

File Copy



CERTIFICATE OF INCORPORATION OF A PRIVATE LIMITED COMPANY

Company Number **9413259**

The Registrar of Companies for England and Wales, hereby certifies that

WEFARM LIMITED

is this day incorporated under the Companies Act 2006 as a private company, that the company is limited by shares, and the situation of its registered office is in England and Wales

Given at Companies House, Cardiff, on **29th January 2015**



N09413259K

The above information was communicated by electronic means and authenticated by the Registrar of Companies under section 1115 of the Companies Act 2006



Companies House



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES



Companies House

IN01(ef)

Application to register a company

Received for filing in Electronic Format on the: 29/01/2015



X403H0CZ

*Company Name
in full:*

WEFARM LIMITED

Company Type:

Private limited by shares

*Situation of Registered
Office:*

England and Wales

*Proposed Register
Office Address:*

**UNIT F ZETLAND HOUSE
5-25 SCRUTTON STREET
LONDON
UNITED KINGDOM
EC2A 4HJ**

I wish to adopt entirely bespoke articles

Company Director ***1***

Type: **Person**
Full forename(s): **CAROLINE**

Surname: **BERTIN**

Former names:

Service Address: **UNIT F ZETLAND HOUSE
5-25 SCRUTTON STREET
LONDON
UNITED KINGDOM
EC2A 4HJ**

Country/State Usually Resident: **UNITED KINGDOM**

Date of Birth: **01/01/1983** *Nationality:* **FRENCH**

Occupation: **MARKETING MANAGER**

Consented to Act: **Y** *Date authorised:* **29/01/2015** *Authenticated:* **YES**

Company Director 2

Type: **Person**
Full forename(s): **COOPER MATHIS**

Surname: **RENFRO**

Former names:

Service Address: **UNIT F ZETLAND HOUSE
5-25 SCRUTTON STREET
LONDON
UNITED KINGDOM
EC2A 4HJ**

Country/State Usually Resident: **UNITED KINGDOM**

Date of Birth: **18/10/1980** *Nationality:* **AMERICAN**

Occupation: **CONSULTANT**

Consented to Act: **Y** *Date authorised:* **29/01/2015** *Authenticated:* **YES**

Company Director **3**

Type: **Person**
Full forename(s): **CLAIRE LOUISE**

Surname: **RHODES**

Former names:

Service Address: **UNIT F ZETLAND HOUSE**
 5-25 SCRUTTON STREET
 LONDON
 UNITED KINGDOM
 EC2A 4HJ

Country/State Usually Resident: **UNITED KINGDOM**

Date of Birth: **25/11/1977** *Nationality:* **BRITISH**

Occupation: **GENERAL MANAGER OF**
 CAFEDIRECT PRODUCERS
 FOUNDATION

Consented to Act: **Y** *Date authorised:* **29/01/2015** *Authenticated:* **YES**

Company Director 4

Type: **Person**

Full forename(s): **KENNETH MALCOLM**

Surname: **EWAN**

Former names:

Service Address: **UNIT F ZETLAND HOUSE
5-25 SCRUTTON STREET
LONDON
UNITED KINGDOM
EC2A 4HJ**

Country/State Usually Resident: **UNITED KINGDOM**

Date of Birth: **23/03/1981** *Nationality:* **BRITISH**

Occupation: **CHIEF EXECUTIVE OFFICER**

Consented to Act: **Y** *Date authorised:* **29/01/2015** *Authenticated:* **YES**

Statement of Capital (Share Capital)

Class of shares	ORDINARY	<i>Number allotted</i>	880
		<i>Aggregate nominal value</i>	880
<i>Currency</i>	GBP	<i>Amount paid per share</i>	1
		<i>Amount unpaid per share</i>	0

Prescribed particulars

THE ORDINARY SHARES HAVE ATTACHED TO THEM FULL VOTING, DIVIDEND AND CAPITAL DISTRIBUTION (INCLUDING ON WINDING UP) RIGHTS; THEY DO NOT CONFER ANY RIGHTS OF REDEMPTION.

Statement of Capital (Totals)

<i>Currency</i>	GBP	<i>Total number of shares</i>	880
		<i>Total aggregate nominal value</i>	880

Initial Shareholdings

Name: CAFÉDIRECT PRODUCERS' FOUNDATION

Address: UNIT F ZETLAND HOUSE
5-25 SCRUTTON STREET
LONDON
UNITED KINGDOM
EC2A 4HJ

Class of share: ORDINARY

Number of shares: 800

Currency: GBP

*Nominal value of
each share:* 1

Amount unpaid: 0

Amount paid: 1

Name: KENNETH MALCOLM EWAN

Address: UNIT F ZETLAND HOUSE
5-25 SCRUTTON STREET
LONDON
UNITED KINGDOM
EC2A 4HJ

Class of share: ORDINARY

Number of shares: 30

Currency: GBP

*Nominal value of
each share:* 1

Amount unpaid: 0

Amount paid: 1

Name: CLAIRE LOUISE RHODES

Address: UNIT F ZETLAND HOUSE
5-25 SCRUTTON STREET
LONDON
UNITED KINGDOM
EC2A 4HJ

Class of share: ORDINARY

Number of shares: 30

Currency: GBP

*Nominal value of
each share:* 1

Amount unpaid: 0

Amount paid: 1

Name: JAMES EDWARD RHODES

Address: UNIT F ZETLAND HOUSE
5-25 SCRUTTON STREET
LONDON
UNITED KINGDOM
EC2A 4HJ

Class of share: ORDINARY

Number of shares: 20

Currency: GBP

*Nominal value of
each share:* 1

Amount unpaid: 0

Amount paid: 1

Statement of Compliance

I confirm the requirements of the Companies Act 2006 as to registration have been complied with.

Name: CAFÉDIRECT PRODUCERS' FOUNDATION

Authenticated: YES

Name: KENNETH MALCOLM EWAN

Authenticated: YES

Name: CLAIRE LOUISE RHODES

Authenticated: YES

Name: JAMES EDWARD RHODES

Authenticated: YES

Authorisation

Authoriser Designation: subscriber

Authenticated: Yes

COMPANY HAVING A SHARE CAPITAL

MEMORANDUM OF ASSOCIATION OF

WeFarm Limited

Each subscriber to this memorandum of association wishes to form a company under the Companies Act 2006 and agrees to become a member of the company and to take at least one share each.

