Directors may make an offer or agreement which would, or might, require any Shares to be allotted after the expiry of such authority (and the Directors may allot Shares in pursuance of an offer or agreement as if such authority had not expired).

12.4 No Shares shall be allotted to any current or prospective employee or director of any Group Company unless such person shall first have entered into a joint election with the relevant Group Company under section 431 of the Income Tax (Earnings and Pensions) Act 2003.

12.5 Any new Shares which it is proposed to allot shall first be offered to the existing Shareholders of the Company (other than the holders of Preference Shares only) (the "**Participating Shareholders**") in accordance with the provisions of Article 12.6 Provided that Article 12.6 shall not apply to the allotment of any Conversion Shares.

12.6 The offer shall be on terms that each Participating Shareholder can apply for any number of the new Shares up to the total number of new Shares to be allotted and on the terms that the new Shares shall be allocated (in the case of competition) in proportion (as nearly as possible without involving fractions) according to the number of A Preferred Ordinary Shares and Ordinary Shares (as if the A Preferred Ordinary Shares and Ordinary Shares constituted one class of Shares) in the Company of which they are registered or entitled to be registered as holders, provided that no applicant shall be obliged to take more than the maximum number of Shares applied for by him.

12.7 The offer shall be made by notice in writing specifying the number of, and subscription price for, the Shares offered and limiting a period (not less than 14 days) within which the offer, if not accepted, shall be deemed to have been declined. Any Shares which are not so accepted by the Participating Shareholders under this Article 12.7 shall be under the control of the Board which (subject to Investor Consent) may offer or allot, grant rights to subscribe for or to convert any security into or otherwise deal in, or dispose of the same to such persons (whether or not shareholders of the Company), for such consideration (not being less than such offer price), on such terms, in such manner and at such times as it

considers appropriate but so that such Shares shall not be disposed of on terms which are more favourable to such persons than the terms on which they were originally offered to the Participating Shareholders.

- 12.8 The pre-emption rights set out in Articles 12.5 to 12.7 above may, subject to Investor Consent, be disapplied by a special resolution of the Company.
- 12.9 Sections 561 and 562 of the Act are hereby excluded from applying to the Company.
- 12.10 Save as permitted by law, nothing in this Article 12 shall authorise the allotment or issue of Shares in the Company at a discount.
- 12.11 Subject to the provisions of the Act, Shares may be issued which are to be redeemed or are to be liable to be redeemed at the option of the Company or the holder on such terms and in such manner as may be determined by ordinary resolution of the Company. Model Article 22(2) shall not apply to the Company.
- 12.12 Subject to the Act but without prejudice to any other provision of these Articles, the Company may purchase its own Shares out of capital up to any amount in a financial year not exceeding the lower of:
 - (a) £15,000; or
 - (b) the value of 5% of the Company's nominal share capital.

13 TRANSFERS OF SHARES: GENERAL

- 13.1 In these Articles 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.
- 13.2 No Share may be transferred unless the transfer is made in accordance with these Articles and the Board shall refuse to register any transfer of Shares made in contravention of the provisions of these Articles.
- 13.3 Any transfer of a Share by way of sale that is required to be made under any of Articles 11, 13.7 and 17 shall be deemed to include a warranty that the transferor sells the Shares with full title guarantee.
- 13.4 In addition to the provisions of model article 26, the Directors may refuse to register a transfer if it is a transfer of a share to a bankrupt, a minor or a person of unsound mind. Model article 26 shall be modified accordingly.
- 13.5 The Directors may, as a condition to the registration of any transfer or allotment of Shares in the Company require the transferee or allottee to execute and deliver to the Company a deed agreeing to be bound by the terms of any shareholders' agreement in force between the Shareholders and the Company in such form as the Directors may reasonably require. If any condition is imposed in accordance with this Article 13.5, the transfer may not be registered unless that deed has been executed and delivered to the Company's registered office by the transferee or allottee (as the case may be).
- 13.6 For the purpose of determining whether or not there has been any disposal of Shares (or any interest in Shares) in contravention of the provisions of these Articles, the Directors

may require any Shareholder, or the legal personal representatives of any deceased Shareholder, or any person named as transferee in any transfer lodged for registration or any other person who the Directors may reasonably believe to have information relevant to that purpose, to provide to the Company with such information and evidence that the Directors request regarding any matter which they deem relevant to that purpose. Failing such information or evidence being 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 Shareholder of such Shares in writing of that fact and the following shall occur:

- (a) the relevant Shares shall cease to confer on the Shareholder of them (or any proxy) any rights:
 - (i) to vote, whether on a show of hands or on a poll, and whether exercisable at a general meeting of the Company or by signing a written resolution; or
 - (ii) 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
- (b) the Board may at any time serve a Sale Notice on the relevant Shareholder whereupon Article 17.2 shall apply (and the Sale Price shall be calculated in accordance with clause 16.1(c)).

The rights referred to in Article 13.6(a) shall be reinstated on the completion of any transfer referred to in Article 13.6(b).

- 13.7 Notwithstanding anything to the contrary in Article 13.1, any partner, unitholder, shareholder or other participant in, or operator, manager or custodian of, any Fund ("**Fund Participant**") (or by any trustee or nominee for any such Fund Participant) may transfer any interest in such Fund to any person who is, or as a result of the transfer becomes, a Fund Participant.

14 PERMITTED TRANSFERS

14.1 Definitions

For the purposes of this Article 13.7:

- (a) "**a member of the same group**" means, in relation to a body corporate, any other body corporate which is for the time being a holding company of that body corporate or a subsidiary of that body corporate or a subsidiary of any holding company of which that body corporate is also a subsidiary.

14.2 Transfers to Family Members and Family Trusts

- (a) Subject to Articles 14.2(b) to 14.2(e), any Shareholder who is an individual may at any time transfer up to 10% of his Shares (or, with approval of the Board including the Investor Director, such higher proportion as the Board may specify) to a person shown to the reasonable satisfaction of the Board to be:

- (i) a Family Member of his; or
 - (ii) trustees to be held under a Family Trust for that Shareholder or any of his family members.
- (b) Subject to Article 14.2(d), no Shares shall be transferred under Article 14.2(a) by any person who previously acquired those Shares by way of transfer under Article 14.2(a) other than to the original Shareholder.
- (c) No transfer of Shares shall be made by a Shareholder under Article 14.2(a)(ii) unless the Board is satisfied:
 - (i) with the terms of the instrument constituting the relevant Family Trust and in particular with the powers of the trustees;
 - (ii) with identity of the trustees and the procedures for the appointment and removal of trustees;
 - (iii) with restrictions on changes in the terms of the trust instrument and on distributions by the trustees; and
 - (iv) that none of the costs incurred in establishing or maintaining the relevant Family Trust will be payable by any Group Company.
- (d) Where Shares are held by trustees under a Family Trust:
 - (i) those Shares may, on any change of trustees, be transferred by those trustees to any new trustee of that Family Trust whose identity has been approved by the Board;
 - (ii) those Shares may at any time be transferred by those trustees to the settlor of that trust or any other Family Member to whom that settlor could have transferred them under this Article 14.2 if he had remained the holder of them; and
 - (iii) if any of those Shares cease to be held under a Family Trust for any other reason, the trustees shall give a Transfer Notice within 10 Business Days in respect of all the Shares then held by those trustees.
- (e) If:
 - (i) any person has acquired Shares as a Family Member of a Shareholder by way of one or more Permitted Transfers; and
 - (ii) that person ceases to be a Family Member of that Shareholder;

that person shall forthwith transfer all the Shares then held by that person back to that Shareholder, for such consideration as they agree, within 10 Business Days of the cessation, or, failing such transfer within that period, shall during the remainder of the 15 Business Day period after the cessation, give a Transfer Notice in respect of all of the Shares then held by that person.

