

Company number 9413785

PRIVATE COMPANY LIMITED BY SHARES

WRITTEN RESOLUTION

of

SLAPPIE LIMITED (Company)

10th July 2015

Pursuant to Chapter 2 of Part 13 of the Companies Act 2006, the Company's sole director proposes that the following special resolution be passed by the Company's member (**Resolution**)

SPECIAL RESOLUTION

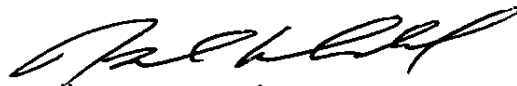
- 1 THAT the Company's existing articles of association in the form and with the rights attached thereto be deleted in their entirety and replaced with a newly adopted set of articles of association attached to this resolution in the form and with such rights attached thereto as set out therein ("**New Articles**")

Please read the notes at the end of this document before signifying your agreement to the Resolution

The undersigned, being all the persons entitled to vote on the above Resolution on 2015, hereby irrevocably agree to the Resolution

Signed by **DAVID KENDALL**

Date


10/7/ 2015

TUESDAY



A19 *A4BNO0AZ* 14/07/2015 #186
COMPANIES HOUSE

INFORMATION FOR MEMBERS

- 1 If you agree to the Resolution, you must signify your agreement by signing and dating this document (in the space provided above) and returning this document to the Company

Your agreement, once signified, cannot be revoked
- 2 If you do not agree to the Resolution, you do not need to do anything You will not be deemed to agree if you fail to reply
- 3 Unless within 28 days of the Circulation Date, sufficient agreement has been received for the Resolution to pass, it will lapse. If you agree to the Resolution, please ensure that your agreement reaches us before or during this date
- 4 In the case of joint holders of shares, only the agreement of the senior holder who signifies agreement will be counted by the Company Seniority is determined by the order in which the names of the joint holders appear in the register of members.
- 5 If you are signing this document on behalf of a person under a power of attorney or other authority, please send a copy of the relevant power of attorney or authority when returning this document

Company No 9413785

THE COMPANIES ACT 2006

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

- of -

SLAPPIE LIMITED

(the "Company")

(as adopted by special resolution passed on 10th July 2015)

A handwritten signature in black ink, consisting of a stylized capital 'P' followed by a horizontal line and a diagonal stroke.

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1. **Introduction and Definitions**

1 1 These Articles shall constitute the articles of association of the Company and any other regulations contained in the Act regarding the articles of association are excluded and shall not apply to the Company

1 2 In these Articles, unless the context otherwise requires, the following words and expressions shall have the following meanings

"Act" means the Companies Act 2006, as amended from time to time,

"Accepting Shareholder" means as defined in Article 9 5 and Article 11.5 respectively,

"Acting in Concert" has the meaning given to it in the City Code on Takeovers and Mergers;

"Approved Offer" means a bona fide offer made on an arm's length basis which is in writing and served on all Shareholders and which offers to purchase all of the Shares held by the Shareholders (including any Shares which may be allotted pursuant to the exercise or conversion of options, rights to subscribe for or securities convertible into Shares in existence at the date of such offer) which

(a) is stipulated to be open for acceptance for at least 21 days, and

(b) is on terms that the sale and purchase of all Shares in respect of which the offer is accepted will be completed on the same terms, for the same consideration and at the same time,

"Articles" means the articles of association of the Company as altered or varied from time to time and "Article" means a provision of these Articles;

"Available Profits" means the profits of the Company available for distribution in any particular Financial Year,

"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,

"Beneficial Owner" means as defined in Article 10 2,

"Board" means the board of Directors of the Company from time to time,

"Buyer" means as defined in Article 11 1,

"Chairman" means as defined in Article 3 10 and Article 14 2,

"Confidential Information" means all information (whether oral or recorded in any medium) relating to the Company's business, financial or other affairs (including

future plans of the Company) which is treated by the Company as confidential (or is marked or is by its nature confidential),

"Controlling Interest" means an interest of more than 50 per cent of the Shares for the time being in issue,

"Director" means a director of the Company, and includes any person occupying the position of director, by whatever name called,

"distribution recipient" means as defined in Article 5 10(b);

"Drag Along Right" means as defined in Article 12 1,

"electronic address" bears the meaning set out in section 333(4) of the Act;

"electronic form" bears the meaning set out in section 1168 of the Act,

"electronic means" bears the meaning set out in section 1168 of the Act,

"employees" shall be deemed to include consultants and Directors and contracts of, commencement or cessation of, employment shall include contracts for, commencement or cessation of, consultancy or directorship,

"Excess Proportion" means as defined in Article 9 9(b),

"Family Relation" means the spouse, co habiting partner, civil partner or widow or widower of a Shareholder for the time being, the parents and all lineal descendants of that Shareholder (including for this purpose any step-child, adopted child or illegitimate child of the Shareholder or his lineal descendants) or any person who for the time being is married to or is the civil partner of any such lineal descendant,

"Family Trust" means a trust (whether arising under a settlement, declaration or trust, testamentary disposition or on an intestacy) under which the only persons being (or capable of being) beneficiaries are the individual beneficial owner of the Shares held in trust and/or his Family Relations, and no power of control over the voting powers conferred by such Shares is exercisable at any time by or subject to the consent of any person other than the trustees as trustees or such individual beneficial owner or his Family Relations;

"Financial Year" means the financial year of the Company ending on its accounts date as filed at Companies House from time to time,

"First Offer Notice" means as defined in Article 9 4,

"First Offer Period" means as defined in Article 9.4,

"First Offer Shares" means as defined in Article 9 2,

"fully paid" means in relation to a Share, that the nominal value and any premium to be paid to the Company in respect of that Share has been paid to the Company,

"Group Undertaking" means as defined in Article 10 1,

"hard copy form" bears the meaning set out in section 1168 of the Act,

"holding company" bears the meaning set out in section 1159 and schedule 6 of the Act,

"instrument" means a document in hard copy form,

"Interested Director" means as defined in Article 17 1(a),

"Nominee" has the meaning as set out at Article 10 2;

"Observer" means as defined in Article 2 12,

"Offer" means as defined in Article 11 2;

"Offer Notice" means as defined in Article 11 3;

"Offer Period" means as defined in Article 11 3,

"Offer Shares" means as defined in Article 11 3(e),

"Ordinary Resolution" bears the meaning set out in section 282 of the Act,

"Original Transferor" means as defined in Article 10 3(a),

"Original Undertaking" means as defined in Article 10 1;

"Other Shareholders" means as defined in Article 12 1,

"paid" means credited as paid;

"Pre-emption Proportion" means as defined in article 9 8,

"Proposed Transfer" means as defined in Article 11 1,

"Proxy Notice" means an instrument appointing a proxy in accordance with Article 16 2,

"Relevant Investor" means as defined in Article 17 2(a)(i),

"Rights" means as defined in Article 5 4(b)(ii),

"Sale Date" means as defined in Article 11 3,

"Second Offer Notice" means as defined in Article 9.6,

"Second Offer Period" means as defined in Article 9 7,

"Seller" or "Sellers" means as defined in Article 9 1 and Article 11 1 respectively,

"Shareholder" means any registered holder of a Share;

"Shareholder Director Interest" means as defined in Article 17 2(a)(ii),

"Shareholder Special Majority" means the holder(s) of 75 per cent or more of the Shares for the time being in issue,