Name of each subscriber

Authentication by each subscriber

Cafédirect Producers' Foundation

Kenneth Malcolm Ewan

Claire Louise Rhodes

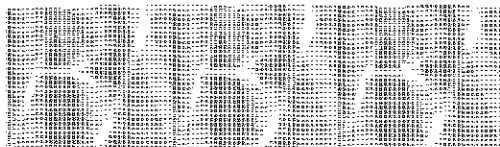
James Edward Rhodes

Dated: 29 January 2015

ARTICLES OF ASSOCIATION

WEFARM LIMITED

THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY SHARES



2-6 Cannon Street, London EC4M 6YH

www.bwbllp.com

Ref: DD/SR/207964/0003

PART 1 INTERPRETATION AND LIMITATION OF LIABILITY

1. Defined terms

1.1 The model articles for private companies limited by shares contained in Schedule 1 to the Companies (Model Articles) Regulations 2008 (SI 2008/3229) shall not apply to the Company and shall be excluded in their entirety.

1.2 In these Articles the following words have the following meanings:

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

"Articles" means these articles of association;

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

"Bad Leaver" means a Shareholder who is not a Good Leaver, including, without limitation, where he:

(i) commits in the reasonable opinion of the Directors any serious or repeated breach of his obligations under his service agreement, letter of appointment or contract of employment (as the case may be) or is, in the reasonable opinion of the Directors, guilty of serious neglect or negligence in the performance of his duties which adversely affects the business of the Company; or

(ii) behaves in a manner (whether in the course of his employment or office or otherwise) which is likely, in the reasonable opinion of the Directors, to bring the Company into disrepute or prejudice its interests or which impairs his ability to perform his duties and which in the reasonable opinion of the Directors entitles the Company to terminate the service agreement, letter of appointment or contract of employment (as the case may be) of the Director or employee in question with immediate effect; or

(iii) resigns in circumstances that do not constitute constructive dismissal within 18 months of the date of his becoming Shareholder; or

(iv) is prohibited by law or by any decision of a regulatory body from being a director or taking part in the management of a company; or

(v) is found, by a relevant authority, to be engaging in or has engaged in market abuse; or

(vi) any of the events listed in Article 27.1.2(b) or 27.1.2(d)

"Bankruptcy" includes individual insolvency proceedings in a jurisdiction other than England and Wales or Northern Ireland which have an effect similar to that of bankruptcy;

"Business Day" means a day other than a Saturday, Sunday or a day on which banks are authorised to close in London;

"Capitalised Sum" has the meaning given in Article 38.1.2;

"Chairman" means the chairman of the board of Directors;

"Chairman of the Meeting" has the meaning given in Article 41.3;

"Change of Control" means in relation to a body corporate, shall be treated as having occurred if there is or shall be either:

(i) any transfer of shares (or any interest therein) in the capital of that body corporate such that after such transfer none of the shareholders in the body corporate at the time when it first became or becomes a member of the Company are a necessary constituent of any grouping of shareholders in that body corporate which taken together have control of the body corporate; or

(ii) any transfer of shares (or any interest therein) in the capital of any holding company of the body corporate such that after such transfer none of the shareholders in any holding company of that body corporate at the time when that body corporate first became or becomes a member of the Company are a necessary constituent of any grouping of shareholders in that holding company which taken together have control of that holding company. For the purposes of this definition, "holding company" in relation to any body corporate means any body corporate which directly or indirectly through any number of other bodies corporate has control of such first-mentioned body corporate;

"Companies Act" means the Companies Act 2006;

"Compulsory Event" has the meaning given in Article 27.1;

"Connected" has as the meaning given in section 1122 of the Corporation Tax Act 2010;

"CPF" means Cafédirect Producers' Foundation;

"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 32.2;

"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;

"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);

"Good Leaver" means a Shareholder in respect of whom the Compulsory Event is:

(i) the termination of his employment by his employer for a reason other than on grounds justifying a summary dismissal; or

(ii) the resignation of the employee in circumstances that do not constitute constructive dismissal after a period of 18 months from the date of such employee becoming a Shareholder;

(iii) the termination of his employment is because of his redundancy; or

(iii) any of the events referred to in articles 26.1.1(a) to (i) (inclusive) or 26.2.1(a), 26.2.1(c) or 26.2.1(f);

"Family Trust" means any settlement created inter vivos or by testamentary instrument the beneficiaries of which include a Shareholder or the child or children and further lineal descendants of a Shareholder;

"Founding Shareholders" means Cafédirect Producers' Foundation, Kenneth Ewan, Claire Rhodes and James Rhodes for so long as they hold Shares in the Company;

"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;

"Instrument" means a Document in Hard Copy Form;

"Issue Price" in respect of any Share, means the subscription price paid (or agreed to be paid) in respect of that Share, including any share premium;

"Ordinary Resolution" has the meaning given in section 282 of the Companies Act;

"Persons Entitled" has the meaning given in Article 38.1.2;

"Privileged Relation" means either a Shareholder's spouse or civil partner or the trustee or trustees of any Family Trust;

"Proxy Notice" has the meaning given in Article 45;

"Shareholder" means a person who is the holder of a Share;

"Shares" means the ordinary shares of £1 each in the Company having the rights set out in these Articles;

"Special Resolution" has the meaning given in section 283 of the Companies Act;

"Subsidiary" has the meaning given in section 1159 of the Companies Act;

"Transfer Notice" has the meaning given in Article 26.7;

"Transmittee" means a person entitled to a Share by reason of the death or Bankruptcy of a Shareholder or otherwise by operation of law;

"Valuers" means the auditors for the time being of the Company or, if they decline the instruction, an independent firm of accountants appointed by the Company; and

"Writing" means any means of reproducing words in a legible and non-transitory form and include words displayed on an electronic or visual display screen.

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

Headings in these Articles are used for convenience only and shall not affect the construction or interpretation of these Articles.

2. Liability of Shareholders

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

3. Social Purpose

3.1 The Company is a social enterprise that has been set-up to further the social mission and public benefit objectives of the CPF through commercial enterprise, and shall at all times promote the benefit of its members as a whole with particular regard to the objects of founder member CPF, which are:

3.1.1 prevent and relieve poverty particularly in disadvantages communities in developing countries;

3.1.2 advance or assist in advancing education; and

3.1.3 promote sustainable development by:

(a) the preservation, conservation and the protection of the environment and the prudent use of natural resources; and

- (b) the promotion of sustainable means of achieving economic growth and regeneration
- 3.2 In this Article 3, 'sustainable development' means development that meets the needs of the present without compromising the ability of future generations to meet their own needs.
- 3.3 The Company may do all such lawful things as may further the Company's objects.