14.3 Transfers within groups of companies

- (a) Any Shareholder which is a body corporate may at any time transfer any Shares held by it to a member of the same group.
- (b) Where Shares have been transferred under Article 14.3(a) (whether directly or by a series of such transfers) from a Shareholder ("**Transferor**", which expression shall not include a second or subsequent transferor in such a series of transfers) to a member of the same group as the Transferor ("**Transferee**") and subsequently the Transferee ceases to be a member of the same group as the Transferor, the Transferee shall forthwith transfer all the Shares held by it to the Transferor, for such consideration as they agree, within 10 Business Days of the cessation, or, failing such transfer within that period, shall during the remainder of the 15 Business Day period after the cessation, give a Transfer notice in respect of all of the Shares then held by the Transferee.

14.4 Transfers by Investors

- (a) Any Shareholder who is an Investor or any person who holds Shares as a nominee, custodian, trustee or otherwise on behalf of an Investor may at any time transfer any Share to:
 - (i) another Investor;
 - (ii) any Investor Associate of that Investor;
 - (iii) the beneficial owner of the Shares;
 - (iv) on a distribution in kind or otherwise under the relevant partnership agreement or trust deed or other constitutional document(s) of a Fund, the partners of a limited partnership or to the holders of units in a unit trust or to the shareholders of, participants in, or holders of any other interest in, any Fund; or
 - (v) any Co-Investment Scheme, being a scheme under which certain officers, employees or partners of an Investor or its adviser, manager, operator, nominee or any member of its Investor Group are entitled or required (as individuals or through a Fund or any other vehicle) to acquire Shares ("**Co-Investment Scheme**").
- (b) Any Shareholder holding Shares in connection with a Co-Investment Scheme may at any time transfer any Share to:
 - (i) another person who holds or is to hold Shares in connection with such Co-Investment Scheme; or
 - (ii) any persons on their becoming entitled to the same under the terms of such Co-Investment Scheme.

14.5 Crowdcube Permitted Transfers

- (a) NomineeCo may transfer all or any of its Shares to another third party trust company whose identity has been approved by the Board (such approval not to be unreasonably withheld or delayed).

- (b) A Beneficial Owner shall be entitled at any time to transfer his entire beneficial interest in the Shares held on trust for him by NomineeCo without restriction to any person, provided that the legal title in such Shares continues to be held by NomineeCo and the transferee is (or becomes prior to the completion of the transfer) a member of the crowdfunding platform operated by Crowdcube Capital Limited.

15 VOLUNTARY TRANSFER OF SHARES

- 15.1 Save where the provisions of Articles 13.7 or 19 apply (and subject to Article 17), any transfer of any Shares shall be subject to the pre-emption rights contained in this Article 15.
- 15.2 A Shareholder who wishes to transfer any Shares (a **"Seller"**) shall before transferring or agreeing to transfer any Shares give a Transfer Notice to the Company (copied to each Continuing Shareholder) specifying:
 - (a) the number of Sale Shares which he wishes to transfer;
 - (b) the identity of the person (if any) to whom the Seller wishes to transfer the Sale Shares; and
 - (c) subject to Article 15.3 the price per share (in cash) at which the Seller wishes to transfer the Sale Shares (the **"Proposed Transfer Price"**).
- 15.3 A Transfer Notice constitutes the Board as the agent of the Seller for the sale of the Sale Shares in accordance with this Article 15 (and shall not be revocable except with the consent of the Directors) and at a price for the Sale Shares (the **"Sale Price"**) which either:
 - (a) has been agreed in writing between the Seller and the Continuing Shareholders; or
 - (b) failing such agreement within 20 Business Days of the date of the Transfer Notice, has been determined as the Prescribed Price in accordance with Article 16.2 upon the application (in writing) to the Board of either the Continuing Shareholders or the Seller.
- 15.4 Following the agreement or determination of the Sale Price in accordance with Article 15.3 the Board (including the Investor Director) may within 20 Business Days of such agreement or determination (the **"First Offer Period"**) (unless the Seller has withdrawn the Transfer Notice during the Withdrawal Period) resolve by written notice (the **"Buyback Notice"**) to the Seller that the Company shall to the extent that it may lawfully do so, purchase such Sale Shares from the Seller at the Sale Price in accordance with the Companies Act and the Board shall determine a reasonably prompt timetable for such purchase (not being more than 40 Business Days from the date of such Buyback Notice). All the Shareholders (including the Seller) shall adhere thereto and take all steps necessary (including passing any requisite shareholder resolutions and supplying all requisite written approvals pursuant to any shareholders' agreement) to give effect to such purchase in accordance with the Companies Act.
- 15.5

- (a) In respect of any Sale Shares which have not been purchased by the Company pursuant to Article 15.4, the Board shall within 5 Business Days of the expiry of the First Offer Period and by written notice (the "**Offer Notice**") offer such Sale Shares to all remaining Shareholders (other than the Seller and any holders of Preference Shares only) (the "**Continuing Shareholders**") inviting them to apply in writing within a period no later than 20 Business Days after the date of the Offer Notice (the "**Second Offer Period**") for the maximum number of such remaining Sale Shares they wish to buy. The Sale Shares shall be treated as being offered to each Continuing Shareholder in the proportion which his existing holding of A Preferred Ordinary Shares and Ordinary Shares bears to the total number of A Preferred Ordinary Shares and Ordinary Shares held by all Continuing Shareholders as if the A Preferred Ordinary Shares and Ordinary Shares constituted one class.
- (b) If, at the end of the Second Offer Period (or if earlier, upon responses being received from all of the Continuing Shareholders), the number of Sale Shares applied for is equal to or exceeds the number of Sale Shares so offered, the Board shall allocate such Sale Shares to each Continuing Shareholder who has applied for Sale Shares (the "**Accepting Continuing Shareholder**") in the proportion which his existing holding of Shares bears to the total number of Shares held by the Accepting Continuing Shareholders but no allocation shall be made to a Continuing Shareholder of more than the maximum number of such Sale Shares which he has stated he is willing to buy. If it is not possible to allocate Sale Shares without involving fractions those fractions shall be aggregated and allocated amongst the Accepting Continuing Shareholders in such manner as the Board thinks fit.
- (c) If not all the remaining Sale Shares contained in the Offer Notice are allocated in accordance with Article 15.5(b) and there are applications for such Sale Shares that have not been fully satisfied, those Sale Shares shall be allocated to the Accepting Continuing Shareholders whose applications were not fully satisfied in accordance with this Article 15.5(c). If the number of Sale Shares applied for is equal to the number of remaining Sale Shares, the remaining Sale Shares shall be allocated to the Accepting Continuing Shareholders in accordance with their applications. If the number of Sale Shares applied for exceeds the number of remaining Sale Shares (such excess number being the "**Excess Shares**") those Sale Shares shall be allocated to those Accepting Continuing Shareholders in the proportions that the number of Sale Shares applied for by each Accepting Continuing Shareholder in excess of his proportional entitlement bears to the total number of Excess Shares.
- (d) If, at the end of the Second Offer Period, the number of Sale Shares applied for is less than the number of Sale Shares contained in the Offer Notice, the Board shall allocate the remaining Sale Shares to the Accepting Continuing Shareholders in accordance with their applications and the balance (the "**Initial Surplus Shares**") will be dealt with in accordance with Article 15.6.