"Shareholder Special Majority Consent" means the consent of the Shareholder Special Majority, given either by way of

- (a) a written resolution signed by or on behalf the holder(s) of 75 per cent or more of the Shares for the time being in issue; or
- (b) by voting of the holder(s) of 75 per cent or more of the Shares for the time being in issue at a general meeting of the Company (properly convened and held in accordance with the Articles),

"Shares" means the issued ordinary shares of £0.001 each in the capital of the Company from time to time, each with the rights attached as detailed in Article 5,

"Situational Conflict" means as defined in Article 17.1(a),

"Special Resolution" bears the meaning set out in section 283 of the Act,

"Specified Price" means as defined in Article 11 2,

"subsidiary" or "subsidiary undertakings" means any subsidiary (as defined in section 1159 of the Act) of the Company as may exist from time to time (and **"subsidiaries"** shall be construed accordingly),

"Surplus Shares" means as defined in Article 9 6,

"Transfer Notice" means as defined in Article 9 2,

"Transactional Conflict" means a direct or indirect conflict of interest of a Director which arises in relation to an existing or proposed transaction or arrangement with the Company,

"Transferee Undertaking" means as defined in Article 10 1(a),

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

"written" means printing, typewriting, lithography, photography, and any other mode(s) or representing or reproducing words, symbols or other information in a legible and non-transitory form and any reference to **"writing"** shall be construed accordingly, and

"£" or "pounds" means pounds sterling in the lawful currency of the United Kingdom

1 3 References in these Articles to a document or information being sent or supplied by or to a Company (including the Company) shall be construed in accordance with the provisions of section 1148(3) of the Act

1 4 Subject to Article 1.2, and unless the context otherwise requires:

(a) any other words and expressions contained in these Articles shall have the same meaning as in the Act,

(b) use of the singular shall include the plural and vice versa, and the use of any gender shall include all other genders, and

(c) includes or including shall mean including without limitation

1.5 Unless expressly provided otherwise, references to any statute, statutory provision or subordinate legislation is a reference to it as it is in force from time to time, taking account of any

(a) amendment, modification, consolidation, re-enactment or replacement, and

(b) any subordinate legislation from time to time made under it

1 6 Headings are for convenience only and shall not affect the construction of these Articles

2. Appointment and Removal of Directors and Observation Rights

2 1 The number of Directors shall not be less than one and not more than seven.

2 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 or by a resolution of the Directors and may be removed as a Director by Ordinary Resolution or by a resolution of the Directors

2 3 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 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

2 4 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 Act 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 3 months;
 - (e) 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;
 - (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; or
 - (g) the provisions of Article 2 6 apply
- 2 5 Each Shareholder (or group of Shareholders collectively) holding more than 20 per cent of all Shares then in issue shall be entitled to appoint one person as a Director of the Company and to remove from office any person so appointed and (subject to such removal) to appoint another person in his place
- 2 6 If a Shareholder (or group of Shareholders collectively) no longer holds more than 20 per cent of the Shares for the time being in issue, or if he/they appoint(s) an Observer (as defined below) pursuant to Article 2 12, he/they shall no longer have the right to appoint a Director of the Company, and any Director so appointed shall cease to be a Director
- 2 7 For the avoidance of doubt, in the event that a Director is removed from office pursuant to Article 2 2 or Article 2 6, this shall not prejudice any future rights to appoint a Director of the Company where a Shareholder (or group of Shareholders collectively) holds more than 20 per cent of all Shares then in issue, in accordance with the terms of Article 2 5.
- 2 8 If any Director appointed pursuant to Article 2 5 ceases to be a Director for any reason whatsoever, the Shareholder (or group of Shareholders collectively) holding more than 20 per cent of all Shares then in issue may appoint in his place another person to be a Director
- 2 9 Any appointment or removal of a Director pursuant to Article 2 5 shall be by notice in writing to the Company at its registered office and signed by or on behalf of the

Shareholder (or group of Shareholders collectively) holding more than 20 per cent. of all Shares then in issue Any such appointment or removal shall take effect upon the Company's receipt of such notice or at such later time as may be specified in the notice Any group of Shareholders exercising their collective rights to appoint or remove a Director shall do so acting unanimously

- 2 10 A Director appointed pursuant to Article 2.5 shall be entitled to consider the interests of and make such disclosure to the Shareholder (or Shareholders) that appointed him in relation to the business and affairs of the Company as he may in his absolute discretion determine
- 2 11 If and so long as there is a sole Director, he may exercise all the powers of the Company and all powers and authorities vested in the Directors by these Articles
- 2 12 Each Shareholder (or group of Shareholders collectively) holding more than 20 per cent. of all Shares then in issue shall have the right to appoint a representative to attend and be present at all Board meetings or meetings of a committee of the Board as an observer (an "**Observer**") and to remove from that position any person so appointed and (subject to such removal) to appoint another person in his place
- 2 13 If such Shareholder (or group of Shareholders collectively) no longer holds more than 20 per cent. of the Shares for the time being in issue, or if he/they appoint(s) a Director pursuant to Article 2 5, he/they shall no longer have the right to appoint an Observer
- 2.14 Any appointment or removal of an Observer pursuant to Article 2.12 shall be by notice in writing to the Company at its registered office and signed by or on behalf of the Shareholder (or group of Shareholders collectively) holding more than 20 per cent. of all Shares then in issue Any such appointment or removal shall take effect upon the Company's receipt of such notice or at such later time as may be specified in the notice Any group of Shareholders exercising their collective rights to appoint or remove an Observer shall do so acting unanimously
- 2 15 An Observer may speak at all Board meetings or meetings of a committee of the Board but shall have no vote and no authority to bind the Company in any way
- 2.16 The Observer shall be entitled to make such disclosure to the Shareholder (or Shareholders) that appointed him pursuant to Article 2 12 in relation to the business and affairs of the Company as he may in his absolute discretion determine.
- 2 17 **Remuneration of Directors**
- (a) Directors may undertake any services for the Company that the Directors decide
- (b) Subject to these Articles, the Directors are entitled to such remuneration as the Directors determine

- (i) for their services to the Company as Directors, and
 - (ii) for any other service which they undertake for the Company
- (c) Subject to the Articles, a Director's remuneration may
 - (i) take any form, and
 - (ii) 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
- (d) Unless the Directors decide otherwise, Directors' remuneration accrues from day to day
- (e) 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
- (f) The Company, if the Directors so decide, may pay any reasonable expenses which the Directors properly incur in connection with their attendance at
 - (i) meetings of Directors or committees of Directors,
 - (ii) general meetings; or
 - (iii) separate meetings of the holders of any class of Shares or of any other interests in the Company, or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the Company

3. Powers and Proceedings of Directors

- 3 1 A resolution in writing (whether in hard copy form or electronic form) signed by all the Directors shall be as effective for all purposes as a resolution passed at a meeting of the Directors duly convened and held, and may consist of several documents in the like form, each signed by one or more of the Directors or to which such Director has otherwise indicated agreement in writing
- 3 2 The Directors may by resolution exercise all the powers of the Company to make provision (in connection with the cessation or the transfer to any person of the whole or part of the undertaking of the Company) for the benefit of persons employed or formerly employed by the Company

- 3 3 A Director shall not be required to hold any Shares, but nevertheless shall be entitled to attend and speak at any general meeting of the Company
- 3 4 Every Director of the Company shall, upon supplying the Company with an address (whether or not an electronic address) for the giving of notices, be entitled to receive notices of general meetings, provided always that non-receipt of any such notice by any Director shall not invalidate the proceedings at the meeting convened by such notice
- 3 5 A Director may at any time summon a meeting of the Directors by giving notice of the meeting to the Directors
- 3 6 Save in the case of emergency or where a majority of the Directors agree to a shorter period of notice, at least 72 hours notice of a meeting of the Directors shall be given either in hard copy form or electronic form to all Directors entitled to receive notice and the notice must include
- (a) the meeting's proposed date and time,
 - (b) where the meeting is to take place,
 - (c) if the Directors will not be in the same place for the meeting, details of arrangements to allow them to communicate during the meeting;
 - (d) an agenda specifying in reasonable detail the matters to be raised at the meeting, and
 - (e) copies of any papers to be discussed at the meeting
- 3 7 At a Directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting. 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 2, and unless otherwise fixed it is 2. If the total number of Directors for the time being is less than the quorum required, then Directors must not take any decision other than a decision to appoint further Directors, or to call a general meeting so as to enable the Shareholders to appoint further Directors
- 3 8 If the quorum is not present within 30 minutes of the time specified for a meeting of the Directors in the notice of the meeting it shall be adjourned for 7 days unless all of the Directors agree in writing to hold the meeting sooner
- 3 9 The Directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit provided that all meetings of the Directors shall be held within the United Kingdom

- 3 10 The Directors may appoint a Chairman. The Directors may terminate the Chairman's appointment at any time. If the Chairman is not participating in a Directors' meeting within 10 minutes of the time at which it was to start, the participating Directors must appoint one of themselves to chair it.
- 3 11 At any meeting of the Directors each Director present at the meeting shall be entitled to one vote.
- 3 12 In the case of an equality of votes at any meeting the Chairman of such meeting shall be entitled to a second or casting vote.
- 3 13 Meetings of the Directors will make decisions by passing resolutions. A resolution is passed if more votes are cast for it than against it. If the Company only has one Director, the Director may take decisions without regard to any of the provisions of the articles relating to Directors' decision-making.
- 3.14 Subject to the provisions of the Act and the Articles, the business of the Company shall be managed by the Directors who may exercise all the powers of the Company. The Shareholders may, by Shareholder Special Majority Consent, direct the Directors to take, or refrain from taking, specified action. No such Shareholder Special Majority Consent invalidates anything which the Directors have done before the Shareholder Special Majority Consent. No alteration of the memorandum of association of the Company or the Articles and no such direction shall invalidate any prior act of the Directors which would have been valid if that alteration had not been made or that direction had not been given. The powers given by this Article shall not be limited by any special power given to the Directors by these Articles and a meeting of Directors at which a quorum is present may exercise all powers exercisable by the Directors.
- 3.15 Any Director may validly participate in a meeting of the Board through the means of a communication device (including, without limitation, telephone, video conference and real time webcasting) provided that all other 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. Such a meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no such group, where the chairman of the meeting then is.
- 3 16 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.

4. Accounts and Financial Information

- 4 1 The Company shall prepare quarterly management accounts containing a profit and loss account and balance sheet and shall deliver them to each of the Shareholders within 28 days after the end of each quarterly period
- 4 2 The annual accounts of the Company prepared by a firm of Chartered Accountants in respect of each annual accounting period shall be approved by the Board and delivered to the Shareholders within 4 months after the end of the annual accounting period to which such accounts relate

5. Shares and Dividends

The Shares shall carry the rights and privileges set out in these Articles. 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.

5.1 Voting

Every Shareholder shall have the right to receive notice of and attend (either personally or by proxy) any general meeting of the Company or to vote (either personally or by proxy) on any resolution to be proposed at a general meeting or proposed as a written resolution of the Company. On a show of hands, every Shareholder who is present in person or by a representative or by proxy shall have one vote, and on a poll every Shareholder who is present in person or by a representative or by proxy shall have one vote, for every Share of which he is the holder.

5.2 Income

- (a) Subject to the provisions of the Act, every Shareholder shall be entitled to receive a cash dividend or distribution as the Company (by Ordinary Resolution) or the Board may determine (in their absolute discretion) from time to time in accordance with Article 5 9 and subject to these articles, and shall be payable to the Shareholders in proportion to their holding(s) of Shares.
- (b) Every sum which shall become payable by the Company on any due date (the "due date") in respect of the Shares in accordance with the foregoing provisions of this Article 5 2 shall on that due date and without any resolution of the Directors or of the Company in general meeting become a debt due from the Company and immediately payable.

5 3 Return of Capital

If, on a winding up of the Company or other return of capital (except to the extent the same arises as a result of any reorganisation or reconstruction, or on a redemption or purchase of Shares in accordance with the Act) there remains after the payment of all debts and liabilities of the Company, surplus assets for distribution

amongst the Shareholders, such surplus assets shall be distributed to each of the Shareholders in proportion to their holding(s) of Shares

5 4 Further Issues of Shares

- (a) 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.
- (b) For the purposes of section 551 of the Act, but subject to the provisions of these Articles, the Directors are generally and unconditionally authorised to exercise any powers of the Company to
 - (i) offer or allot Shares,
 - (ii) grant rights to subscribe for or to convert any security into Shares (the "**Rights**"), and
 - (iii) otherwise deal in, or dispose of Shares or Rights,

up to a maximum of 200,000 Shares at any time or times during the period of five years from the date of adoption of these Articles.

- (c) Except where otherwise agreed by the Board with Shareholder Special Majority Consent or where the issue of Shares or the grant of Rights are pursuant to an EMI share option scheme, all new Shares shall first be offered to the Shareholders in proportion to their respective holding(s) of Shares Any such offer shall be notified to the Shareholders by the Board, stating
 - (i) the amount that is being proposed to be raised, and
 - (ii) the issue price for the new Shares being proposed to be issued Any such offer shall be open for acceptance for 21 days from the date of notification.

Any Shares not accepted in that period shall be offered again to the Shareholders in proportion to their respective holding(s) of Shares and such offer shall be open for acceptance for 7 days from the date of notification If, following that period any Shares have still not been accepted, such Shares shall be at the disposal of the Board who may (within a period of **[3 months]** from the end of the 7 day period) allot, grant options over or otherwise dispose of the same to such persons at a price per share and on terms no less favourable than that/those at which the same were offered to the Shareholders, and otherwise on such terms as they think proper

- (d) Sections 561, 562 and 563 of the Act shall not apply to the Company

5 5 Variation of Rights

The rights attached to Shares set out in this Article 5 may (whether or not the Company is being wound up) only be varied, modified, abrogated or cancelled with Shareholder Special Majority Consent

5 6 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.

5 7 Share Certificates

- (a) The Company must issue each Shareholder, free of charge, with one or more certificates in respect of the Shares which that Shareholder holds
- (b) Every certificate must specify
 - (i) in respect of how many Shares, of what class, it is issued;
 - (ii) the nominal value of those Shares;
 - (iii) that the Shares are fully paid, and
 - (iv) any distinguishing numbers assigned to them
- (c) If more than one person holds a Share, only one certificate may be issued in respect of it
- (d) Certificates must:
 - (i) have affixed to them the Company's common seal, or
 - (ii) be otherwise executed in accordance with the Act.