PART 2 DIRECTORS

DIRECTORS' POWERS AND RESPONSIBILITIES

4. Directors' general authority

The Directors are responsible for the management of the Company's business, for which purpose they may exercise all the powers of the Company.

5. Directors may delegate

- 5.1 The Directors may delegate any of the powers which are conferred on them under these Articles:

- 5.1.1 to such person or committee;

- 5.1.2 by such means (including by power of attorney);

- 5.1.3 to such an extent;

- 5.1.4 in relation to such matters or territories; and

- 5.1.5 on such terms and conditions;

as they, in their absolute discretion, think fit.

- 5.2 If the Directors so specify, any such delegation may authorise further delegation of the Directors' powers by any person to whom they are delegated.

- 4.3 The Directors may revoke any delegation in whole or part, or alter its terms and conditions.

6. Committees

- 6.1 Committees to which the Directors delegate any of their powers must follow procedures which are based as far as they are applicable on those provisions of the Articles which govern the taking of decisions by Directors.

- 5.2 The Directors may make rules of procedure for all or any committees, which prevail over rules derived from these Articles if they are not consistent with them.

DECISION-MAKING BY DIRECTORS

7. Directors to take decisions collectively

- 7.1 The general rule about decision-making by Directors is that any decision of the Directors must be either a majority decision at a meeting or a decision taken in accordance with Article 8.
- 7.2 Each Director has one vote at a meeting of Directors.

8. Unanimous decisions

- 8.1 A decision of the Directors is taken in accordance with this Article when all Eligible Directors indicate to each other by any means that they share a common view on a matter.
- 8.2 Such a decision may take the form of a resolution in writing, copies of which have been signed by each Eligible Director or to which each Eligible Director has otherwise indicated agreement in writing.
- 8.3 References in this Article to 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.
- 8.4 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.

9. Calling a Directors' meeting

- 9.1 Any Director may call a Directors' meeting by giving notice of the meeting to the Directors not less than seven Business Days' prior to the proposed meeting, or such shorter period as all of the Directors may agree in writing.
- 9.2 Notice of any Directors' meeting must indicate:
 - 9.2.1 its proposed date and time;
 - 9.2.2 where it is to take place; and
 - 9.2.3 if it is anticipated that Directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting.
- 9.3 Notice of a Directors' meeting must be given to each Director.
- 9.4 Notice of a Directors' meeting need not be given to Directors who waive their entitlement to notice of that meeting, by giving notice to that effect to the Company not more than seven days after the date on which the meeting is held. Where such notice is given after the meeting

has been held, that does not affect the validity of the meeting, or of any business conducted at it.

10. Participation in Directors' meetings

10.1 The Directors participate in a Directors' meeting when:

10.1.1 the meeting has been called and takes place in accordance with these Articles; and

10.1.2 the Directors can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.

10.2 In determining whether Directors are participating in a Directors' meeting, it is irrelevant where any Director is or how they communicate with each other.

10.3 If all of 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 the Chairman is.

11. Quorum for Directors' meetings

11.1 At a Directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.

11.2 The quorum for Directors' meetings shall be four Eligible Directors.

11.3 For the purposes of any meeting (or part of a meeting) held pursuant to article 14 (*Directors' conflict of interest*) to authorise a Director's conflict, if there is only one Eligible Director in office other than the conflicted Director(s), the quorum for such meeting (or part of a meeting) shall be one Eligible Director.

11.4 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 to appoint further Directors.

12. Chairing of Director's meetings

12.1 The post of Chairman will be decided by the Board.

12.2 If the Chairman is unable to attend any meeting of the board of Directors, the participating Directors must appoint one of themselves to chair it.

12.3 The Chairman shall not have a second or casting vote, and shall not be separately counted, in his capacity as chairman for quorum or voting purposes.

13. Transactional conflicts or other arrangements with the Company

- 13.1 Subject to sections 177(5) and 177(6) and sections 182(5) and 182(6) of the Companies Act and provided he has declared the nature and extent of his interest in accordance with the requirements of the Companies Act, a Director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the Company:
- 13.1.1 may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise (directly or indirectly) interested;
 - 13.1.2 shall be an Eligible Director for the purposes of any proposed decision of the Directors (or committee of Directors) in respect of such contract or proposed contract in which he is interested;
 - 13.1.3 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 contract or proposed contract in which he is interested;
 - 13.1.4 may act by himself or his firm in a professional capacity for the Company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a Director;
 - 13.1.5 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
 - 13.1.6 shall not, save as he may otherwise agree, be accountable to the Company for any benefit which he (or a person connected with him (as defined in section 252 of the Companies Act)) derives from any such contract, transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such contract, transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the Companies Act.

14. Directors' conflicts of interest

- 14.1 The Directors may, in accordance with the requirements set out in this article, authorise any matter or situation proposed to them by any Director which would, if not authorised, involve a Director breaching his duty under section 175 of the Act to avoid conflicts of interest ("**Conflict**").
- 14.2 Any authorisation under this article 14 will be effective only if:
- 14.2.1 the matter in question shall have been proposed by any Director for consideration at a meeting of Directors in the same way that any other matter may be proposed to the

Directors under the provisions of these articles or in such other manner as the Directors may determine;

14.2.2 any requirement as to the quorum at the meeting of the Directors at which the matter is considered is met without counting the Director in question; and

14.2.3 the matter was agreed to without his voting or would have been agreed to if his vote had not been counted.

14.3 Any authorisation of a Conflict under this article 14 may (whether at the time of giving the authorisation or subsequently):

14.3.1 extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter so authorised;

14.3.2 be subject to such terms and for such duration, or impose such limits or conditions as the Directors may determine; and

14.3.3 be terminated or varied by the Directors at any time.

This will not affect anything done by the Director prior to such termination or variation in accordance with the terms of the authorisation.

14.4 In authorising a Conflict the Directors may decide (whether at the time of giving the authorisation or subsequently) that if a Director has obtained any information through his involvement in the Conflict otherwise than as a Director of the Company and in respect of which he owes a duty of confidentiality to another person, the Director is under no obligation to:

14.4.1 disclose such information to the Directors or to any Director or other officer or employee of the Company; or

14.4.2 use or apply any such information in performing his duties as a Director,

where to do so would amount to a breach of that confidence.

14.5 Where the Directors authorise a Conflict they may (whether at the time of giving the authorisation or subsequently) provide, without limitation, that the Director:

14.5.1 is excluded from discussions (whether at meetings of Directors or otherwise) related to the Conflict;

14.5.2 is not given any documents or other information relating to the Conflict; and

14.5.3 may or may not vote (or may or may not be counted in the quorum) at any future meeting of Directors in relation to any resolution relating to the Conflict.