15.6

- (a) At the end of the Second Offer Period, the Board shall offer the Initial Surplus Shares to all the Continuing Shareholders inviting them to apply in writing within the period from the date of the offer to the date 20 Business Days after the date of the offer (inclusive) (the "**Third Offer Period**") for the maximum number of the Initial Surplus Shares they wish to buy.

- (b) If, at the end of the Third Offer Period, the number of Initial Surplus Shares applied for exceeds the number of Initial Surplus Shares, the Board shall allocate the remaining Initial Surplus Shares to each Continuing Shareholder in the proportion which his existing holding of Shares (including Sale Shares already allocated pursuant to Article 15.5) bears to the total number of Shares (including Sale Shares already allocated pursuant to Article 15.5) held by those Continuing Shareholders who have applied during the Third Offer Period for Initial Surplus Shares but no allocation shall be made to a Shareholder of more than the maximum number of Initial Surplus Shares which he has stated he is willing to buy. If it is not possible to allocate Sale Shares without involving fractions those fractions shall be aggregated and allocated amongst the accepting Continuing Shareholders who applied for Sale Shares pursuant to Article 15.6(a) in such a manner as the Board thinks fit.
- (c) If, at the end of the Third Offer Period, the number of Initial Surplus Shares applied for is less than the number of Initial Surplus Shares, the Board shall allocate the Initial Surplus Shares to the Continuing Shareholders who have applied for Sale Shares in accordance with their applications and the balance (the "**Second Surplus Shares**") may be offered for sale by the Seller in accordance with Article 15.7(d).

15.7

- (a) If allocations have been made in respect of all the Sale Shares offered in accordance with Articles 15.5 and 15.6 the Board shall, when no further offers are required to be made under Articles 15.5 and 15.6, give written notice of allocation (an "**Allocation Notice**") to the Seller and each Continuing Shareholder to whom Sale Shares have been allocated (an "**Applicant**") specifying the number of Sale Shares allocated to each Applicant and the place and time (being not less than 80 Business Days after the date of the original offer notice given under Article 15.5(a)) for completion of the transfer of the Sale Shares.
- (b) Upon service of an Allocation Notice, the Seller must, against payment of the Sale Price, transfer the Sale Shares in accordance with the requirements specified in it.
- (c) If the Seller fails to comply with the provisions of Article 15.4 or Article 15.7(b):
 - (i) any Director 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 or the Company (as the case may be);
 - (B) receive the Sale 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 Sale Shares purchased by them or, in the case of a purchase of Sale Shares by the Company, cancel such Sale Shares; and
 - (ii) 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 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).

- (d) If an Allocation Notice does not relate to all the Sale Shares then the Seller may, within 40 Business Days after service of the Allocation Notice (but not later) and subject always to Article 15.8, transfer the Second Surplus Shares to the person identified in the Transfer Notice as the proposed transferee (but to no other person) at a price at least equal to the Sale Price.

15.8 The Board may and at the direction of MEP shall:

- (a) by notice in writing to the Seller, decline to register a transfer of Shares to any person (not already being a Shareholder of the Company) being either a competitor of any Group Company, or a person directly or indirectly holding or beneficially entitled to 5% or more of the issued share capital of any such competitor, or a company in which a competitor directly or indirectly holds or is beneficially entitled to 5% or more of the issued share capital of whom the Board does not approve; or
- (b) agree to register a transfer to any such person as mentioned in sub-paragraph (a) above only upon such person undertaking to the Company to serve a Transfer Notice in circumstances stipulated by the Board or MEP at the time of the Board so agreeing to register the transfer.

16 PRESCRIBED PRICE

16.1 In respect of a Sale Notice the "Prescribed Price" for the relevant Leaver's Shares shall be as follows:

- (a) in the case of a Good Leaver, the price per Share agreed between the Leaver and the Board (with Investor Consent) save that if agreement is not reached within 10 Business Days (but 60 Business Days in the case of death) of the day on which the Transfer Notice is deemed to be given (or such later date as the Leaver and the Board (with Investor Consent) may agree), either the Leaver, MEP or the Board may refer determination of the Prescribed Price to a Valuer who shall determine the Prescribed Price in accordance with Article 16.3;
- (b) in the case of an Intermediate Leaver, in respect of (a) Vested Shares, the price per Share agreed between the Leaver and the Board (with Investor Consent) save that if agreement is not reached within 10 Business Days of the day on which the Transfer Notice is deemed to be given (or such later date as the Leaver and the Board (with Investor Consent) may agree), either the Leaver, MEP or the Board may refer determination of the Prescribed Price to a Valuer who shall determine the Prescribed Price in accordance with Article 16.3 and (b) in respect of Shares that are not Vested Shares, whichever is the lesser of:
 - (i) the aggregate of the Issue Price paid by the Leaver for the Leaver's Shares (and, in respect of any Shares that were acquired by the Leaver rather than subscribed for by the Leaver, the acquisition price for those Shares); and
 - (ii) the sum per Share agreed as being the market value of the Shares between the Leaver and the Board (with Investor Consent) or failing such agreement within 10 Business Days of the day on which the Transfer

Notice is deemed to be given as determined and certified by the Valuer pursuant to Article 16.3;