5.8 Replacement Share Certificates

- (a) If a certificate issued in respect of a Shareholder's Shares is
 - (i) damaged or defaced, or
 - (ii) said to be lost, stolen or destroyed,

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

- (b) A Shareholder exercising the right to be issued with such a replacement certificate.
 - (i) may at any time exercise the right to be issued with a single certificate or separate certificates,
 - (ii) must return the certificate which is to be replaced to the Company if it is damaged or defaced, and
 - (iii) must comply with such conditions as to evidence, indemnity and the payment of a reasonable fee as the Directors decide

5 9 Procedure for Declaring Dividends

- (a) The Company may by Ordinary Resolution declare dividends, and the Directors may decide to pay interim dividends
- (b) 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
- (c) No dividend may be declared or paid unless it is in accordance with Shareholders' respective rights
- (d) 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
- (e) 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

5 10 Payment of Dividends and Other Distributions

- (a) 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
 - (i) transfer to a bank or building society account specified by the distribution recipient either in writing or as the Directors may otherwise decide;
 - (ii) 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,

- (iii) 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
 - (iv) 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
- (b) In the Articles, "the distribution recipient" means, in respect of a Share in respect of which a dividend or other sum is payable
- (i) the holder of the Share, or
 - (ii) 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

5 11 No Interest on Distributions

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

- (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

5 12 Unclaimed Distributions

- (a) All dividends or other sums which are
 - (i) payable in respect of Shares, and
 - (ii) 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

- (b) The payment of any such dividend or other sum into a separate account does not make the Company a trustee in respect of it

(c) If

(i) 12 years have passed from the date on which a dividend or other sum became due for payment, and

(ii) 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

5.13 Non-cash Distributions

(a) 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).

(b) 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

(i) fixing the value of any assets,

(ii) paying cash to any distribution recipient on the basis of that value in order to adjust the rights of recipients, and

(iii) vesting any assets in trustees

5.14 Waiver of Distributions

(a) 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

(i) the Share has more than one holder, or

(ii) 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

5.15 Authority to Capitalise and Appropriation of Capitalised Sums

- (a) Subject to the Articles, the Directors may, if they are so authorised by an Ordinary Resolution:
 - (i) 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
 - (ii) 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
- (b) Capitalised sums must be applied:
 - (i) on behalf of the persons entitled; and
 - (ii) in the same proportions as a dividend would have been distributed to them
- (c) 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
- (d) 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
- (e) Subject to the Articles the Directors may
 - (i) apply capitalised sums in accordance with Articles 5 15(c) and 5 15(d) partly in one way and partly in another,
 - (ii) make such arrangements as they think fit to deal with Shares or debentures becoming distributable in fractions under this Article 5 15 (including the issuing of fractional certificates or the making of cash payments), and
 - (iii) 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 5 15

6. Redemption and Purchase of Own Shares

Subject to the provisions of the Act and to the rights of the Shareholders pursuant to these Articles, the Company may.

- (a) issue Shares which are to be redeemed or are liable to be redeemed at the option of the Company or the Shareholder concerned;
- (b) purchase its own Shares (including any redeemable Shares), and
- (c) make any payment in respect of such redemption or purchase in accordance with the provisions of the Act and the relevant power under Articles (a) or (b) above, of any of its own Shares out of the distributable profits of the Company or out of the proceeds of a fresh issue of Shares created for the purpose, or out of the capital of the Company

7. Consent Matters

Save with Shareholder Special Majority Consent, the Board shall not effect or propose any of the following matters:

- (a) permit or cause to be proposed any amendment to the Company's memorandum of association or these Articles,
- (b) permit or cause to be proposed any alteration to the share capital of the Company (including any increase thereof) or the rights attaching to its Shares,
- (c) create, allot, issue, buy-back or redeem any share or loan capital in the Company or grant or establish any employee incentive scheme except in accordance with these Articles,
- (d) grant any options (for the avoidance of doubt including, but not limited to, options under any EMI share option scheme) or other interests over any of the issued share capital of the Company where the aggregate of all such options or other interests granted since the adoption of these Articles would represent more than 15 per cent of all Shares in issue as at the date of adoption of these Articles,
- (e) acquire or dispose of the whole or part of the undertaking of any other person or dispose of the whole or part of the undertaking of the Company or merge the Company or any part of its business with any other person,
- (f) subscribe or otherwise acquire, or dispose of any shares in the capital of any other Company,

- (g) borrow any amount which when aggregated with any previous and outstanding borrowings exceeds 50 per cent of the Company's turnover for the 12 months prior to such borrowing (as determined from the Company's annual accounts in respect of the previous 12 month period),
- (h) mortgage or charge or permit the creation of any mortgage or fixed or floating charge or other encumbrance over the whole or any part of the Company's undertaking, property or assets;
- (i) cease, propose to cease or make any material change to the nature or scope of the business carried on by the Company,
- (j) enter into or vary any transaction or agreement with any of the Shareholders or Directors of the Company (including any terms of employment where the Director's aggregate remuneration exceeds or will exceed £75,000),
- (k) declare any dividend or permit the payment of any interim dividend which would result in any Shareholder who is also an employee of the Company receiving aggregate distributions (being remuneration and dividends) in excess of £100,000 in any financial year;
- (l) permit the Company or its Directors (or any one of them) to take any step to
 - (i) wind up the Company, save where it is insolvent (within the meaning of section 123 Insolvency Act 1986),
 - (ii) place the Company into administration (whether by the filing of an administration application, a notice of intention to appoint an administrator or a notice of appointment);
 - (iii) permit the Company or its Directors to propose or enter into any arrangement, scheme, moratorium, compromise or composition with its creditors (whether under Part 1 Insolvency Act 1986 or otherwise) or apply for an interim order under Part 1 Insolvency Act 1986, or
 - (iv) permit the Company or its Directors to invite the appointment of a receiver or administrative receiver over all or any part of the Company's assets or undertaking,
- (m) commence, settle or compromise conduct any legal proceedings material to the Company, save for the collection of debts arising in the ordinary course of the business carried on by the Company or any application for an interim injunction or other application or action (including interim defence) which is urgently required in the best interests of the Company, or

- (n) utilise more than 33% in aggregate of the Available Profits to pay back loans owed to either Directors or Shareholders

8. Transfer of Shares

- 8.1 The transfer form relating to any Share shall be in a form approved by the Directors and shall be executed by or on behalf of the transferor, and the transferor shall be deemed to remain the holder of the Share until the name of the transferee is entered in the register of Shareholders in respect of such Share. No fee may be charged for registering any instrument of transfer or other document relating to or affecting the title to any Share. The Company may retain any instrument of transfer which is registered
- 8.2 No Shareholder shall sell, transfer, assign, charge or otherwise dispose of any Share or any interest in any Share except:
 - (a) in accordance with Article 9,
 - (b) in accordance with Article 10,
 - (c) in accordance with Article 11, or
 - (d) in accordance with Article 12

9. Pre-emption Procedure

- 9.1 Except as otherwise permitted by Article 10, Article 11 or Article 12, no Shares held by a Shareholder (the "**Seller**") may be transferred unless its Shares are first offered to each of the other Shareholders in accordance with this Article 9
- 9.2 Before transferring any Shares the Seller shall give notice in writing (a "**Transfer Notice**") to the Company irrevocably appointing the Company as its agent for the sale of the Shares mentioned in the notice (the "**First Offer Shares**") together with all rights in those Shares and specifying the price per share at which the Seller is prepared to sell the First Offer Shares. A Transfer Notice shall be irrevocable once given to the Company
- 9.3 Within 21 days after the receipt by the Company of a Transfer Notice the Directors may resolve (and, if so, notify the Company forthwith, which, in turn, shall, within two days after receipt of such notification, notify the Seller and all other Members) that the Company shall purchase the First Offer Shares pursuant to the provisions of part 18 of the Companies Act, in which case the chairman of the Directors shall determine a timetable for such purchase to which all parties and Shareholders shall adhere
- 9.4 Subject to Article 9.3 within 14 days of receiving the Transfer Notice the Company shall by notice in writing (the "**First Offer Notice**") offer the First Offer Shares (at

the price specified in the Transfer Notice) to all Shareholders (other than the Shareholder to whose Offer Shares the First Offer Notice relates) The First Offer Notice shall invite each of the other Shareholders to state in writing to the Company within 30 days of the date of the offer (the "**First Offer Period**") the number of Offer Shares in respect of which they wish to accept the offer

- 9.5 If a Shareholder wishes to accept the offer (an "**Accepting Shareholder**") he shall give written notice to the Company on or before the end of the First Offer Period
- 9.6 If the total number of First Offer Shares in respect of which the Accepting Shareholder(s) wish to accept the offer is less than the number of First Offer Shares comprised in the First Offer Notice (the "**Surplus Shares**") then the Directors shall on the expiry of the First Offer Period offer the Accepting Shareholders the opportunity to purchase all or any of the Surplus Shares not purchased or agreed to be purchased under the First Offer Notice, in accordance with Article 9.6 (the "**Second Offer Notice**")
- 9.7 The Second Offer Notice shall invite each of the Accepting Shareholders to state in writing to the Company within 7 days of the date of the Second Offer Notice (the "**Second Offer Period**") the number of Surplus Shares they wish to purchase
- 9.8 Subject to Article 9.3, on the expiration of the First Offer Period (or if applicable, the Second Offer Period), if the total number of First Offer Shares (or if applicable, the Surplus Shares) is equal to the number of First Offer Shares in the First Offer Notice (or if applicable, the Surplus Shares comprised in the Second Offer Notice) the Directors shall allocate such First Offer Shares (or if applicable, Surplus Shares) to the Accepting Shareholders as they shall be entitled to that proportion of the First Offer Shares (or if applicable, the Surplus Shares) that his then shareholding of Shares bears to the total shareholdings of all Accepting Shareholders (the "**Pre-emption Proportion**"), or the amount of the First Offer Shares (or if applicable, the Surplus Shares) in respect of which they have accepted the offer, whichever is less
- 9.9 Subject to Article 9.3, if the total number of First Offer Shares (or if applicable, Surplus Shares) in respect of which the Accepting Shareholder(s) wish(es) to accept the offer exceeds the number of First Offer Shares comprised in the First Offer Notice (or if applicable, Surplus Shares comprised in the Second Offer Notice) then the Directors shall on the expiry of the First Offer Period (or if applicable, the Second Offer Period) allocate the First Offer Shares (or if applicable, the Surplus Shares) as follows
- (a) an Accepting Shareholder shall be entitled to that proportion of the First Offer Shares (or if applicable, the Surplus Shares) for sale in accordance with his Pre-emption Proportion, or the amount of First Offer Shares (or if applicable, Surplus Shares) in respect of which he has accepted the offer, whichever is less, and
 - (b) an Accepting Shareholder who wishes to accept the offer in respect of more than its Pre-emption Proportion (the "**Excess Proportion**") shall receive that

proportion of any remaining unallocated First Offer Shares (or if applicable, Surplus Shares) as his Excess Proportion bears to the total Excess Proportions of any Accepting Shareholders.

- 9.10 Subject to Article 9 3, the Directors shall within 7 days of the end of the First Offer Period (or if applicable, the Second Offer Period) notify the Accepting Shareholders of their allocation and shall inform the Seller of the identity of the Accepting Shareholders and the number of First Offer Shares (or if applicable, the Surplus Shares) allocated to each Accepting Shareholder.
- 9 11 If, following Articles 9 3 to 9 9 there are still no or insufficient acceptances of the offer, the Company shall inform the Seller within 7 days of the end of the Second Offer Period and the Seller may transfer all of the First Offer Shares (where there are no Accepting Shareholders) or the Surplus Shares (where there are some Accepting Shareholders but not enough to take up all of the First Offer Shares) which have not been allocated to any Accepting Shareholders to a bona fide third party purchaser approved by the Directors (such consent not to be unreasonably withheld or delayed) at a price not less than the price stated in the Transfer Notice, provided that such transfer must be completed within 60 days of the date of such notice from the Company.
- 9 12 The provisions of this Article 9 shall not apply where the Company purchases or proposes to purchase any of its own Shares (including any redeemable Shares), save where such purchase of own Shares is taking place pursuant to Article 9 3.

10. Permitted Transfers

10 1 Group Transfers

- (a) Any Shares held by an undertaking ("**Original Undertaking**") may be transferred to any other undertaking ("**Transferee Undertaking**") which is a holding company or a subsidiary of the Original Undertaking or of its holding Company ("**a Group Undertaking**")
- (b) If any Transferee Undertaking ceases to be a Group Undertaking in relation to the Original Undertaking then such Transferee Undertaking shall within seven days of such cessation transfer any Shares held by it to the Original Undertaking or to an undertaking which, in relation to the Original Undertaking, is a Group Undertaking

10 2 Nominees

- (a) Any Shares may be transferred by their beneficial owner ("**the Beneficial Owner**") to a person shown to the reasonable satisfaction of the Directors to be a nominee for the Beneficial Owner only

- (b) Where any Shares have been transferred to a nominee pursuant to Article 10 2(a) any such nominee may transfer any Shares so transferred to the Beneficial Owner or to another person shown to the reasonable satisfaction of the Directors to be a nominee for the Beneficial Owner only.
- (c) Where a person to whom any Shares have been transferred as a nominee pursuant to this Article 10 2 ceases to hold such Shares as nominee for the Beneficial Owner only he shall forthwith transfer such Shares to the Beneficial Owner or to another person shown to the reasonable satisfaction of the directors to be a nominee for the Beneficial Owner only.

10 3 **Transfers to Family Relations and Family Trusts**

- (a) Any Shareholder (or the legal personal representatives of a deceased Shareholder) (the "**Original Transferor**") may at any time transfer all or some of the Shares held by him to a Family Relation or the trustees of his Family Trust
- (b) The trustees of a Family Trust may, on change of trustees, transfer Shares held by them in their capacity as trustees to the new trustees of that Family Trust
- (c) The trustees of a Family Trust may also transfer any of the Shares held by them in that capacity to a person who has an immediate beneficial interest under the Family Trust
- (d) In the event of the death of any Shareholder who would otherwise have been entitled to take the benefit of this Article 10 1, his personal representative(s) shall be entitled to make any such transfers to any persons as would have been permitted by the deceased Shareholder
- (e) Where Shares are held:

- (i) by a trustee or trustees of a Family Trust, or
- (ii) by one or more Family Relations of the Original Transferor,

and any such person ceases (otherwise than on the death of the Original Transferor) to be

- (i) in the case of (a) above, a trustee of the Family Trust of the beneficial owner of the Shares, or
- (ii) in the case of (b) above, a Family Relation of the Original Transferor,

such person will on or before the cessation transfer such Shares to a transferee permitted (as the case may be) under Article 10.3 or to the Original Transferor

- 10.4 If a Shareholder fails or refuses to execute and deliver any transfer in respect of any Shares in accordance with Articles 10.1 to 10.3, the Directors may authorise any Director or any other person to execute and deliver the necessary transfer(s) on the defaulting Shareholders behalf. The Directors shall authorise the registration of the transfer, and of the transferee as the holder of the Shares so transferred, once appropriate stamp duty (if any) has been paid. After registration, the title of the transferee as the registered holder of such Shares shall not be affected by any irregularity in or invalidity of such proceedings, which shall not be questioned by any Shareholder.

11. Tag Along

- 11.1 Except in the case of permitted transfers pursuant to Article 10, and after going through the pre-emption procedure set out in Article 9, the provisions of this Article 11 shall apply if, in one or a series of related transactions, one or more Shareholders (the "**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 a Controlling Interest in the Company
- 11.2 Before making a Proposed Transfer, a Seller shall procure that the Buyer makes an offer (the "**Offer**") to the other Shareholders to purchase all of the Shares held by them 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 12 months preceding the date of the Proposed Transfer (the "**Specified Price**")
- 11.3 The Offer shall be given by written notice (the "**Offer Notice**"), at least 30 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 Offer Period,
 - (d) the Sale Date, and
 - (e) the number of Shares proposed to be purchased by the Buyer (the "**Offer Shares**")

- 11.4 If the Buyer fails to make the Offer to all of the Shareholders in accordance with Articles 11.2 and 11.3, the Seller shall not be entitled to complete the Proposed Transfer and the Company shall not register any transfer of Shares effected in accordance with the Proposed Transfer
- 11.5 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 Shares held by Accepting Shareholders.
- 11.6 Any Proposed Transfer is subject to the pre-emption provisions of Article 9, but the purchase of Offer Shares from Accepting Shareholders shall not be subject to those provisions

12. Drag Along

- 12.1 Whenever an Approved Offer is made, the Shareholder Special Majority shall have the right (the "**Drag Along Right**") to require (in the manner set out in Article 12.2) all of the other holders of Shares (the "**Other Shareholders**") to accept the Approved Offer in full and transfer their Shares to the Buyer with full title guarantee
- 12.2 The Drag Along Right may be exercised by the service of notice on the Other Shareholders at the same time as, or within 7 days following the making of the Approved Offer
- 12.3 On the exercise of the Drag Along Right, each of the Other Shareholders shall be required to accept the Approved Offer in respect of their entire holdings of Shares and to comply with the obligations required by such acceptance
- 12.4 If any of the Other Shareholders fail to accept the Approved Offer or, having accepted such offer, fail to complete the sale of any of their Shares pursuant to the Approved Offer, or otherwise fail to take any action required of them under the terms of the Approved Offer, any person nominated by the Directors (or any persons so authorised by the Directors) may accept the offer on behalf of the Other Shareholders in question, or undertake any action required under the terms of the Approved Offer on the part of the Other Shareholders in question. In particular, such person may execute the necessary transfers (or any other documents required to effect such transfers) on the Other Shareholders' behalf, and against
- (a) receipt by the Company (on trust for such Other Shareholders) of the consideration payable for the relevant Shares (the receipt being a good discharge to the Buyer, who shall not be bound to see the application of it), and
 - (b) compliance by the Buyer and, where relevant, the Company with all other terms of the Approved Offer, deliver such transfers to the Buyer (or its

nominee). The Directors will then authorise registration of the transfers and of the Buyer (or its nominee) as the holder of the Shares so transferred. After registration, the title of the Buyer (or its nominee) as registered holder of such Shares shall not be affected by any irregularity in, or invalidity of such proceedings, which shall not be questioned by any person. The Other Shareholders shall in such a case be bound to deliver up their certificates for their Shares to the Company, or a statutory declaration of loss (as appropriate) whereupon the Other Shareholders shall be entitled to receive the purchase price for such Shares.

13. Transmission of Shares

13 1 If title to a Share passes to a Transmitttee, the Company may only recognise the Transmitttee as having any title to that Share. A Transmitttee who produces such evidence of entitlement to Shares as the Directors may properly require:

- (a) may, subject to the Articles (and in particular Article 9 shall apply to any transfer to another person), 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,

but Transmitttees 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

13 2 Transmitttees who wish to become the holders of Shares to which they have become entitled must notify the Company in writing of that wish. If the Transmitttee wishes to have a Share transferred to another person, the Transmitttee must execute an instrument of transfer in respect of it (and the provisions of Article 9 shall apply to the transfer of a Share to another person). Any transfer made or executed under this Article 13 2 is to be treated as if it were made or executed by the person from whom the transmitttee has derived rights in respect of the Share, and as if the event which gave rise to the transmission had not occurred.

13 3 If a notice is given to a Shareholder in respect of Shares and a Transmitttee is entitled to those Shares, the Transmitttee is bound by the notice if it was given to the Shareholder before the Transmitttee's name has been entered in the register of members.

14. General Meetings

14.1 Every notice convening a general meeting shall comply with the provisions of section 325 of the Act as to giving information to the Shareholders in regard to their

right to appoint proxies and all notices of a general meeting shall also be sent to the Directors and the auditor of the Company for the time being

- 14 2 The Directors are entitled to appoint a Chairman. If the Directors have appointed a Chairman, the Chairman shall chair general meetings if present and willing to do so. If the Directors have not appointed a Chairman, or if the Chairman is unwilling to chair the meeting or is not present within 10 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 must be the first business of the meeting. The person chairing a meeting in accordance with this Article 14.2 is referred to as “the chairman of the meeting”

- 14 3 No business shall be transacted at any general meeting of the Company unless a quorum is participating at the time when the meeting proceeds to business and also when that business is voted on. The quorum at any general meeting (including adjourned meetings) shall be 2 Shareholders (each being a member or a proxy for a Shareholder or a duly authorised representative of a corporation). If at a general meeting of the Company a quorum is not present within half an hour from the time appointed for the meeting, the meeting shall be adjourned and the provisions of Article 14 6 shall apply.

- 14 4 A Shareholder shall be deemed to be present at a general meeting and to form part of the quorum of that meeting if he participates by telephone or video conferencing facilities and can hear and be heard by the other Shareholders present (or deemed to be present) at the meeting provided that no decision shall be implemented unless and until confirmation of that decision shall have been exchanged between the Shareholders present or deemed to be present at that meeting.

- 14 5 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 or any person attending the meeting or ensure that the business of the meeting is conducted in an orderly manner.

- 14 6 The chairman of the meeting must adjourn a general meeting if directed to do so by the meeting. 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
- 14 7 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
- 14 8 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
- 14 9 At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll has been demanded. Unless a poll has been demanded a declaration by the chairman that a resolution has on a show of hands been carried or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the book containing the minutes of the proceedings of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution
- 14 10 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 Any such objection must be referred to the chairman of the meeting, whose decision is final.
- 14 11 If a resolution in writing is described as an Ordinary Resolution, Special Resolution or any other type of resolution it shall be approved, and shall have effect, accordingly. The resolution may be signed or approved by electronic form and may consist of several documents in like form each stating the terms of the resolution accurately and signed by or on behalf of one or more of the Shareholders or to which a Shareholder(s) has otherwise indicated agreement in writing
- 14 12 An Ordinary Resolution to be proposed at a general meeting may be amended by Ordinary Resolution if
 - (a) notice of the proposed amendments 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
- 14 13 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

15. General Meeting on Shareholders' Requisition

- 15 1 In addition to and subject to any relevant provisions of the Act, the Board shall convene a general meeting of the Company on the requisition of those Shareholders holding more than 20 per cent of all Shares then in issue at the date of deposit of the requisition, such meeting to be convened for such date as is specified in the requisition or as soon thereafter as the Act permits
- 15 2 The requisition must state the general nature of the business to be dealt with at the meeting (and may include the text of a resolution that may properly be moved (as such is determined pursuant to the provisions of the Act) and is intended to be moved at the meeting), and must be authenticated (in accordance with the provisions of the Act) by the requisitionists and deposited at the registered office of the Company (such other address (including electronic address) as may be specified for the purpose) in hard copy form or electronic form, and may consist of several documents in like form each signed by one or more requisitionists.
- 15 3 If the Board does not within 7 days from the date of the deposit of the requisition convene a meeting in accordance with this Article, the requisitionists, or any of them representing more than one half of the total voting rights of all of them, may themselves convene a meeting, but any meeting so convened shall not be held after the expiration of 3 months from the date on which the Board became subject to the requirement to call a meeting
- 15.4 A general meeting convened under this Article by requisitionists shall be convened in the same manner, as nearly as possible, as that in which meetings are to be convened by the Board and if the requests received by the Company identify a resolution intended to be moved at the meeting, the notice of the meeting must include notice of the resolution.
- 15.5 Any reasonable expenses incurred by the requisitionists by reason of the failure of the Board to convene a meeting in accordance with this Article shall be repaid to the requisitionists by the Company

16. Votes of Shareholders Proxies and Polls

- 16 1 A proxy appointed by a Shareholder under section 324 of the Act may vote on a show of hands as well as on a poll, but no person present shall be entitled to more than one vote on a show of hands.
- 16 2 A Proxy Notice shall
- (a) state the name and address of the Shareholder appointing the proxy and identify the person appointed to be that Shareholder's proxy and the general meeting in relation to which that person is appointed;
 - (b) be in writing under the hand of the appointor or of his attorney duly authorised in writing (or if the appointor is a corporation under its common seal or under the hand of some officer or attorney duly authorised in that behalf) and shall be in any common form or in such other form as the Directors may approve,
 - (c) be deemed (subject to any contrary direction contained in the same) to confer authority to demand or join in demanding a poll and to vote (whether on a show of hands or a poll) on any resolution or amendment of a resolution put to the meeting for which it is given, as the proxy thinks fit and to confer the right to speak at the meeting to which it relates (including any adjournment of it),
 - (d) be valid as well for any adjournment of the meeting as for the meeting to which it relates, and
 - (e) where it is stated to apply to more than one meeting, be valid for all such meetings as well as for any adjournment of any such meetings
- 16.3 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 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.
- 16 4 Subject to the provisions of the Act, the appointment of a proxy (and any power of attorney or other authority under which it is signed (or a copy of such authority certified notarially or in some other way approved by the Board)) shall be sent or supplied in hard copy form, or (subject to any conditions and limitations which the Board may specify) in electronic form, to the registered office of the Company or to such other address (including electronic address) as is specified in the notice convening the meeting (or in any instrument of proxy or any invitation to appoint a proxy sent or supplied by the Company in relation to the meeting) or as the Board

shall otherwise direct to be received before the time of the meeting or adjourned meeting to which it relates or, in the case of a poll taken after the date of the meeting or adjourned meeting, before the time appointed for the poll. Any instrument of proxy not so sent or supplied or received shall be invalid unless the Directors at any time prior to the meeting or the chairman of the meeting at the meeting, in their or his absolute discretion, accept as valid an instrument of proxy where there has not been compliance with the provisions of this Article 16.4 and such proxy shall thereupon be valid notwithstanding such default.

- 16.5 The validity of a vote given or poll demanded in accordance with the terms of an appointment of a proxy or the validity of anything done by a proxy acting as duly appointed chairman of a meeting, or any decision determining whether a proxy counts in a quorum at a meeting, shall not be affected notwithstanding the death or mental disorder of the appointor or the revocation of the appointment of the proxy (or of the authority under which the appointment of the proxy was executed) or the transfer of the share in respect of which the appointment of the proxy is given, unless notice in writing of such death, mental disorder, revocation or transfer shall have been sent or supplied to the Company (or any other person as the Company may require in the notice of the meeting, any instrument of proxy sent out by the Company in relation to the meeting or in any invitation to appoint a proxy issued by the Company in relation to the meeting) in any manner permitted for the sending or supplying of appointments of proxy pursuant to these Articles, and received at the registered office of the Company (or such other address (including electronic address) as has been designated for the sending or supplying of appointments of proxy), before the time of the meeting or adjourned meeting to which it relates or, in the case of a poll taken after the date of the meeting or adjourned meeting, before the time appointed for the poll.
- 16.6 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. 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. A notice revoking a proxy appointment only takes effect if it is delivered before the start of a meeting or adjourned meeting to which it relates.
- 16.7 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.
- 16.8 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.

16 9 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
- (c) Polls must be taken immediately and in such manner as the chairman of the meeting directs.

17. Conflicts of Interest

17 1 **Authorisation of Situational Conflicts**

- (a) For the purposes of section 175 of the Act, the Shareholders (and not the Directors) shall have the power to authorise, by Shareholder Special Majority Consent and in accordance with the provisions of these Articles, any matter or situation proposed to them by a Director (the "**Interested Director**") which would, if not so authorised, constitute a breach of section 175 of the Act (to avoid conflicts of interest) (a "**Situational Conflict**") Any authorisation of a Situational Conflict under this Article 17 may extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter of situation so authorised
- (b) The Interested Director must provide the Shareholders with such details as are sufficient for the Shareholders to decide whether or not to authorise the Situational Conflict, together with such additional information as may be reasonably requested by the Shareholders
- (c) If the Shareholders authorise a Situational Conflict, they may provide (whether at the time of giving the authority or subsequently) that the Interested Director
 - (i) not be permitted to receive certain documents or other information relating to the Situational Conflict;
 - (ii) not be permitted to attend discussions (whether at Board meetings or otherwise) relating to the Situational Conflict,

- (iii) may or may not vote (or may or may not be counted in the quorum) at any future Board meeting in relation to the Situational Conflict,
 - (iv) not be required to account by reason of being a Director (or because of a fiduciary relationship established by reason of being a Director) to the Company for any remuneration, profit or other benefit which he derives from or in connection with a Situational Conflict which has been duly authorised by the Shareholders and the receipt of any such remuneration, profit or other benefit shall not constitute a breach of his duty under section 176 of the Act, and
 - (v) not be required to disclose to the Company any confidential information received by him by virtue of his Situational Conflict and otherwise than by virtue of his position as a Director of the Company, if to do so would breach any duty of confidentiality to any third party, and/or
 - (vi) comply with such other terms or conditions as the members reasonably think fit.
- (d) The Shareholders 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

172 **Directors' Situational Conflicts – Pre-approval for Directors**

- (a) Subject to compliance by him with his duties as a Director under Part X of the Act (other than the duty in section 175(1) of the Act to the extent that it is the subject of this Article (a)), a 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
 - (i) any entity which, directly or indirectly, holds Shares in the Company (a "**Relevant Investor**") and as such the Director may, on behalf of the Relevant Investor, give or withhold any consent or give any direction required of any Relevant Investor or Relevant Investors 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
 - (ii) any other Company in which a Director or Relevant Investor also holds Shares or other securities or is otherwise interested, whether directly or indirectly (a "**Shareholder Director Interest**")

- (b) Notwithstanding his office or the existence of an actual or potential conflict between any Shareholder Director Interest (as described in Article (a)(ii) above) and the interests of the Company which would fall within the ambit of section 175(1) of the Act the Director shall
 - (i) 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 Shareholder 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 Director at the same time as other Directors,
 - (ii) not be obliged to account to the Company for any remuneration or other benefits received by him in consequence of any interest,
 - (iii) be entitled to consult freely about the Company and its affairs with, and to disclose, for investment appraisal purposes, Confidential Information to, any investor in the Company or any other person on whose behalf it is investing in the Company, and to the Company's auditors, lenders and proposed lenders (or with and to any of its or their professional advisers), and
 - (iv) not be obliged to disclose to the Company or use for the benefit of the Company any other confidential information received by him by virtue of his interest and otherwise than by virtue of his position as a Director, if to do so would breach any duty of confidentiality to a third party

17.3 Directors' Situational Conflicts – Disclosure of Interests

- (a) Any Director who has a Shareholder Director 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 relevant 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 relevant Director or other Director owes any duty of confidentiality to any third party. A disclosure made to the Board under this Article (a) 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
- (b) No contract entered into shall be liable to be avoided by virtue of
 - (i) any Director having an interest of the type referred to in Article 17.1.1 where the relevant Situational Conflict has been approved as provided by that Article or which is authorised pursuant to Article 17.1.1, or

- (ii) any Director having a Shareholder Director Interest which falls within Article 17.2(a)(b) or which is authorised pursuant to Article 17.1.1

17.4 **Directors' Conflicts of Interest – Transactional Conflicts**

- (a) The provisions of Articles 17.1 to 17.3 shall not apply to Transactional Conflicts but the following provisions of this Article 17.4 shall apply. Any Director may be interested in an existing or proposed transaction or arrangement with the Company provided that he complies with the Act.
- (b) Without prejudice to the obligation of each Director to declare an interest in accordance with the Act, a Director may vote at a meeting of the Board on any resolution concerning a matter in which he has an interest, whether direct or indirect, which relates to a transaction or arrangement with the Company, or in relation to which he has a duty. Having so declared any such interest or duty he may have, the Director shall be counted in the quorum present when any such resolution is under consideration and if he votes on such resolution his vote shall be counted.

18. **Notices and Communications**

- 18.1 Notices to be given pursuant to these Articles (other than a notice calling a meeting of Directors) shall be given in writing unless these Articles expressly provide otherwise.
- 18.2 The Company may validly send or supply any document (including any notice or Share certificate) or information to a Shareholder
 - (a) by delivering it by hand to the address recorded for the Shareholder in the register of Shareholders;
 - (b) by sending it by post or courier in an envelope (with postage or delivery paid) to the address recorded for the Shareholder in the register of Shareholders,
 - (c) by fax (except for Share certificates) to a fax number notified by the Shareholder in writing,
 - (d) by electronic mail (except a Share certificate) to an email address notified by the Shareholder in writing, or
 - (e) by means of a website (except a Share certificate) the address of which shall be notified to the Shareholder in writing,

in accordance with and subject to the "Company communications provisions" of the Act, but this Article 18.2 does not affect any other provision in any relevant legislation or these Articles requiring notices or documents to be delivered in a particular way.

- 18.3 In the case of joint holders of a Share, notices shall be given to the joint holder whose name stands first in the in the register of Shareholders in respect of the joint holding and notice so given shall be sufficient notice to all the joint holders.
- 18.4 A Shareholder whose registered address for the purposes of Articles 18.2.1 or 18.2.2 above is not within the United Kingdom and who gives to the Company an address within the United Kingdom at which notices may be given to him or notifies the Company of a fax number or email address to which notices may be sent in electronic form or who agrees or is deemed to agree to notice being given to him by means of a website, shall be entitled to have notices given to him at that address, fax number, email address or by means of such website, but otherwise no such Shareholder shall be entitled to receive any notice from the Company.
- 18.5 A Shareholder present, either in person or by proxy or, being a corporation, by its representative, at any meeting of the Company or of holders of any class of Shares in the Company shall be deemed to have received notice of the meeting and, where requisite, of the purposes for which it was called
- 18.6 If a document or information (whether in hard copy form or electronic form) is delivered by hand, it is deemed to have been received by the intended recipient at the time it is handed to or left for the Shareholder
- 18.7 If a document or information (whether in hard copy form or electronic form) is sent by post or courier, to an address in the United Kingdom, it is deemed to have been received by the intended recipient
- (a) 48 hours after it was posted, if first class post was used, or
- (b) 72 hours after it was posted or given to the courier, if first class post was not used,
- provided that it was properly addressed and either put into the post system or given to the courier with postage or delivery paid
- 18.8 If a document (other than a Share certificate) or information is sent by fax or electronic mail, it is deemed to have been received by the intended recipient at the time it was sent provided that it was sent to the correct fax number or email address
- 18.9 If a document (other than a Share certificate) or information is sent by means of a website, it is deemed to have been received by the intended recipient when it was first made available on the website, or if later, when the recipient received (or is deemed to have received) information that it was available on the website

- 18 10 Any common seal may only be used by the authority of the Directors. The Directors may decide by what means and in what form any common seal is to be used. 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. For the purposes of this Article 18.10, an authorised person is any Director of the Company or any person authorised by the Directors for the purposes of signing documents to which the common seal is applied.

19. Indemnity and Insurance

- 19 1 Subject to the provisions of, and so far as may be permitted by and consistent with Sections 234–238 of the Act to the extent relevant, each Director and officer of the Company shall be indemnified out of the Company's assets against all liabilities incurred by him to a person other than the Company or an associated Company in connection with the execution of his duties, or in relation thereto including any liability incurred by him in defending any civil or criminal proceedings, in which judgement 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 relief from liability for negligence, default, breach of duty or breach of trust in relation to the Company's affairs, but, for the avoidance of doubt such indemnity shall not cover any liability of a Director which is mentioned in section 234(3) of the Act.
- 19 2 To the extent permitted by the Act (and in accordance with section 233 of the Act in the case of Directors), the Company may buy and maintain insurance against any liability falling upon its Directors and other officers and auditors.