14.6 Where the Directors authorise a Conflict:

14.6.1 the Director will be obliged to conduct himself in accordance with any terms imposed by the Directors in relation to the Conflict; and

14.6.2 the Director will not infringe any duty he owes to the Company by virtue of sections 171 to 177 of the Companies Act provided he acts in accordance with such terms, limits and conditions (if any) as the Directors impose in respect of its authorisation.

14.7 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 or by the Company in general meeting (subject in each case to any terms, limits or conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds.

15. Records of decisions to be kept

The Directors must ensure that the Company keeps a record, in writing, for at least ten years from the date of the decision recorded, of every unanimous or majority decision taken by the Directors.

APPOINTMENT AND REMOVAL OF DIRECTORS

16. Appointment and removal of Directors

16.1 The minimum number of Directors shall be four, and the maximum number of Directors shall be nine.

16.2 Any person who is willing to act as a Director, and is permitted by law to do so, may be appointed to be a Director by Ordinary Resolution.

16.3 Directors shall be appointed for an initial term of 3 years (the "**Initial Term**") commencing on the date of their appointment which may be renewed following the end of the Initial Term by Ordinary Resolution for additional three year periods up to a maximum of two times.

16.4 A person ceases to be a Director as soon as:

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

16.4.2 a Bankruptcy order is made against that person;

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

- 16.4.4 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;
- 16.4.5 by reason of that person's mental health, a court makes an order which wholly or partly prevents that person from personally exercising any powers or rights which that person would otherwise have;
- 16.4.6 a Director fails to attend at least 75 per cent of board meetings in person or by telephone in any one Financial Year without cause; or
- 16.4.7 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.

17. Directors' remuneration

- 17.1 Directors may undertake any services for the Company that the Directors decide and shall be entitled to such remuneration as the Directors determine:
 - 17.1.1 for their services to the Company as Directors; and
 - 17.1.2 for any other service which they undertake for the Company.
- 17.2 A Director's remuneration may:
 - 17.2.1 take any form; and
 - 17.2.2 include any arrangements in connection with the payment of a pension, allowance or gratuity, or any death, sickness or disability benefits, to or in respect of that Director.
- 17.3 Unless the Directors decide otherwise, Directors' remuneration accrues from day to day.
- 17.4 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.

18. Directors' expenses

The Company may pay any reasonable expenses which the Directors properly incur in connection with their attendance at:

- 18.1.1 meetings of Directors or committees of Directors;
- 18.1.2 general meetings; or

- 18.1.3 separate meetings of the holders of any class of Shares or of debentures of the Company, or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the Company.

PART 3 SHARES AND DISTRIBUTIONS

SHARES

19. Share Capital

- 19.1 All Shares are to be Fully Paid. Save as expressly provided otherwise in these Articles, all Shares rank pari passu for all rights including rights to vote and to capital on a winding up.
- 19.2 No Share is to be issued for less than the aggregate of its nominal value and any premium to be paid to the Company in consideration for its issue.
- 19.3 No variation of the rights attaching to any class of Shares shall be effective except with the sanction of a Special Resolution of the holders of the relevant class of shares. Where a Special Resolution to vary the rights attaching to a class of shares is proposed at a separate general meeting of that class of shares, all the provisions of these Articles as to general meetings of the Company shall mutatis mutandis apply, but so that the necessary quorum shall be the Shareholder holding shares of the relevant class present in person or by proxy. For the purpose of this Article, the Shareholder present in person or by proxy may constitute a meeting.
- 19.4 Each of the following shall be deemed to constitute a variation of the rights attached to each class of shares:
- 19.4.1 any alteration in the Articles;
- 19.4.2 any reduction, subdivision, consolidation, redenomination, or purchase or redemption by the Company of its own shares or other alteration in the share capital of the Company or any of the rights attaching to any share capital; and
- 19.4.3 any resolution to put the Company into liquidation.
- 19.5 The Company shall immediately cancel any shares acquired under Chapter 4 of Part 18 of the Act.

20. Issue of new shares

- 20.1 Save to the extent authorised from time to time by each of the Founding Shareholders in writing, 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 in the Company.

- 20.2 Unless otherwise determined by a decision of the Founding Shareholders, all unissued Shares (other than pursuant to any employee share option plans) shall, before allotment, be offered to the Shareholders pro rata to the number of existing Shares held by each of them respectively and on the same terms, and at the same price, as those Shares are being, or are to be, offered to any other person.
- 20.3 Subject to Articles 20.1 and 20.2, the Directors are generally and unconditionally authorised, for the purpose of section 551 of the Act to exercise any power of the Company to:
- 20.3.1 offer or allot;
- 20.3.2 grant rights to subscribe for or to convert any security into; and
- 20.3.3 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.
- 20.4 The authority referred to in Article 20.3:
- 20.4.1 shall be limited to a maximum nominal amount of £100 of Shares;
- 20.4.2 shall only apply insofar as the Company has not renewed, waived or revoked it by Ordinary Resolution; and
- 20.4.3 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).

21. Powers to issue different classes of Share

- 21.1 The Company may issue Shares with such rights or restrictions as may be determined by the Directors.
- 21.2 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.

22. Company not bound by less than absolute interests

Except as required by law, no person is to be recognised by the Company as holding any Share upon any trust, and except as otherwise required by law or 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.

23. Share certificates

- 23.1 The Company must issue each Shareholder, free of charge, with one or more certificates in respect of the Shares which that Shareholder holds.
- 23.2 Every certificate must specify:
 - 23.2.1 in respect of how many Shares, of what class, it is issued;
 - 23.2.2 the nominal value of those Shares;
 - 23.2.3 that the Shares are Fully Paid; and
 - 23.2.4 any distinguishing numbers assigned to them.
- 23.3 No certificate may be issued in respect of Shares of more than one class.
- 23.4 If more than one person holds a Share, only one certificate may be issued in respect of it.
- 23.5 Certificates must:
 - 23.5.1 have affixed to them the Company's common seal, or
 - 23.5.2 be otherwise executed in accordance with the Companies Act.