- (c) in the case of a Bad Leaver, whichever is the lesser of:
 - (i) the aggregate of the Issue Price paid by the Leaver for the Leaver's Shares (and, in respect of any Shares that were acquired by the Leaver rather than subscribed for by the Leaver, the acquisition price for those Shares); and
 - (ii) the sum per Share agreed as being the market value of the Shares between the Leaver and the Board (with Investor Consent) or failing such agreement within 10 Business Days of the day on which the Transfer Notice is deemed to be given as determined and certified by the Valuer pursuant to Article 16.3.
- 16.2 In respect of a Transfer Notice, if before or within 14 days of receipt thereof, the Seller and the Board (with Investor Consent) shall have agreed in writing (whether or not in any separate agreement) a price per Share for the Sale Shares then such price shall be the "Prescribed Price" for the purposes of this Article 16.
- 16.3 In the absence of any such agreement as to the price of the Sale Shares in accordance with Article 16.2, the Prescribed Price shall be the sum per Share determined and certified by a Valuer pursuant to Article 16.4.
- 16.4 Where the sum per Share is to be determined and certified by a Valuer pursuant to Article 16.1 or 16.3 (as the case may be), the Valuer will be asked on behalf of the Company to determine and certify the sum per Share considered by them to be the fair value per Share as at the date of receipt of the Transfer Notice or service of the Sale Notice (as the case may be). The fair value per Share shall be calculated by ascertaining the fair value of all the issued Shares in the Company of the same class as the Sale Shares or the Leaver's Shares (as the case may be) as at the aforesaid date (taking into account the rights attaching to the shares of the said class and, as appropriate the rights attaching to the shares of any other class) and by taking such fraction of such fair value as is arrived at by dividing the nominal value of one of the Sale Shares or the Leaver's Shares (as the case may be) by the nominal value of all the Shares in the Company of the same class as the Sale Shares or the Leaver's Shares (as the case may be) as are in issue at that date (thereby ignoring the fact that the Sale Shares or the Leaver's Shares represent (as the case may be) a minority or majority interest). Such certificate is referred to in these Articles as the "**Valuer's Certificate**".
- 16.5 In determining fair value for the purpose of Article 16.3, the Valuer shall assume a sale on a going concern basis between a willing buyer and a willing seller (and so, in the case of a Transfer Notice, shall take into account any arm's length agreement reached by the Transferor with any third party) and shall implement any agreement in writing made at any time between the Seller or the Leaver (as the case may be) and the Board (with Investor Consent) on behalf of the Company as to the basis upon which the price for the Sale Shares or the Leaver's Shares (as the case may be) is to be determined for the purposes of this Article 16.4.
- 16.6 The Valuer's Certificate shall contain the assumptions on which their valuation is carried out together with details of the calculations made in arriving at such valuation.

- 16.7 The Valuer shall act as expert and not as arbitrators and their determination shall be final and binding on all persons and the costs of their determination shall be payable by the Company.
- 16.8 A copy of the Valuer's Certificate shall be sent by the Board or by any one of the Directors to the Transferor or the relevant Leaver (as the case may be) in respect of whose Shares it is issued immediately on its issue.
- 16.9 A Seller shall be entitled to withdraw a Transfer Notice where the Prescribed Price determined and certified by the Valuer pursuant to this Article 16 is not acceptable to him by giving a withdrawal notice in writing to the Board within 14 days of receiving a copy of the Valuer's Certificate stating that he thereby withdraws his Transfer Notice (such period being the **"Withdrawal Period"**). For the avoidance of doubt, this Article 16.9 shall not apply to a Sale Notice.

17 COMPULSORY TRANSFER OF SHARES

- 17.1 The provisions of this Article shall apply to any Leaver and to any Leaver's Shares.
- 17.2 If a person becomes a Leaver, then at any time within six months from the Leaving Date, MEP may direct the Company by an Investor Direction immediately to, or otherwise the Board shall be entitled to at any time within six months from the Leaving Date, serve a notice on the Leaver notifying them that they are, with immediate effect, deemed to have offered such number and classes of their Leaver's Shares as may be specified in the Investor Direction, or notice served by the Board (as the case may be) (**"Sale Notice"**).
- 17.3 On receipt of a Sale Notice, immediately upon determination of the Prescribed Price in accordance with Article 16.1 above, a Leaver shall be deemed to have served a Transfer Notice and the provisions of Article 15 shall apply except that:
- (a) the Seller shall be the Leaver;
 - (b) the Sale Shares shall be the Leaver's Shares;
 - (c) the date of the Transfer Notice shall be the Leaving Date; and
 - (d) the Sale Price for the Leaver's Shares shall be the Prescribed Price.
- 17.4 If the Leaver defaults in transferring any Leaver's Shares pursuant to Article 17.3 in circumstances where the Company:
- (a) does not acquire the Leaver's Shares, the Company:
 - (i) may receive the relevant purchase money;
 - (ii) may nominate some person to execute an instrument of transfer of the Leaver's Shares in the name and on behalf of the Leaver;
 - (iii) shall cause the name of the proposed transferee to be entered in the Company's register of members as the holder of such Leaver's Shares when the instrument of transfer has been duly stamped (if required);

- (iv) shall hold the purchase money on trust (without interest) for the Leaver, the receipt by the Company of the purchase money being a good discharge to the proposed transferee (who shall not be bound to see to the application of the purchase money); or
 - (b) does acquire the Leaver's Shares, the Company:
 - (i) may nominate some person to execute an instrument of transfer of the Leaver's Shares in the name and on behalf of the Leaver;
 - (ii) shall cause such share capital to be cancelled in accordance with the Companies Act when such instrument has been duly stamped (if required); and
 - (iii) shall hold the purchase money on trust (without interest) for the Leaver.
- 17.5 In each case after the Leaver's Shares have been transferred on the register or cancelled, as the case may be, the validity of the proceedings shall not be questioned by any person.
- 17.6 The Prescribed Price for the Leaver's Shares shall be as determined in accordance with Article 16.1.

18 MANDATORY OFFER ON A CHANGE OF CONTROL

- 18.1 Except in the case of transfers made pursuant to Articles 14 or 17 or pursuant to Article 19 following the service of a Drag Along Notice, the provisions of Article 18.2 shall apply if, in one or a series of related transactions, one or more Sellers propose to transfer any of the Shares (the "**Proposed Transfer**") which would, if carried out, result in any person (the "**Buyer**"), and any person Acting in Concert with the Buyer, acquiring either through a transaction or a series of connected transactions a Controlling Interest in the Company.
- 18.2 Before making a Proposed Transfer, a Seller shall procure that the Buyer makes an offer (the "**Offer**") to the other Shareholders to buy all of the Shares for a consideration in cash per Share that is at least equal to the highest price per Share offered or paid by the Buyer, or any person Acting in Concert with the Buyer, in the Proposed Transfer or in any related previous transaction in the twelve months preceding the date of the Proposed Transfer (the "**Specified Price**").
- 18.3 The Offer shall be given by written notice (the "**Offer Notice**"), at least 20 Business Days (the "**Offer Period**") before the proposed sale date (the "**Sale Date**"). To the extent not described in any accompanying documents, the Offer Notice shall set out:
- (a) the identity of the Buyer;
 - (b) the purchase price and other terms and conditions of payment;
 - (c) the Sale Date; and
 - (d) the number of Shares proposed to be purchased by the Buyer (the "**Offer Shares**").

- 18.4 If the Buyer fails to make the Offer to all holders of Shares in the Company, the Seller(s) shall not be entitled to complete the sale and the Company shall not register any transfer intended to effect that sale.
- 18.5 If the Offer is accepted by any Shareholder (the "**Accepting Shareholder**") within the Offer Period, the completion of the Proposed Transfer shall be conditional on completion of the purchase of all the Offer Shares held by Accepting Shareholders.
- 18.6 The Proposed Transfer is subject to the pre-emption provisions of Article 13.7 but the purchase of Offer Shares from Accepting Shareholders shall not be subject to those provisions.