24. Replacement Share certificates

- 24.1 If a certificate issued in respect of a Shareholder's Shares is:
 - 24.1.1 damaged or defaced; or
 - 24.1.2 said to be lost, stolen or destroyed, that Shareholder is entitled to be issued with a replacement certificate in respect of the same Shares.
- 24.2 A Shareholder exercising the right to be issued with such a replacement certificate:
 - 24.2.1 may at the same time exercise the right to be issued with a single certificate or separate certificates;
 - 24.2.2 must return the certificate which is to be replaced to the Company if it is damaged or defaced; and
 - 24.2.3 must comply with such conditions as to evidence, indemnity and the payment of a reasonable fee as the Directors decide.

25. Transfer of Shares Generally

- 25.1 In these Articles, reference to the transfer of a Share includes the transfer, assignment or other disposal 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.
- 25.2 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.
- 25.3 No fee may be charged for registering any instrument of transfer or other document relating to or affecting the title to any share.
- 25.4 The Company may retain any instrument of transfer which is registered.
- 25.5 The transferor remains the holder of a share until the transferee's name is entered in the register of members as holder of it.

26. Restrictions on Share Transfers

- 26.1 Unless otherwise permitted or with the prior written consent of each of the Founding Shareholders, no Shareholder may transfer their Shares in the Company within 18 months from the Adoption Date (the **"Lock-in Period"**) unless the Directors have provided their prior written consent to such transfer.
- 26.2 Subject always to the prior written approval of the Directors, transfers of Shares may be permitted in the following circumstances (a **"Permitted Transfer"**):
- 26.2.1 by a Shareholder to his Privileged Relations;
 - 26.2.2 by a Privileged Relation of a Shareholder back to that Shareholder;
 - 26.2.3 by a Shareholder to trustees to be held on a Family Trust;
 - 26.2.4 by a trustee or trustees to a new trustee or trustees where there is no change in the beneficial ownership in the Shares in question;
 - 26.2.5 by a trustee or trustees to a beneficiary being either (i) any person to whom the Shareholder would have been permitted to transfer Shares under this Article 26.2 if he had remained the holder of them or (ii) the Shareholder himself; or
 - 26.2.6 where a Shareholder is a body corporate, by such Shareholder to a body corporate which is in the same group as the Shareholder,
- (each a **"Permitted Transferee"**).
- 26.3 If a Privileged Relation to whom a Shareholder has transferred Shares shall subsequently cease to be his Privileged Relation for whatever reason (other than by reason of death) or, in

the case of a body corporate, such Permitted Transferee is no longer a member of the same group as that Shareholder who transferred the initial Shares, that Permitted Transferee shall execute and deliver to the Company a transfer of the Shares held by him or her back to the Shareholder who initially transferred the Shares or to any other Permitted Transferee as directed by that Shareholder, for such consideration as may be agreed between them, failing which he shall be deemed to have given notice to the Company of an offer of his Shares for sale to the Company for Fair Value (a **"Transfer Notice"**). The Fair Value shall be determined in accordance with the provisions of Article 28.

26.4 Where, under a deceased Permitted Transferee's will (or the laws as to intestacy), the persons legally or beneficially entitled to any Shares (whether immediately or contingently) are Privileged Relations of the deceased Permitted Transferee, the legal representative of the deceased may transfer any Shares to those Privileged Relations who are Permitted Transferees, in each case without restriction as to price or otherwise.

26.5 If a Relevant Share has not been transferred to a Permitted Transferee and remains registered in the name of a deceased Permitted Transferee for longer than one year after the date of his or her death, the Directors may require the legal personal representatives of that deceased Permitted Transferee either:

26.5.1 to effect a Permitted Transfer of those Shares (including an election to be registered in respect of the Permitted Transfer); or

26.5.2 to show, to the satisfaction of the Directors, that a Permitted Transfer will be effected before (or promptly on) the completion of the administration of the estate of the deceased.

26.6 Unless otherwise permitted or with the prior written consent of each of the Founding Shareholders, none of the Shareholders may transfer or otherwise dispose of any of the Shares in the Company which they may from time to time hold, unless they shall first have given a Transfer Notice in respect of all (but not part of) the Shares in the Company which they hold and have complied with and completed the pre-emption procedure as set out in this Article 26.

26.7 Save as agreed in writing by the Founding Shareholders, every holder of Shares who wishes to transfer or otherwise dispose of Shares (or an interest in the Shares) held by such Shareholder (referred to as **"the Vendor"**), shall give notice in writing (a **"Transfer Notice"**) to the Company specifying:

26.7.1 the number of Shares which or an interest in which he wishes to transfer (the **"Sale Shares"**);

26.7.2 the name of the person, if any, to whom he wishes to transfer the Sale Shares or an interest in the Sale Shares (the **"Proposed Transferee"**); and

- 26.7.3 the price per Share which the Vendor has agreed to transfer the Shares (the **"Transfer Price"**).
- 26.8 The Transfer Notice shall constitute the Company as the Vendor's agent for the sale of the Sale Shares at the Transfer Price. A Transfer Notice once given or deemed to be given is not capable of being withdrawn.
- 26.9 Where a Vendor has served a Transfer Notice, the Directors shall by notice in writing (**"Sale Notice"**) within 10 Business Days after service on the Company of the Transfer Notice in question or, if later, within 20 Business Days after the Transfer Price has been agreed or determined, offer the Sale Shares for sale at the Transfer Price (**"Offer"**) to the remaining Shareholders (the **"Remaining Shareholder"**). The Sale Notice shall specify:
- 26.9.1 the total number of Sale Shares;
- 26.9.2 the Transfer Price;
- 26.9.3 the Proposed Transferee (if any); and
- 26.9.4 the time (being not less than 20 Business Days after the issue of the Sale Notice) within which the Offer is open for acceptance and if not so accepted shall be deemed to be declined (**"Offer Period"**).
- 26.10 The Offer shall, if not accepted within the Offer Period by the Remaining Shareholder(s) shall be deemed to have been declined by the Remaining Shareholder(s).
- 26.11 If a Remaining Shareholder wishes to purchase all or any of the Sale Shares, he shall give notice to the Vendor (**"Purchase Notice"**). In the event that a Remaining Shareholder has given a Purchase Notice, they shall, together with any other Remaining Shareholders who have given a Purchase Notice, endeavour to agree a price with the Vendor. If the parties fail to reach agreement within 15 Business Days (or such time as they may agree) of the Purchase Notice being served, the Valuer shall determine the Fair Value of the Sale Shares in accordance with the provisions of Article 28. If the Vendor does not agree with the Fair Value as certified in the Valuer's written notice, they shall be entitled to revoke the Transfer Notice by notice in writing to the Remaining Shareholders within 5 Business Days of delivery of the written notice. If the Vendor revokes the Transfer Notice, they are not entitled to transfer the shares except in accordance with this Agreement.
- 26.12 Where the Remaining Shareholders who have given a Purchase Notice and the Vendor have agreed a price, completion of the sale and purchase of the Sale Shares shall take place at the registered office of the Company (or at such other place as may be agreed) on the date which is no later than 20 Business Days after the date of the Purchase Notice when the Vendor shall be bound on payment of the Transfer Price to transfer the Sale Shares to the Remaining Shareholder(s) and to deliver up his certificate for the Sale Shares. Where more than one

Remaining Shareholder has served a Purchase Notice and a price has been agreed, the Sale Shares shall be transferred to such Remaining Shareholders in such proportions that the number of Shares held by each such Remaining Shareholder bears to the total number of Shares held by all such Remaining Shareholders.