19 DRAG ALONG

- 19.1 If together the holders of more than 50% of the A Preferred Ordinary Shares and Ordinary Shares (together as if the A Preferred Ordinary Shares and Ordinary Shares constituted one class) in issue for the time being (the "**Selling Shareholders**") wish to transfer all of their interest in the Shares (the "**Sellers' Shares**") to a bona fide arm's length purchaser (the "**Proposed Buyer**"), the Selling Shareholders may require all the other holders of Shares (the "**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 (the "**Drag Along Option**").
- 19.2 The Selling Shareholders may, with Investor Consent, exercise the Drag Along Option by giving written notice to that effect (the "**Drag Along Notice**") at any time before the transfer of the Sellers' Shares to the Proposed Buyer. The Drag Along Notice shall specify that:
 - (a) the Called Shareholders are required to transfer all their Shares (the "**Called Shares**") pursuant to this Article 19;
 - (b) the person to whom the Called Shares are to be transferred;
 - (c) the consideration payable for the Called Shares calculated in accordance with Article 19.5; and
 - (d) the proposed date of the transfer which shall not be earlier than the date falling 10 Business Days after the date of the notice.
- 19.3 The reference to "with Investor Consent" in Article 19.2 shall cease to apply on the fifth anniversary of the Adoption Date unless all of the Loan Notes have previously been converted to Conversion Shares pursuant to condition 4.1 or condition 4.2 of the Loan Note Instrument.
- 19.4 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 by the proposed date of transfer. The Selling Shareholders may serve further Drag Along Notices following the lapse of any particular Drag Along Notice.
- 19.5 The consideration payable for the Called Shares ("**Called Share Price**") shall be the amount equal to the total price per share offered or payable by the Proposed Buyer for the Sellers' Shares (including, subject to Article 19.12 any amount in money or money's worth and any deferred payments) subject to the Called Shareholders agreeing to the terms of

any sale which are applicable to all Shareholders generally and otherwise normal, reasonable and proportionate to such a transaction.

- 19.6 Completion of the sale of the Called Shares shall take place on the same date as the date proposed for completion of the sale of the Sellers' Shares unless all of the Called Shareholders and the Selling Shareholders agree otherwise.
- 19.7 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.
- 19.8 By not later than 2 Business Days prior to the date proposed for the sale of the Called Shares, 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 2 Business Day period, the Company shall pay the Called Shareholders, on behalf of the Proposed Buyer, the amounts they are due pursuant to Article 19.5 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 19.5 in trust for the Called Shareholders without any obligation to pay interest.
- 19.9 To the extent that the Proposed Buyer has not, on the expiration of the 2 Business Day period referred to in Article 19.8, put the Company in funds to pay the consideration due pursuant to Article 19.5, 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 19 in respect of their Shares.
- 19.10 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, deliver such transfer(s) to the Proposed Buyer (or as they may direct) as the holder thereof. 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 19.
- 19.11 Where any person becomes a Shareholder of the Company (a "**New Member**") pursuant to the exercise of a pre-existing option or other right to acquire Shares after a Drag Along Notice has been served, the New Member shall be bound to sell and transfer all Shares acquired by it to the Proposed Buyer. The provisions of Articles 19.1 to 19.10 shall apply (with the necessary changes) to the New Member, save that if its Shares are acquired after the sale of the Called Shareholders' Shares has been completed, completion of the sale of the New Member's Shares shall take place immediately after the New Member's acquisition of such Shares.
- 19.12 The Investors shall receive cash as consideration for the transfer of their Shares unless this requirement has been waived in writing by the Investor Director and neither the Investors, nor MEP (as the case may be) will be required to provide any representations,

warranties or indemnities other than warranty as to title and capacity, nor give any restrictive covenants or undertakings.

DECISION-MAKING BY SHAREHOLDERS

20 GENERAL MEETINGS

- 20.1 No business other than, subject to Article 20.2, the appointment of the chairman of the meeting is to be transacted at a general meeting unless a quorum is present at the commencement of the meeting and also when that business is voted on.
- 20.2 The chairman of the Board (Chairman) shall chair general meetings. If there is no Chairman in office for the time being, or the Chairman is unable to attend any general meeting, the Directors present (or, if no Directors are present, the meeting) must appoint another Director present at the meeting (or, if no Directors are present, a Shareholder) to chair the meeting and the appointment of the chairman of the meeting must be the first business of the meeting.
- 20.3 Three qualifying persons present at a general meeting are a quorum provided that, if the meeting is adjourned due to the absence of a quorum, then provided that 7 clear days notice of the adjourned meeting is given to those members entitled to receive it, at such adjourned meeting the quorum shall be two qualifying persons and model article 41 shall be amended accordingly.

21 VOTING

- 21.1 Model article 44(3) shall be amended by the insertion of the words "A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made" as a new paragraph at the end of that model article.
- 21.2 Model article 45(1) shall be amended by:
- (a) the deletion of model article 45(1)(d) and its replacement with the words "is delivered to the company in accordance with the Articles not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in accordance with any instructions contained in the notice of the general meeting (or adjourned meeting) to which they relate"; and
 - (b) the insertion of the words "and a proxy notice which is not delivered in such manner shall be invalid" as a new paragraph at the end of that model article.

22 LIEN

The Company has a lien over every Share which is registered in the name of a person indebted or under any liability to the Company, whether he is the sole registered holder of the Share or one of several joint holders, for all monies payable by him (either alone or jointly with any other person) to the Company, whether payable immediately or at some time in the future.

ADMINISTRATIVE ARRANGEMENTS

23 NOTICES

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

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

For the purposes of this Article 23.1, no account shall be taken of any part of a day that is not a working day.

23.2 In proving that any notice, document or other information was properly addressed, it shall suffice to show that the notice, document or other information was addressed to an address permitted for the purpose by the Act.

24 INDEMNITY AND INSURANCE

24.1 Subject to Article 24.2, but without prejudice to any indemnity to which a Relevant Officer is otherwise entitled:

- (a) each Relevant Officer shall be indemnified out of the Company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a Relevant Officer in the actual or purported execution and/or discharge of his duties, or in relation thereto including (in each case) any liability incurred by him in defending any civil or criminal proceedings, in which judgment is given in his favour or in which he is acquitted, or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part, or in connection with any application in which the court grants him, in his capacity as a Relevant Officer, relief from liability for negligence, default, breach of duty or breach of trust in relation to the Company's (or other Group Company's) affairs; and
- (b) the Company may provide any Relevant Officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings or application referred to in Article 24.1 and otherwise may take any action to enable such Relevant Officer to avoid incurring such expenditure.

24.2 This Article 24 does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Act or by any other provision of law.

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

24.4 In this Article 24:

- (a) **"Relevant Loss"** means any loss or liability which has been or may be incurred by a Relevant Officer in connection with that Relevant Officer's duties or powers in relation to the Company (or other Group Company) or any pension fund or employees' share scheme of the Company (or other Group Company); and
- (b) **"Relevant Officer"** means any director or other officer of any Group Company.

SCHEDULE 1

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MODEL ARTICLES FOR PRIVATE COMPANIES LIMITED BY SHARES

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PART 1

INTERPRETATION AND LIMITATION OF LIABILITY

Defined terms

1. In the articles, unless the context requires otherwise—

“articles” means the company’s articles of association;

“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;

“chairman” has the meaning given in article 12;

“chairman of the meeting” has the meaning given in article 39;

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

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

“distribution recipient” has the meaning given in article 31;

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

“electronic form” has the meaning given in section 1168 of the Companies Act 2006;

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

“hard copy form” has the meaning given in section 1168 of the Companies Act 2006;

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

“instrument” means a document in hard copy form;

“ordinary resolution” has the meaning given in section 282 of the Companies Act 2006;

“paid” means paid or credited as paid;

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

“proxy notice” has the meaning given in article 45;

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

“shares” means shares in the company;

“special resolution” has the meaning given in section 283 of the Companies Act 2006;

“subsidiary” has the meaning given in section 1159 of the Companies Act 2006;

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

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

Unless the context otherwise requires, other words or expressions contained in these articles bear the same meaning as in the Companies Act 2006 as in force on the date when these articles become binding on the company.

Liability of members

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

PART 2

DIRECTORS

DIRECTORS' POWERS AND RESPONSIBILITIES

Directors' general authority

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

Shareholders' reserve power

4.—(1) The shareholders may, by special resolution, direct the directors to take, or refrain from taking, specified action.

(2) No such special resolution invalidates anything which the directors have done before the passing of the resolution.

Directors may delegate

5.—(1) Subject to the articles, the directors may delegate any of the powers which are conferred on them under the articles—

- (a) to such person or committee;
 - (b) by such means (including by power of attorney);
 - (c) to such an extent;
 - (d) in relation to such matters or territories; and
 - (e) on such terms and conditions;
- as they think fit.

(2) If the directors so specify, any such delegation may authorise further delegation of the directors' powers by any person to whom they are delegated.

(3) The directors may revoke any delegation in whole or part, or alter its terms and conditions.

Committees

- 6.—(1) Committees to which the directors delegate any of their powers must follow procedures which are based as far as they are applicable on those provisions of the articles which govern the taking of decisions by directors.
- (2) The directors may make rules of procedure for all or any committees, which prevail over rules derived from the articles if they are not consistent with them.

DECISION-MAKING BY DIRECTORS

Directors to take decisions collectively

- 7.—(1) The general rule about decision-making by directors is that any decision of the directors must be either a majority decision at a meeting or a decision taken in accordance with article 8.
- (2) If—
- (a) the company only has one director, and
 - (b) no provision of the articles requires it to have more than one director,
- the general rule does not apply, and the director may take decisions without regard to any of the provisions of the articles relating to directors' decision-making.

Unanimous decisions

- 8.—(1) A decision of the directors is taken in accordance with this article when all eligible directors indicate to each other by any means that they share a common view on a matter.
- (2) Such a decision may take the form of a resolution in writing, copies of which have been signed by each eligible director or to which each eligible director has otherwise indicated agreement in writing.
- (3) References in this article to eligible directors are to directors who would have been entitled to vote on the matter had it been proposed as a resolution at a directors' meeting.
- (4) A decision may not be taken in accordance with this article if the eligible directors would not have formed a quorum at such a meeting.

Calling a directors' meeting

- 9.—(1) Any director may call a directors' meeting by giving notice of the meeting to the directors or by authorising the company secretary (if any) to give such notice.
- (2) Notice of any directors' meeting must indicate—
- (a) its proposed date and time;
 - (b) where it is to take place; and
 - (c) if it is anticipated that directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting.
- (3) Notice of a directors' meeting must be given to each director, but need not be in writing.
- (4) Notice of a directors' meeting need not be given to directors who waive their entitlement to notice of that meeting, by giving notice to that effect to the company not more than 7 days after the date on which the meeting is held. Where such notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it.

Participation in directors' meetings

- 10.—**(1) Subject to the articles, directors participate in a directors' meeting, or part of a directors' meeting, when—
- (a) the meeting has been called and takes place in accordance with the articles, and
 - (b) they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.
- (2) In determining whether directors are participating in a directors' meeting, it is irrelevant where any director is or how they communicate with each other.
- (3) If all the directors participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is.

Quorum for directors' meetings

- 11.—**(1) At a directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.
- (2) The quorum for directors' meetings may be fixed from time to time by a decision of the directors, but it must never be less than two, and unless otherwise fixed it is two.
- (3) If the total number of directors for the time being is less than the quorum required, the directors must not take any decision other than a decision—
- (a) to appoint further directors, or
 - (b) to call a general meeting so as to enable the shareholders to appoint further directors.

Chairing of directors' meetings

- 12.—**(1) The directors may appoint a director to chair their meetings.
- (2) The person so appointed for the time being is known as the chairman.
- (3) The directors may terminate the chairman's appointment at any time.
- (4) If the chairman is not participating in a directors' meeting within ten minutes of the time at which it was to start, the participating directors must appoint one of themselves to chair it.

Casting vote

- 13.—**(1) If the numbers of votes for and against a proposal are equal, the chairman or other director chairing the meeting has a casting vote.
- (2) But this does not apply if, in accordance with the articles, the chairman or other director is not to be counted as participating in the decision-making process for quorum or voting purposes.

Conflicts of interest

- 14.—**(1) If a proposed decision of the directors is concerned with an actual or proposed transaction or arrangement with the company in which a director is interested, that director is not to be counted as participating in the decision-making process for quorum or voting purposes.
- (2) But if paragraph (3) applies, a director who is interested in an actual or proposed transaction or arrangement with the company is to be counted as participating in the decision-making process for quorum and voting purposes.
- (3) This paragraph applies when—

- (a) the company by ordinary resolution disapplies the provision of the articles which would otherwise prevent a director from being counted as participating in the decision-making process;
 - (b) the director's interest cannot reasonably be regarded as likely to give rise to a conflict of interest; or
 - (c) the director's conflict of interest arises from a permitted cause.
- (4) For the purposes of this article, the following are permitted causes—
- (a) a guarantee given, or to be given, by or to a director in respect of an obligation incurred by or on behalf of the company or any of its subsidiaries;
 - (b) subscription, or an agreement to subscribe, for shares or other securities of the company or any of its subsidiaries, or to underwrite, sub-underwrite, or guarantee subscription for any such shares or securities; and
 - (c) arrangements pursuant to which benefits are made available to employees and directors or former employees and directors of the company or any of its subsidiaries which do not provide special benefits for directors or former directors.
- (5) For the purposes of this article, references to proposed decisions and decision-making processes include any directors' meeting or part of a directors' meeting.
- (6) Subject to paragraph (7), if a question arises at a meeting of directors or of a committee of directors as to the right of a director to participate in the meeting (or part of the meeting) for voting or quorum purposes, the question may, before the conclusion of the meeting, be referred to the chairman whose ruling in relation to any director other than the chairman is to be final and conclusive.
- (7) If any question as to the right to participate in the meeting (or part of the meeting) should arise in respect of the chairman, the question is to be decided by a decision of the directors at that meeting, for which purpose the chairman is not to be counted as participating in the meeting (or that part of the meeting) for voting or quorum purposes.