26.13 If in any case the Vendor, after having become bound, makes default in transferring the Sale Shares, the Company may:

26.13.1 receive the purchase money;

26.13.2 authorise any Director to transfer the Sale Shares to the Remaining Shareholder(s);

26.13.3 cause the name of the Remaining Shareholder(s) to be entered on the register as the holder(s) of the Sale Shares; and

26.13.4 hold the purchase money in trust for the Vendor, although it is not obliged to earn or pay interest on it.

26.14 The receipt of the Company of the purchase money for the Sale Shares shall be a good discharge by the purchaser of those Shares of its obligation to pay for those Shares.

26.15 If after the expiry of the Offer Period, any Sale Shares comprised in the Transfer Notice remain unaccepted (the **"Unsold Shares"**) the Vendor may at any time, within two months after the Offer Period, sell and transfer the Unsold Shares to the Proposed Transferee and at any price, not being less than the Transfer Price.

27. Compulsory Transfer of Shares

27.1 In this Article 27.1, a **"Compulsory Event"** means in relation to a Shareholder and/or his Permitted Transferee(s):

27.1.1 in relation to a Shareholder being a body corporate:

- (a) a Change of Control of a Shareholder;
- (b) it commits a material or persistent breach of any shareholders' agreement to which it is a party in relation to the Shares in the Company which if capable of remedy has not been so remedied within 10 Business Days of the other shareholders requiring such remedy;
- (c) the passing of a resolution for the liquidation of the Shareholder or any other material company in the Shareholder's group other than a solvent liquidation for the purpose of the reconstruction or amalgamation of all or part of the Shareholder's group in which a new company assumes (and is capable of assuming) all the obligations of the Shareholder or any other material company in the Shareholder's group, provided that

such reconstruction or amalgamation does not result in a transfer of the Shareholder's Shares to any person other than a company in the Shareholder's group; or

- (d) the presentation at court by any competent person of a petition for the winding up of the Shareholder or any other material company in the Shareholder's group and which has not been withdrawn or dismissed within seven days of such presentation; or
- (e) the issue at court by any competent person of a notice of intention to appoint an administrator to the Shareholder or any other material company in the Shareholder's group, a notice of appointment of an administrator to the Shareholder or any other material company in the Shareholder's group or an application for an administration order in respect of the Shareholder or any other material company in the Shareholder's group or
- (f) any step is taken by any person to appoint a receiver, administrative receiver or manager in respect of the whole or a substantial part of the assets or undertaking of the Shareholder or any other material company in the Shareholder's group; or
- (g) the Shareholder or any other material company in the Shareholder's group being unable to pay its debts as they fall due for the purposes of section 123 of the Insolvency Act 1986; or
- (h) the Shareholder or any other material company in the Shareholder's group entering into a composition or arrangement with its creditors; or
- (i) if a process has been instituted that could lead to the party being dissolved and its assets being distributed among the Shareholder's creditors, Shareholders or other contributors; or

provided that, in relation to paragraphs (c) to (h) inclusive above, shall also apply where any competent person takes any analogous step in any jurisdiction in which the relevant Shareholder has material business interests.

27.1.2 in relation to a Shareholder being an individual:

- (a) where a Shareholder becomes Bankrupt or makes any composition or enters into any deed of arrangement with his creditors generally;
- (b) where a Shareholder is convicted of a criminal offence (other than a road traffic offence involving a fine of £1,000 or less or any other offence which may be excluded from this Article 27.1 by the Directors in their absolute discretion); or
- (c) where a Shareholder lacks capacity (under section 2 of the Mental Capacity Act 2005) to make decisions in relation to the Company or his shareholding; or

- (d) where a Shareholder commits a material or persistent breach or default of their obligations pursuant to these Articles or any other agreement between the Shareholder and the Company and/or the other Shareholders;
 - (e) where the Shareholder ceases to be an employee or director of the Company; or
 - (f) where a Shareholder lacks capacity (under section 2 of the Mental Capacity Act 2005) to make decisions in relation to the Company or his shareholding.
- 27.2 On the occurrence of a Compulsory Event, unless the Directors otherwise determine in their sole discretion, the Shareholder in question shall be deemed to have immediately given a Transfer Notice in respect of all the Shares that are registered in his name.
- 27.3 Where there is a deemed Transfer Notice following a Compulsory Event in circumstances the price at which such Shareholder's Shares are to be offered for sale pursuant to the deemed Transfer Notice shall be determined by reference to whether the Shareholder in question is a Good Leaver or a Bad Leaver:
- 27.3.1 if they are a Good Leaver, then the price shall be the Fair Value for each Share as determined in accordance with article 28; or
 - 27.3.2 if they are a Bad Leaver, then the price shall be the Issue Price.
- 27.4 If a deemed Transfer Notice has been given in accordance with Article 27.2, then there shall be an immediate cessation of all of the voting rights attaching to that Shareholder's Shares, provided that such voting rights shall be reinstated on any subsequent transfer of those Shares.
- 27.5 If a deemed Transfer Notice has been given in respect of the circumstances set out in Article 27.2 and, having followed the procedure set out in Article 26, a purchaser for such Shares cannot be found amongst the Shareholders (other than the Vendor), then such Shares may be bought back by the Company, to the extent that it is lawful to do so.
- 27.6 As security for the performance of the obligations of the Shareholder, each Shareholder irrevocably appoints any of the Directors as his attorney to execute any transfers of the Shares and to receive the proceeds of such sale of Shares on his or its behalf pursuant to Article 27.

28. Valuation

- 28.1 In the event that, the Valuers shall be requested to determine the Fair Market Value within ten Business Days of their appointment and to notify the Company and the Shareholder in writing of their determination.

- 28.2 **"Fair Market Value"** shall mean the value per Share as the auditors of the Company acting as experts and not as arbitrators shall state in writing to be in their opinion the fair market value of the Sale Shares on the basis of an arm's length transaction as between a willing vendor and a willing purchaser, that the Sale Shares are sold free of all restrictions, liens, charges and other encumbrances and no discount or premium is made for the size of the Vendor's Shareholding or the fact that such Shareholding does or does not amount to a controlling interest.
- 28.3 The determination of the auditors shall, except in the case of manifest error, be final and binding on all concerned. The cost of obtaining the certificate of the auditors shall be borne as the auditors so determine and in default of a determination by the auditors on costs, such costs shall be borne equally between the Company and the Vendor. For this purpose the auditors shall be given by the Directors, and shall take account of, all information which a prudent prospective purchaser of the entire issued Share capital of the Company might reasonably require if such purchaser were proposing to purchase it from a willing vendor at arm's length. The auditors shall decide on the procedure to be followed in the determination (provided that, in any event the auditors shall give all relevant parties a full opportunity of making such written representations as they may reasonably require) and be required to use their reasonable endeavours to deliver that determination in writing to the relevant parties within 20 Business Days of being appointed.
- 28.4 The Shareholders are entitled to make submissions to the Valuers and will provide (or procure that the Company provides) the Valuers with such assistance and documents as the Valuers reasonably require for the purpose of reaching a decision, subject to the Valuers agreeing to give such confidentiality undertakings as the Shareholders may reasonably require.
- 28.5 To the extent not provided for by this Article 28, the Valuers may, in their reasonable discretion, determine such other procedures to assist with the valuation as they consider just or appropriate, including (to the extent they consider necessary), instructing professional advisers to assist them in reaching their valuation.
- 28.6 The Valuers shall act as expert and not as arbitrator and their written determination shall be final and binding on the Shareholders (in the absence of manifest error or fraud).
- 28.7 The cost of obtaining the Valuers' valuation shall be borne by the Company.

29. Directors' Sanction Required for Transfer of Shares

- 29.1 Notwithstanding any other provision of these Articles, the Directors may refuse to register any transfer of Shares if the Directors, in their absolute discretion, consider that the registration of the proposed allottee or transferee as a Shareholder of the Company would not be in the best interests of the Company 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.

29.2 In the event that the Directors of the Company decline to register a transfer of Shares pursuant to the provisions of Article 29.1, they shall provide written notification of their decision to the proposed allottee or transferor appearing in the Instrument of transfer (as applicable) within five Business Days of such decision.

30. Purchase of own shares

Subject to the Companies Act but without prejudice to any other provision of these Articles, the Company may purchase its own Shares in accordance with Chapter 4 of Part 18 of the Act, including (without limitation) with cash.

DIVIDENDS AND OTHER DISTRIBUTIONS

31. Ordinary Shares

- 31.1 All Available Profits which the Directors may determine to distribute in respect of any Financial Year will be distributed among the holders of the Shares and Shares and in such amounts as between such classes of Shares as the Directors in their absolute discretion shall determine. The Company may declare dividends and the Directors may decide to pay interim dividends but a dividend must not be declared unless the Directors have made a recommendation as to its amount and in such amounts as between such classes of Shares as the Directors in their absolute discretion shall determine. A final dividend must not exceed the amount recommended by the Directors and no dividend may be declared or paid unless it is in accordance with Shareholders' respective rights.
- 31.2 Unless the 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.
- 31.3 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.
- 31.4 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.

32. Payment of dividends and other distributions

- 32.1 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:
- 32.1.1 transfer to a bank or building society account specified by the Distribution Recipient either in writing or as the Directors may otherwise decide;
- 32.1.2 sending a cheque made payable to the Distribution Recipient by post to the Distribution Recipient at the Distribution Recipient's registered address (if the Distribution Recipient is a holder of the Share), or (in any other case) to an address specified by the Distribution Recipient either in writing or as the Directors may otherwise decide; or

32.1.3 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.

32.2 In the Articles, the **"Distribution Recipient"** means, in respect of a Share in respect of which a dividend or other sum is payable:

32.2.1 the holder of the Share; or

32.2.2 if the Share has two or more joint holders, whichever of them is named first in the register of Shareholders; or

32.2.3 if the holder is no longer entitled to the Share by reason of death or Bankruptcy, or otherwise by operation of law, the Transmittree.

33. No interest on distributions

Except as provided in these Articles, 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.

34. Unclaimed distributions

34.1 All dividends or other sums which are:

34.1.1 payable in respect of Shares; and

34.1.2 unclaimed after having been declared or become payable,

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

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

34.3 If:

34.3.1 twelve years have passed from the date on which a dividend or other sum became due for payment; and

34.3.2 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.

35. Non-cash distributions

35.1 Subject to the terms of issue of the Share in question, the Company may, by a decision 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).

35.2 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:

35.2.1 fixing the value of any assets;

35.2.2 paying cash to any Distribution Recipient on the basis of that value in order to adjust the rights of recipients; and

35.2.3 vesting any assets in trustees.

36. Waiver of distributions

Distribution Recipients may waive their entitlement to a dividend or other distribution payable in respect of a Share by giving the Company notice in writing to that effect, but if:

(a) the Share has more than one holder; or

(b) more than one person is entitled to the Share, whether by reason of the death or Bankruptcy of one or more joint holders, or otherwise,

the notice is not effective unless it is expressed to be given, and signed, by all the holders or persons otherwise entitled to the Share.

37. Return of Capital

37.1 On distribution of the Company's assets on a liquidation, capital reduction or otherwise (other than a conversion or purchase of Shares), the assets of the Company remaining after payment of its liabilities shall be applied (to the extent the Company is lawfully permitted to do so) in the following order of priority:

37.1.1 first, in paying to the holders of the Shares only in respect of each Share held the Issue Price of that Share, together with a sum equal to any arrears and accruals of dividend in respect of that Share and, if there is a shortfall of assets remaining to satisfy such payments in full, the proceeds shall be distributed to the holders of the

Shares pro rata to the aggregate amounts due under this Article 37.1.1 to each such Share held; and

37.1.2 thereafter, in distributing the balance among the holders of the Shares only pro rata to the number of such Shares held, as if they all constituted shares of the same class.

CAPITALISATION OF PROFITS

38. Authority to capitalise and appropriation of Capitalised Sums

38.1 Subject to the Articles, the Directors may:

38.1.1 decide to capitalise any profits of the Company (whether or not they are available for distribution) which are not required for paying a preferential dividend, or any sum standing to the credit of the Company's Share premium account or capital redemption reserve; and

38.1.2 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.

38.2 Capitalised Sums must be applied:

38.2.1 on behalf of the Persons Entitled, and

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

38.3 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.

38.4 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.

38.5 The Directors may:

38.5.1 apply Capitalised Sums in accordance with paragraphs 38.3 and 38.4 partly in one way and partly in another;

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

36.5.3 authorise any person to enter into an agreement with the Company on behalf of all the

Persons Entitled which is binding on them in respect of the allotment of Shares and debentures to them under this Article.

PART 4 DECISION-MAKING BY SHAREHOLDERS

ORGANISATION OF GENERAL MEETINGS

39. Attendance and speaking at general meetings

- 39.1 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.
- 39.2 A person is able to exercise the right to vote at a general meeting when:
- 39.2.1 that person is able to vote, during the meeting, on resolutions put to the vote at the meeting, and
- 39.2.2 that person's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting.
- 39.3 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.
- 39.4 In determining attendance at a general meeting, it is immaterial whether any two or more Shareholders attending it are in the same place as each other.
- 39.5 Three 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.

40. Quorum for general meetings

- 40.1 The quorum necessary for the transaction of business at a general meeting shall be two Shareholders, holding at least two-thirds in nominal value of the Shares.
- 40.2 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.

41. Chairing general meetings

- 41.1 If the Directors have appointed a chairman, the Chairman shall chair general meetings if present and willing to do so.
- 41.2 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 the Directors present must appoint a Director to chair the meeting, and the appointment of the Chairman of the Meeting must be the first business of the meeting.

41.3 The person chairing a meeting in accordance with this Article is referred to as "the **Chairman of the Meeting**".

42. Adjournment

- 42.1 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.
- 42.2 The Chairman of the Meeting may adjourn a general meeting at which a quorum is present if:
- 42.2.1 the meeting consents to an adjournment, or
 - 42.2.2 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.
- 42.3 The Chairman of the Meeting must adjourn a general meeting if directed to do so by the meeting.
- 42.4 When adjourning a general meeting, the Chairman of the Meeting must:
- 42.4.1 either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the Directors; and
 - 42.4.2 have regard to any directions as to the time and place of any adjournment which have been given by the meeting.
- 42.5 If the continuation of an adjourned meeting is to take place more than 14 days after it was adjourned, the Company must give at least seven clear days' notice of it (that is, excluding the day of the adjourned meeting and the day on which the notice is given):
- 42.5.1 to the same persons to whom notice of the Company's general meetings is required to be given, and
 - 42.5.2 containing the same information which such notice is required to contain.
- 42.6 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

43. Voting: general

- 43.1 A resolution put to the vote of a general meeting must be decided on a show of hands of those Shareholders entitled to vote unless poll is duly demanded in accordance with the Articles.
- 43.2 At a general meeting, on a show of hands every Shareholder who is present in person or by proxy shall have one vote, unless the proxy is himself a Shareholder entitled to vote; on a poll

every Shareholder present in person or by proxy shall have one vote for each Share of which he is the holder; and on a vote on a written resolution every Shareholder has one vote for each share of which he is the holder.

44. Errors and disputes

- 44.1 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 be tendered, and every vote not disallowed at the meeting is valid.
- 44.2 Any such objection must be referred to the Chairman of the Meeting, whose decision is final.

45. Content of Proxy Notices

- 45.1 Proxies may only validly be appointed by a notice in writing (a **"Proxy Notice"**) which:
 - 45.1.1 states the name and address of the Shareholder appointing the proxy;
 - 45.1.2 identifies the person appointed to be that Shareholder's proxy and the general meeting in relation to which that person is appointed;
 - 45.1.3 is signed by or on behalf of the Shareholder appointing the proxy, or is authenticated in such manner as the Directors may determine; and
 - 45.1.4 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.
- 45.2 The Company may require Proxy Notices to be delivered in a particular form, and may specify different forms for different purposes.
- 45.3 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.
- 45.4 Unless a Proxy Notice indicates otherwise, it must be treated as:
 - 45.4.1 allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting; and
 - 45.4.2 appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself.

46. 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.
- 46.2 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.

- 46.3 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.
- 46.4 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.

47. Amendments to resolutions

- 47.1 An Ordinary Resolution to be proposed at a general meeting may be amended by Ordinary Resolution if:
 - 47.1.1 notice of the proposed amendment is given to the Company in writing by a person entitled to vote at the general meeting at which it is to be proposed not less than 48 hours before the meeting is to take place (or such later time as the Chairman of the Meeting may determine); and
 - 47.1.2 the proposed amendment does not, in the reasonable opinion of the Chairman of the Meeting, materially alter the scope of the resolution.
- 47.2 A Special Resolution to be proposed at a general meeting may be amended by Ordinary Resolution, if:
 - 47.2.1 the Chairman of the Meeting proposes the amendment at the general meeting at which the resolution is to be proposed; and
 - 47.2.2 the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.
- 47.3 If the Chairman of the Meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the Chairman of the Meeting's error does not invalidate the vote on that resolution.

PART 5 ADMINISTRATIVE ARRANGEMENTS

48. Means of communication to be used

- 48.1 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 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.

- 48.2 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.
- 48.3 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.

49. Company seals

- 49.1 Any common seal may only be used by the authority of the Directors.
- 49.2 The Directors may decide by what means and in what form any common seal is to be used.
- 49.3 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.
- 49.4 For the purposes of this Article, an authorised person is:
- 49.4.1 any Director;
 - 49.4.2 the Company secretary (if any); or
 - 49.4.3 any person authorised by the Directors for the purpose of signing Documents to which the common seal is applied.

50. Provision for employees on cessation of business

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

DIRECTORS' INDEMNITY AND INSURANCE

51. Indemnity

- 51.1 Subject to Article 51.1.2, a relevant Director of the Company or an associated Company may be indemnified out of the Company's assets against:
- 51.1.1 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;

51.1.2 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);

51.1.3 any other liability incurred by that Director as an officer of the Company or an associated Company.

51.2 This Article 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.

51.3 In this Article:

51.3.1 companies are associated if one is a Subsidiary of the other or both are Subsidiaries of the same body corporate, and

51.3.2 a **"relevant Director"** means any Director or former Director of the Company or an associated Company.

52. Insurance

52.1 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.

52.2 In this Article:

52.2.1 a **"relevant Director"** means any Director or former Director of the Company or an associated Company;

52.2.2 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

52.2.3 companies are associated if one is a Subsidiary of the other or both are Subsidiaries of the same body corporate.