Records of decisions to be kept

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

Directors' discretion to make further rules

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

APPOINTMENT OF DIRECTORS

Methods of appointing directors

- 17.—**(1) Any person who is willing to act as a director, and is permitted by law to do so, may be appointed to be a director—
- (a) by ordinary resolution, or
 - (b) by a decision of the directors.

(2) In any case where, as a result of death, the company has no shareholders and no directors, the personal representatives of the last shareholder to have died have the right, by notice in writing, to appoint a person to be a director.

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

Termination of director's appointment

18. A person ceases to be a director as soon as—

(a) that person ceases to be a director by virtue of any provision of the Companies Act 2006 or is prohibited from being a director by law;

(b) a bankruptcy order is made against that person;

(c) a composition is made with that person's creditors generally in satisfaction of that person's debts;

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

(e) *[paragraph omitted pursuant to The Mental Health (Discrimination) Act 2013]*

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

Directors' remuneration

19.—(1) Directors may undertake any services for the company that the directors decide.

(2) Directors are entitled to such remuneration as the directors determine—

(a) for their services to the company as directors, and

(b) for any other service which they undertake for the company.

(3) Subject to the articles, a director's remuneration may—

(a) take any form, and

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

(4) Unless the directors decide otherwise, directors' remuneration accrues from day to day.

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

Directors' expenses

20. The company may pay any reasonable expenses which the directors properly incur in connection with their attendance at—

(a) meetings of directors or committees of directors,

(b) general meetings, or

(c) separate meetings of the holders of any class of shares or of debentures of the company, or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the company.

PART 3

SHARES AND DISTRIBUTIONS

SHARES

All shares to be fully paid up

21.—(1) No share is to be issued for less than the aggregate of its nominal value and any premium to be paid to the company in consideration for its issue.

(2) This does not apply to shares taken on the formation of the company by the subscribers to the company's memorandum.

Powers to issue different classes of share

22.—(1) Subject to the articles, but without prejudice to the rights attached to any existing share, the company may issue shares with such rights or restrictions as may be determined by ordinary resolution.

(2) The company may issue shares which are to be redeemed, or are liable to be redeemed at the option of the company or the holder, and the directors may determine the terms, conditions and manner of redemption of any such shares.

Company not bound by less than absolute interests

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

Share certificates

24.—(1) The company must issue each shareholder, free of charge, with one or more certificates in respect of the shares which that shareholder holds.

(2) Every certificate must specify—

(a) in respect of how many shares, of what class, it is issued;

(b) the nominal value of those shares;

(c) that the shares are fully paid; and

(d) any distinguishing numbers assigned to them.

(3) No certificate may be issued in respect of shares of more than one class.

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

(5) Certificates must—

(a) have affixed to them the company's common seal, or

(b) be otherwise executed in accordance with the Companies Acts.

Replacement share certificates

25.—(1) If a certificate issued in respect of a shareholder's shares is—

(a) damaged or defaced, or

(b) said to be lost, stolen or destroyed, that shareholder is entitled to be issued with a replacement certificate in respect of the same shares.

(2) A shareholder exercising the right to be issued with such a replacement certificate—

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

Share transfers

- 26.**—(1) Shares may be transferred by means of an instrument of transfer in any usual form or any other form approved by the directors, which is executed by or on behalf of the transferor.
- (2) No fee may be charged for registering any instrument of transfer or other document relating to or affecting the title to any share.
 - (3) The company may retain any instrument of transfer which is registered.
 - (4) The transferor remains the holder of a share until the transferee's name is entered in the register of members as holder of it.
 - (5) The directors may refuse to register the transfer of a share, and if they do so, the instrument of transfer must be returned to the transferee with the notice of refusal unless they suspect that the proposed transfer may be fraudulent.

Transmission of shares

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

Exercise of transmittees' rights

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

Transmittees bound by prior notices

- 29.** If a notice is given to a shareholder in respect of shares and a transmittee is entitled to those shares, the transmittee is bound by the notice if it was given to the shareholder before the transmittee's name has been entered in the register of members.

DIVIDENDS AND OTHER DISTRIBUTIONS

Procedure for declaring dividends

30.—(1) The company may by ordinary resolution declare dividends, and the directors may decide to pay interim dividends.

(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.

(3) No dividend may be declared or paid unless it is in accordance with shareholders' respective rights.

(4) Unless the shareholders' resolution to declare or directors' decision to pay a dividend, or the terms on which shares are issued, specify otherwise, it must be paid by reference to each shareholder's holding of shares on the date of the resolution or decision to declare or pay it.

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

(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.

(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.

Payment of dividends and other distributions

31.—(1) Where a dividend or other sum which is a distribution is payable in respect of a share, it must be paid by one or more of the following means—

(a) transfer to a bank or building society account specified by the distribution recipient either in writing or as the directors may otherwise decide;

(b) sending a cheque made payable to the distribution recipient by post to the distribution recipient at the distribution recipient's registered address (if the distribution recipient is a holder of the share), or (in any other case) to an address specified by the distribution recipient either in writing or as the directors may otherwise decide;

(c) sending a cheque made payable to such person by post to such person at such address as the distribution recipient has specified either in writing or as the directors may otherwise decide; or

(d) any other means of payment as the directors agree with the distribution recipient either in writing or by such other means as the directors decide.

(2) In the articles, "the distribution recipient" means, in respect of a share in respect of which a dividend or other sum is payable—

(a) the holder of the share; or

(b) if the share has two or more joint holders, whichever of them is named first in the register of members; or

(c) if the holder is no longer entitled to the share by reason of death or bankruptcy, or otherwise by operation of law, the transmittee.

No interest on distributions

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

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

Unclaimed distributions

33.—(1) All dividends or other sums which are—

- (a) payable in respect of shares, and
 - (b) unclaimed after having been declared or become payable, may be invested or otherwise made use of by the directors for the benefit of the company until claimed.
- (2) The payment of any such dividend or other sum into a separate account does not make the company a trustee in respect of it.
- (3) If—
- (a) twelve years have passed from the date on which a dividend or other sum became due for payment, and
 - (b) the distribution recipient has not claimed it, the distribution recipient is no longer entitled to that dividend or other sum and it ceases to remain owing by the company.

Non-cash distributions

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

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

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

Waiver of distributions

35. Distribution recipients may waive their entitlement to a dividend or other distribution payable in respect of a share by giving the company notice in writing to that effect, but if—

- (a) the share has more than one holder, or
- (b) more than one person is entitled to the share, whether by reason of the death or bankruptcy of one or more joint holders, or otherwise, the notice is not effective unless it is expressed to be given, and signed, by all the holders or persons otherwise entitled to the share.

CAPITALISATION OF PROFITS

Authority to capitalise and appropriation of capitalised sums

36.—(1) Subject to the articles, the directors may, if they are so authorised by an ordinary resolution—

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

(2) Capitalised sums must be applied—

(a) on behalf of the persons entitled, and

(b) in the same proportions as a dividend would have been distributed to them.

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

(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.

(5) Subject to the articles the directors may—

(a) apply capitalised sums in accordance with paragraphs (3) and (4) partly in one way and partly in another;

(b) make such arrangements as they think fit to deal with shares or debentures becoming distributable in fractions under this article (including the issuing of fractional certificates or the making of cash payments); and

(c) authorise any person to enter into an agreement with the company on behalf of all the persons entitled which is binding on them in respect of the allotment of shares and debentures to them under this article.

PART 4

DECISION-MAKING BY SHAREHOLDERS

ORGANISATION OF GENERAL MEETINGS

Attendance and speaking at general meetings

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

(2) A person is able to exercise the right to vote at a general meeting when—

(a) that person is able to vote, during the meeting, on resolutions put to the vote at the meeting, and

(b) that person's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting.

(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.

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

(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.

Quorum for general meetings

38. 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.

Chairing general meetings

39.—(1) If the directors have appointed a chairman, the chairman shall chair general meetings if present and willing to do so.

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

(a) the directors present, or

(b) (if no directors are present), the meeting,

must appoint a director or shareholder to chair the meeting, and the appointment of the chairman of the meeting must be the first business of the meeting.

(3) The person chairing a meeting in accordance with this article is referred to as “the chairman of the meeting”.

Attendance and speaking by directors and non-shareholders

40.—(1) Directors may attend and speak at general meetings, whether or not they are shareholders.

(2) The chairman of the meeting may permit other persons who are not—

(a) shareholders of the company, or

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

Adjournment

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

(2) The chairman of the meeting may adjourn a general meeting at which a quorum is present if—

(a) the meeting consents to an adjournment, or

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

(3) The chairman of the meeting must adjourn a general meeting if directed to do so by the meeting.

(4) When adjourning a general meeting, the chairman of the meeting must—

(a) either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the directors, and

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

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

(a) to the same persons to whom notice of the company's general meetings is required to be given, and

(b) containing the same information which such notice is required to contain.

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

VOTING AT GENERAL MEETINGS

Voting: general

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

Errors and disputes

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

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

Poll votes

44.—(1) A poll on a resolution may be demanded—

(a) in advance of the general meeting where it is to be put to the vote, or

(b) at a general meeting, either before a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared.

(2) A poll may be demanded by—

(a) the chairman of the meeting;

(b) the directors;

(c) two or more persons having the right to vote on the resolution; or

(d) a person or persons representing not less than one tenth of the total voting rights of all the shareholders having the right to vote on the resolution.

(3) A demand for a poll may be withdrawn if—

(a) the poll has not yet been taken, and

(b) the chairman of the meeting consents to the withdrawal.

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

Content of proxy notices

45.—(1) Proxies may only validly be appointed by a notice in writing (a "proxy notice") which—

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

- (b) identifies the person appointed to be that shareholder's proxy and the general meeting in relation to which that person is appointed;
- (c) is signed by or on behalf of the shareholder appointing the proxy, or is authenticated in such manner as the directors may determine; and
- (d) is delivered to the company in accordance with the articles and any instructions contained in the notice of the general meeting to which they relate.
- (2) The company may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes.
- (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.
- (4) Unless a proxy notice indicates otherwise, it must be treated as—
 - (a) allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting, and
 - (b) appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself.

Delivery of proxy notices

- 46.—**(1) A person who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a general meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid proxy notice has been delivered to the company by or on behalf of that person.
- (2) An appointment under a proxy notice may be revoked by delivering to the company a notice in writing given by or on behalf of the person by whom or on whose behalf the proxy notice was given.
- (3) A notice revoking a proxy appointment only takes effect if it is delivered before the start of the meeting or adjourned meeting to which it relates.
- (4) If a proxy notice is not executed by the person appointing the proxy, it must be accompanied by written evidence of the authority of the person who executed it to execute it on the appointor's behalf.

Amendments to resolutions

- 47.—**(1) An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if—
- (a) notice of the proposed amendment is given to the company in writing by a person entitled to vote at the general meeting at which it is to be proposed not less than 48 hours before the meeting is to take place (or such later time as the chairman of the meeting may determine), and
 - (b) the proposed amendment does not, in the reasonable opinion of the chairman of the meeting, materially alter the scope of the resolution.
- (2) A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if—
- (a) the chairman of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed, and
 - (b) the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.
- (3) If the chairman of the meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the chairman's error does not invalidate the vote on that resolution.

PART 5

ADMINISTRATIVE ARRANGEMENTS

Means of communication to be used

48.—(1) Subject to the articles, anything sent or supplied by or to the company under the articles may be sent or supplied in any way in which the Companies Act 2006 provides for documents or information which are authorised or required by any provision of that Act to be sent or supplied by or to the company.

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

(3) A director may agree with the company that notices or documents sent to that director in a particular way are to be deemed to have been received within a specified time of their being sent, and for the specified time to be less than 48 hours.

Company seals

49.—(1) Any common seal may only be used by the authority of the directors.

(2) The directors may decide by what means and in what form any common seal is to be used.

(3) Unless otherwise decided by the directors, if the company has a common seal and it is affixed to a document, the document must also be signed by at least one authorised person in the presence of a witness who attests the signature.

(4) For the purposes of this article, an authorised person is—

(a) any director of the company;

(b) the company secretary (if any); or

(c) any person authorised by the directors for the purpose of signing documents to which the common seal is applied.

No right to inspect accounts and other records

50. 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.

Provision for employees on cessation of business

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

DIRECTORS' INDEMNITY AND INSURANCE

Indemnity

52.—(1) Subject to paragraph (2), a relevant director of the company or an associated company may be indemnified out of the company's assets against—

- (a) any liability incurred by that director in connection with any negligence, default, breach of duty or breach of trust in relation to the company or an associated company,
- (b) any liability incurred by that director in connection with the activities of the company or an associated company in its capacity as a trustee of an occupational pension scheme (as defined in section 235(6) of the Companies Act 2006),
- (c) any other liability incurred by that director as an officer of the company or an associated company.

(2) This article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law.

(3) In this article—

- (a) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate, and
- (b) a “relevant director” means any director or former director of the company or an associated company.

Insurance

53.—(1) 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.

(2) In this article—

- (a) a “relevant director” means any director or former director of the company or an associated company,
- (b) a “relevant loss” means any loss or liability which has been or may be incurred by a relevant director in connection with that director's duties or powers in relation to the company, any associated company or any pension fund or employees' share scheme of the company or associated company, and
- (c) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate.