

Company No. 09415174

THE COMPANIES ACT 2006

PRIVATE COMPANY LIMITED BY SHARES

RESOLUTION

-of-

XTX MARKETS LIMITED
(the "Company")

In accordance with Part 13 Ch 2 Companies Act 2006, the following resolution was passed as a written resolution on ~~14~~ 27 July 2017.

SPECIAL RESOLUTION

That the articles of association attached to this written resolution be adopted as the articles of association of the Company in substitution for, and to the exclusion of, the existing articles of association.


.....
Director

FRIDAY



L6BMZNFK

LD2 28/07/2017 #173
COMPANIES HOUSE

THE COMPANIES ACT 2006

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

- OF -

XTX MARKETS LIMITED

MACFARLANES

Macfarlanes LLP
20 Cursitor Street
London EC4A 1LT

CONTENTS

Article		Page
1	Application of model articles and disapplication of Table A	1
2	Definitions and interpretation	1
3	Company name	4
4	Committees	4
5	Directors to take decisions collectively	4
6	Unanimous decisions	5
7	Calling a directors' meeting	5
8	Participation in directors' meetings	5
9	Quorum for directors' meetings	6
10	Chairing of directors' meetings	6
11	Casting vote	7
12	Voting at directors' meetings	7
13	Exercise of directors' duties	7
14	Directors voting and counting in the quorum	7
15	Appointing and removing directors	8
16	Non-executive directors and the Chairman	8
17	Termination of director's appointment	8
18	Directors' remuneration and other benefits	9
19	Appointment and removal of alternates	9
20	Rights and responsibilities of alternate directors	10
21	Termination of alternate directorship	10
22	Share capital	10
23	Share rights	10
24	Issue of new shares	13
25	Purchase of own shares	13
26	Variation of class rights	14
27	Share certificates	14
28	Share transfers	14
29	Procedure for disposing of fractions of shares	16
30	Dividends and distributions	16
31	Procedure for declaring dividends	16
32	Calculation of dividends	16
33	No interest on distributions	16
34	Non-cash distributions	16
35	Authority to capitalise and appropriation of capitalised sums	16
36	Members can call general meeting if not enough directors	17
37	Adjournment	17
38	No voting of shares on which money owed to Company	17
39	Poll votes	17
40	Delivery of proxy notices	17
41	Class meetings	18
42	Written resolutions	18
43	Company's lien and call notices	18
44	Forfeiture	22
45	Communications	22
46	Failure to notify contact details	23
47	Destruction of documents	23
48	Company seals	24
49	No right to inspect accounts and other records	24
50	Provision for employees on cessation or transfer of business	24
51	Indemnities and funding of defence proceedings	24
52	Insurance	25

THE COMPANIES ACT 2006

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

- OF -

XTX MARKETS LIMITED

(the "Company")

(Adopted by special resolution passed on 27 July 2017)

1 Application of model articles and disapplication of Table A

- 1.1 The model articles of association for private companies contained in Schedule 1 to The Companies (Model Articles) Regulations 2008 (called "**Model Articles**" in these Articles) shall apply to the Company save insofar as they are varied or excluded by, or are inconsistent with, the following Articles.
- 1.2 Model articles 44, 48, 52 to 62 inclusive, 65(2), 69 and 73 contained in Schedule 3 to The Companies (Model Articles) Regulations 2008 (called "**Public Company Model Articles**" in these Articles) shall also apply to the Company save insofar as they are varied or excluded by, or are inconsistent with, the following Articles.

2 Definitions and interpretation

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

the Act: the Companies Act 2006;

alternate: as defined in Article 19 and **alternate director** has a corresponding meaning;

appointor: as defined in Article 19;

Articles: the Company's articles of association;

Bankrupt: a person who (i) petitions for his own bankruptcy or is declared bankrupt, or (ii) applies for an interim order under the Insolvency Act 1986, or (iii) makes a proposal for the adoption of a voluntary arrangement under the Insolvency Act 1986, or (iv) seeks a compromise of his debts with his creditors or any substantial part of his creditors, or (v) takes any action or proceeding in any jurisdiction that has an effect equivalent or similar to any of the actions mentioned in (i) to (iv);

Board: the board of directors of the Company from time to time;

business day: any day other than a Saturday, a Sunday or any other day which is a public holiday in England;

certificate: a paper certificate evidencing a person's title to specified shares or other securities;

Chairman: as defined in Article 16;

clear days: in relation to a period of a notice means that period excluding the day when the notice is deemed to be received (or, if earlier, received) and the day of the meeting;

company: includes any body corporate;

Conflict Situation: a situation in which a director has, or can have, a direct or indirect interest that conflicts, or may possibly conflict, with the interests of the Company, including in relation to the exploitation of any property, information or opportunity and regardless of whether the Company could take advantage of the property, information or opportunity itself, but excluding a situation which could not reasonably be regarded as likely to give rise to a conflict of interest;

financial year and financial period: a financial year (as defined by the Act) of the Company;

Group: the Company and its parent and subsidiary undertakings from time to time, or any of them as the context requires, and "**Group Company**" shall be construed accordingly;

hard copy: as defined in s.1168 of the Act;

holding company: as defined in s.1159 of the Act;

Intellectual Property Rights: Patents, rights to inventions, rights in designs, copyright (including rights in computer software), database rights, utility models, trade marks, rights in Know How and other intellectual property rights, in each case whether registered or unregistered and including applications for registration, and all rights or forms of protection having equivalent or similar effect anywhere in the world;

Know How: unpatented confidential technical and other information, including information comprising or relating to algorithms, concepts, discoveries, data, designs, formulae, ideas, inventions, methods, models, techniques, research plans, procedures, algorithms, routines, software, formulas, development, financial, computer and other models (including models for asset selection and pricing), designs for experiments and tests and results of experimentation and testing (including results of research or development) processes, records, analytical data, data analyses, reports, or summaries;

Market Value: as defined in Article 23.2.2;

member: a person who is the holder of a share;

Ordinary Shareholders: the members from time to time holding Ordinary Shares;

Ordinary Shares: ordinary shares of £1 each in the capital of the Company;

Original IP: the Intellectual Property Rights which were in existence and held by the Company on 24 April 2015, but excluding, for the avoidance of doubt, any and all improvements, enhancements, modifications, replacements and versions of the same;

Original IP Revenue Amount: in respect of each financial year, an amount equal to the aggregate of all amounts received by the Company during that financial year as a result of any sale or licencing by the Company or any other exploitation by a third party of any of the Original IP;

paid: in relation to a share, means paid or credited as paid (as to its nominal value or any premium on it);

parent undertaking: as defined in s.1162 of the Act;

partly paid: in relation to a share, means that part of that share's nominal value or any premium at which it was issued which has not been paid to the Company;

Patents: all patents and patent applications in any country or jurisdiction of the world, including, but not limited to, provisional applications, non-provisional applications, continuations, continuations-in-part, divisionals, registrations, confirmations, validations, revalidations, reissues, re-examinations, renewals, Patent Co-operation Treaty (PCT) applications, utility models, design patents, petty patents, or any patents or patent applications claiming priority to any of the foregoing or claiming the same subject matter as any of the foregoing, as well as all related extensions or restorations of terms thereof;

Patient: a person who lacks capacity as defined in s.2 Mental Capacity Act 2005;

Preference Dividend: the dividend referred to in Article 23.1.1.2, as increased (where relevant) pursuant to Article 23.1.3;

Preference Shareholders: the members from time to time holding Preference Shares;

Preference Shares: Preference Shares of £1 each in the capital of the Company;

Sale:

- (a) the sale of all of the issued shares to a single purchaser (or to one or more purchasers as part of a single transaction); or
- (b) the sale of less than all of the issued shares in circumstances where the purchaser or purchasers is or are (or will upon the agreement or agreements for such sale or any offer to purchase becoming unconditional be) entitled to acquire the issued shares not agreed to be acquired pursuant to such agreement or agreements, or offer in accordance with the provisions of Part 28 Ch 3 of the Act or otherwise;

Sale Proceeds: the consideration payable (including any deferred and/or contingent consideration) whether in cash or otherwise to those shareholders selling shares;

shares: shares of any class in the Company;

subsidiary undertaking: as defined in s.1162 of the Act;

Valuer: the valuer appointed in accordance with Article 23.2.2.2; and

2.2 The Model Articles shall apply as if in Model Article 1 the definitions accompanying the terms “**chairman**”, “**paid**” and “**shares**” were deleted and replaced with the definitions of those terms set out in Article 2.1.

2.3 In these Articles:

2.3.1 the term “**transfer**” shall, unless the context otherwise requires, include:

2.3.1.1 a sale or disposal of any legal or equitable interest in a share and the creation of any charge, mortgage or other encumbrance over any interest in a share, whether or not by the member registered as the holder of that share; and

2.3.1.2 any renunciation or other direction by a person entitled to an allotment, issue or transfer of shares that such shares be allotted, issued or transferred to another person;

2.3.2 any reference to an “**interest**” in the context of any transfer of shares shall include any interest in shares as defined by s.820 of the Act;

2.3.3 any notice, consent, approval or other document or information, including the appointment of a proxy, required to be given in writing may be given in writing in hard copy form or electronic form, save where expressly provided otherwise in these Articles; and

- 2.3.4 any phrase introduced by the terms “including”, “include”, “in particular” or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.
- 2.4 Save as expressly provided otherwise in these Articles, words or expressions contained in the Model Articles, those Public Company Model Articles referred to in Article 1.2 and these Articles bear the same meaning as in the Act as in force from time to time. The last paragraph of Model Article 1 shall not apply.
- 2.5 In the Model Articles, those Public Company Model Articles referred to in Article 1.2 and these Articles, save as expressly provided otherwise in these Articles:
 - 2.5.1 any reference to any statute or statutory provision includes any subordinate legislation made under that statute or statutory provision, whether before, on, or after the date of adoption of these Articles;
 - 2.5.2 any reference to any legislation including to any statute, statutory provision or subordinate legislation (“**Legislation**”) includes a reference to that Legislation as from time to time amended or re-enacted, whether before, on, or after the date of adoption of these Articles; and
 - 2.5.3 any reference to re-enactment includes consolidation and rewriting, in each case whether with or without modification.

3 **Company name**

The name of the Company may be changed by:

- 3.1 special resolution of the members; or
 - 3.2 a decision of the directors; or
- otherwise in accordance with the Act.

4 **Committees**

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

5 **Directors to take decisions collectively**

- 5.1 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 6.
- 5.2 If:
 - 5.2.1 the Company only has one director, and
 - 5.2.2 no provision of these Articles requires it to have more than one director,the general rule does not apply, and the director may take decisions without regard to any of the provisions of these Articles relating to directors’ decision-making including, for the avoidance of doubt, Article 9.
- 5.3 Model Article 9 shall not apply.

6 Unanimous decisions

- 6.1 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.
- 6.2 Such a decision may take the form of a resolution in writing, of which each eligible director has signed one or more copies or to which each eligible director has otherwise indicated agreement in writing.
- 6.3 References in this Article 6 to eligible directors are to directors who would have been entitled to vote on the matter had it been proposed as a resolution at a directors' meeting (but exclude in respect of the authorisation of a Conflict Situation, the director subject to that Conflict Situation).
- 6.4 Notwithstanding the requirements of Articles 6.1 to 6.3:
- 6.4.1 if a person who is an alternate director indicates on behalf of his appointor whether or not he shares the common view his appointor is not also required to do so in order to satisfy those requirements;
- 6.4.2 if a director who has appointed an alternate indicates pursuant to Article 6.1 whether or not he shares the common view his alternate is not also required to do so in order to satisfy those requirements.
- 6.5 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.
- 6.6 Model Article 8 shall not apply.

7 Calling a directors' meeting

- 7.1 Any director may call a directors' meeting by giving 10 business days' notice of the meeting to the directors or by authorising the company secretary (if any) to give such notice.
- 7.2 Notice of any directors' meeting must indicate:
- 7.2.1 its proposed date and time;
- 7.2.2 where it is to take place; and
- 7.2.3 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.
- 7.3 Notice of a directors' meeting must be given to each director.
- 7.4 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.

8 Participation in directors' meetings

- 8.1 Subject to these Articles, directors (or their alternates) participate in a directors' meeting, or part of a directors' meeting, when:
- 8.1.1 the meeting has been called and takes place in accordance with these Articles; and

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

8.2 In determining whether directors (or their alternates) are participating in a directors' meeting, it is irrelevant where any director (or his alternate) is or how they communicate with each other.

8.3 If all the directors (or their alternates) participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is. In default of such a decision, the meeting shall be treated as being held where the majority of the directors (or their alternates) are located or, if there is no such majority, where the Chairman is located.

8.4 Model Article 10 shall not apply.

9 Quorum for directors' meetings

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

9.2 Unless otherwise stated in these Articles, the quorum for directors' meetings shall be two directors.

9.3 For the purposes of any directors' meeting, (or part of a meeting) at which it is proposed to authorise a Conflict Situation in respect of one or more directors, if there is only one director in office other than the director or directors subject to the Conflict Situation, the quorum for such meeting (or part of a meeting) shall be one director.

9.4 At a directors' meeting:

9.4.1 a director who is also an alternate director may be counted more than once for the purposes of determining whether a quorum is participating;

9.4.2 a person who is an alternate director, but is not otherwise a director, shall be counted as participating for the purposes of determining whether a quorum is participating,

but only, in each case, if that director's or other person's appointor is not participating. If on that basis there is a quorum the meeting may be held notwithstanding the fact (if it is the case) that only one director is participating.

9.5 If a quorum of directors required in accordance with Article 9.2 is not present within half an hour of the appointed time for the meeting, the meeting shall be adjourned to the same time and place on a date not less than 10 business days after the date of the original meeting and at that adjourned meeting the quorum shall be any one director.

9.6 If the total number of directors from time to time is less than the quorum required, the directors must not take any decision other than a decision:

9.6.1 to appoint further directors; or

9.6.2 to call a general meeting so as to enable the members to appoint further directors.

9.7 Model Article 11 shall not apply.

10 Chairing of directors' meetings

10.1 The Chairman shall chair each directors' meeting at which he is present. If there is no director holding that office, or if the Chairman is unwilling to chair the directors' meeting or is

not participating in the meeting within ten minutes after the time at which it was to start, the participating directors must appoint one of themselves to chair it.

10.2 Model Article 12 shall not apply.

11 **Casting vote**

In the case of an equality of votes, the Chairman shall not have a second or casting vote. Model Article 13 shall not apply.

12 **Voting at directors' meetings**

12.1 Subject to these Articles, each director participating in a directors' meeting has one vote.

12.2 A director who is also an alternate director has an additional vote on behalf of his appointor provided:

12.2.1 his appointor is not participating in the directors' meeting; and

12.2.2 in respect of a particular matter:

12.2.2.1 his appointor would have been entitled to vote if he were participating in it; and

12.2.2.2 the matter is not the authorisation of a Conflict Situation of the appointor.

12.3 A person who is an alternate director, but is not otherwise a director, only has a vote if:

12.3.1 his appointor is not participating in the directors' meeting; and

12.3.2 in respect of a particular matter:

12.3.2.1 his appointor would have been entitled to vote if he were participating in it; and

12.3.2.2 the matter is not the authorisation of a Conflict Situation of the appointor.

13 **Exercise of directors' duties**

13.1 If a Conflict Situation arises, the directors may with the prior written consent of Ordinary Shareholders holding more than 50 per cent of the Ordinary Shares then in issue authorise it for the purposes of s.175(4)(b) of the Act by a decision of the directors made in accordance with that section and these Articles. At the time of the authorisation, or at any time afterwards, the directors may impose any limitations or conditions or grant the authority subject to such terms which (in each case) they consider appropriate and reasonable in all the circumstances. Any authorisation may be revoked or varied at any time in the discretion of the directors.

13.2 Model Article 14 shall not apply.

14 **Directors voting and counting in the quorum**

Save as otherwise specified in these Articles or the Act and subject to any limitations, conditions or terms attaching to any authorisation given by the directors for the purposes of s.175(4)(b) of the Act, a director (or his alternate) may vote on, and be counted in the quorum in relation to any decision of the directors relating to a matter in which he (or, in the case of an alternate, he or his appointor) has, or can have, a direct or indirect interest or duty, including:

- 14.1 an interest or duty which conflicts, or possibly may conflict, with the interests of the Company; and
- 14.2 an interest arising in relation to an existing or a proposed transaction or arrangement with the Company.

15 **Appointing and removing directors**

- 15.1 Any person who is willing to act as a director, and is permitted by law to do so, may be appointed to be a director:
 - 15.1.1 by ordinary resolution; or
 - 15.1.2 by a decision of the directors; or
 - 15.1.3 by notice in writing from the holders from time to time of shares carrying a majority of the votes capable of being cast at a general meeting on all, or substantially all, matters (and any director may in like manner at any time and from time to time be removed from office); or
 - 15.1.4 pursuant to Article 16.
- 15.2 In any case where, as a result of death, the Company has no members and no directors, the personal representatives of the last member to have died have the right, by notice in writing, to appoint a person to be a director.
- 15.3 For the purposes of Article 15.2, where two or more members die in circumstances rendering it uncertain who was the last to die, a younger member is deemed to have survived an older member.
- 15.4 Model Article 17 shall not apply.

16 **Non-executive directors and the Chairman**

The directors may appoint one or more persons as non-executive directors of the Company. In addition, the directors may appoint one non-executive director to act as the chairman of the Board (the "**Chairman**"). The directors may in like manner at any time and from time to time remove from office any person appointed pursuant to this Article and appoint any person in place of any person so removed or dying or otherwise vacating office.

17 **Termination of director's appointment**

- 17.1 A person ceases to be a director as soon as:
 - 17.1.1 that person ceases to be a director by virtue of any provision of the Act or is prohibited from being a director by law;
 - 17.1.2 that person becomes a Bankrupt;
 - 17.1.3 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 or that person otherwise becomes a Patient;
 - 17.1.4 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;
 - 17.1.5 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;

- 17.1.6 in the case of a non-executive director, a resolution to remove such person as a director is passed pursuant to Article 16; or
- 17.1.7 notification is received by the Company of the removal of the director from office in accordance with Articles 15.1.3 or 17.2.
- 17.2 In addition and without prejudice to the provisions of s.168 of the Act, the Company may by ordinary resolution remove any director before the expiration of his period of office and may by ordinary resolution appoint another director in his place.
- 17.3 Model Article 18 shall not apply.
- 18 **Directors' remuneration and other benefits**
- 18.1 A director may undertake any services for the Company that the directors decide.
- 18.2 Remuneration may, with the prior written approval of Ordinary Shareholders holding more than 50 per cent of the Ordinary Shares then in issue, be paid to any director:
 - 18.2.1 for his services to the Company as a director; and
 - 18.2.2 for any other service which he undertakes for the Company.
- 18.3 Subject to these Articles, a director's remuneration may:
 - 18.3.1 take any form; and
 - 18.3.2 include any arrangements in connection with the payment of a pension, allowance or gratuity, or any death, sickness or disability benefits, to or in respect of that director.
- 18.4 Unless the directors decide otherwise, with the consent of Ordinary Shareholders holding more than 50 per cent of the Ordinary Shares then in issue, a director's remuneration accrues from day to day.
- 18.5 Unless the directors decide otherwise, with the consent of Ordinary Shareholders holding more than 50 per cent of the Ordinary Shares then in issue, no director is accountable to the Company for any remuneration or other benefit which he receives as a director or other officer or employee of any of the Company's subsidiary undertakings or of any parent undertaking of the Company from time to time or of any other body corporate in which the Company or any such parent undertaking is interested.
- 18.6 Model Article 19 shall not apply.
- 19 **Appointment and removal of alternates**
- 19.1 Any director (the "appointor") may appoint as an alternate any other director or any other person approved by a decision of the directors:
 - 19.1.1 to exercise that director's powers and carry out that director's responsibilities in relation to the taking of decisions by the directors; and
 - 19.1.2 generally to perform all the functions of that director's appointor as a director, in each case in the absence of the alternate's appointor.
- 19.2 Any appointment or removal of an alternate must be effected by notice in writing to the Company signed by the appointor, or in any other manner approved by the directors.
- 19.3 The notice must:

- 19.3.1 identify the proposed alternate; and
- 19.3.2 confirm that the proposed alternate is willing to act as the alternate of the director giving the notice.
- 19.4 No person may be appointed as alternate to more than one director of the Company.
- 20 **Rights and responsibilities of alternate directors**
 - 20.1 An alternate director has the same rights, in relation to any directors' meeting or a decision taken in accordance with Article 6, as the alternate's appointor.
 - 20.2 Except as these Articles specify otherwise, alternate directors:
 - 20.2.1 are deemed for all purposes to be directors;
 - 20.2.2 are liable for their own acts and omissions;
 - 20.2.3 are subject to the same restrictions as their appointors; and
 - 20.2.4 are not deemed to be agents of or for their appointors.
 - 20.3 An alternate director is not entitled to receive any remuneration from the Company for serving as an alternate director except such part of the alternate's appointor's remuneration as the appointor may direct by notice in writing made to the Company.
- 21 **Termination of alternate directorship**

An alternate director's appointment as an alternate terminates:

 - 21.1 when the alternate's appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate;
 - 21.2 on the occurrence in relation to the alternate of any event which, if it occurred in relation to the alternate's appointor, would result in the termination of the appointor's appointment as a director;
 - 21.3 on the death of the alternate's appointor; or
 - 21.4 when the alternate's appointor's appointment as a director terminates.
- 22 **Share capital**

The share capital of the Company at the date of adoption of these Articles is divided into Ordinary Shares and Preference Shares.
- 23 **Share rights**

The Ordinary Shares and the Preference Shares shall have the following rights and be subject to the following restrictions:

 - 23.1 **Income**
 - 23.1.1 Amounts which the Company may resolve to distribute in respect of any financial year shall be applied in the following order of priority:
 - 23.1.1.1 first, in paying to the Preference Shareholders any arrears of the Preference Dividend as a result of the Preference Dividend not having been paid in full in any prior financial year during which the Preference Shares have been in issue, such dividend being apportioned amongst the Preference

Shareholders in proportion to the numbers of Preference Shares held by them respectively;

23.1.1.2 second, in paying to the Preference Shareholders a cumulative dividend equal to the Original IP Revenue Amount in respect of that financial year, such dividend being apportioned amongst the Preference Shareholders in proportion to the numbers of Preference Shares held by them respectively; and

23.1.1.3 third, any balance which the Company may resolve to distribute shall be apportioned amongst the Ordinary Shareholders in proportion to the numbers of Ordinary Shares held by them respectively.

23.1.2 The Preference Dividend shall be:

23.1.2.1 payable on 31 March in every year, the first dividend on any Preference Share to be payable on the first of such payment dates falling after its date of issue (or, in the case of a share which is redesignated as a Preference Share, the date on which such redesignation takes place) in respect of the period from the date of issue (or, in the case of a share which is redesignated as a Preference Share, the date on which such redesignation takes place) to that payment date; and

23.1.2.2 shall be due and payable on the dates stipulated and, notwithstanding the fact that it is expressed to be "cumulative", the amounts due and payable on those dates shall, without any decision of the directors or the Company, become a debt due from and immediately payable by the Company to the Preference Shareholders entitled to such dividend(s) (subject only to there being profits out of which the dividends may lawfully be paid).

23.1.3 Any amounts in respect of the Preference Dividend which are not paid on the due date shall (whether or not there were available to the Company any distributable profits or other funds out of which the same could have been paid) be increased by an amount equivalent to interest thereon at the then prevailing rate on the Company's overdraft account until the actual date of payment, such amount accruing daily and being compounded at yearly rests.

23.2 Capital

23.2.1 On a return of capital on liquidation, reduction of capital, or otherwise, the surplus assets of the Company remaining after payment of its liabilities shall be applied in the following order of priority:

23.2.1.1 first, in paying to the Preference Shareholders any arrears or accruals of the Preference Dividend as at the date of the return of capital, irrespective of whether such dividends have been declared or not;

23.2.1.2 second, in paying to the Preference Shareholders an amount equal to the Market Value (as at the date of the return of capital) of the Original IP held by the Company, such amount being apportioned amongst the Preference Shareholders in proportion to the numbers of Preference Shares held by them respectively; and

- 23.2.1.3 third, any balance remaining shall be apportioned amongst the Ordinary Shareholders in proportion to the numbers of Ordinary Shares held by them respectively.
- 23.2.2 For the purposes of Article 23.2, "**Market Value**" shall mean:
- 23.2.2.1 the amount agreed between the Company and the Preference Shareholders; or
- 23.2.2.2 if no amount can be agreed within 14 days of either the Preference Shareholders or the Company serving written notice on the Company or the Preference Shareholders, as the case may be, stating what it considers to be the Market Value of the Preference Shares, the price determined by the Valuer, acting as expert and not as arbitrator, to be the market value of the Original IP held by the Company, being the amount which, in the opinion of the Valuer, a willing purchaser would offer to a willing vendor at arm's length for the Original IP held by the Company. The identity of the "**Valuer**" shall be agreed between the Company and the Preference Shareholders, or, if no agreement can be reached within [seven] days of seeking to do so, as nominated by the President from time to time of the Institute of Chartered Accountants in England and Wales on the application of the Company and appointed by, and at the expense of, the Company. The fees of the Valuer shall be paid by the Company and the Company shall procure that the Valuer is given all such assistance and access to all such information in its possession or control as the Valuer may reasonably require in order to determine the Market Value.
- 23.2.3 The determination of the Market Value by the Valuer shall, in the absence of fraud or manifest error, be final and binding on the Company and each of the Preference Shareholders.
- 23.3 **Sale Proceeds**
- On a Sale, the Sale Proceeds shall be apportioned between the members in the order of priority set out in Article 23.2 as if such Sale Proceeds were a distribution of surplus assets.
- 23.4 **Voting**
- 23.4.1 Each Ordinary Share shall entitle its holder to receive notice of and attend any general meeting of the Company.
- 23.4.2 On a vote:
- 23.4.2.1 on a show of hands, every Ordinary Shareholder who (being an individual) is present in person or (being a company) is present by a representative shall have one vote and every proxy duly appointed by one or more Ordinary Shareholders (or, where more than one proxy has been duly appointed by the same member, all the proxies appointed by that member taken together) shall have one vote, save that a proxy shall have one vote for and one vote against the resolution if:
- (i) the proxy has been duly appointed by more than one Ordinary Shareholder entitled to vote on the resolution; and
- (ii) the proxy has been instructed by one or more of those Ordinary Shareholders to vote for the resolution and by

one or more other of those Ordinary Shareholders to vote against it; and

23.4.2.2 on a poll, every Ordinary Shareholder who (being an individual) is present in person or by one or more duly appointed proxies or (being a company) by a representative or by one or more duly appointed proxies shall have one vote for every Ordinary Share of which he is the holder; and

23.4.2.3 on a written resolution every Ordinary Shareholder shall have one vote for every Ordinary Share of which he is the holder.

23.4.3 The Preference Shares shall not entitle their holders to receive notice of, or attend, any general or other meetings of the Company, nor to receive copies of any resolutions proposed as written resolutions, nor to vote at any such meeting or to agree to any proposed written resolution.

24 Issue of new shares

24.1 Subject to Article 24.4, the Company has the power to allot and issue shares and to grant rights to subscribe for, or to convert any security into, shares pursuant to those rights.

24.2 If the Company has at any time only one class of shares, the directors may only exercise the power of the Company to allot and issue shares or to grant rights to subscribe for, or to convert any security into, shares in accordance with s.551 of the Act. The powers of the directors pursuant to s.550 of the Act shall be limited accordingly.

24.3 Pursuant to s.567 of the Act, the provisions of ss.561 and 562 of the Act shall be excluded and shall not apply to the Company.

24.4 Otherwise than with the prior written consent of members holding more than 50 per cent. of the Ordinary Shares in issue, no shares shall be issued to any person unless the Company has first offered to each holder of Ordinary Shares, in accordance with and subject to the provisions of Articles 24.5 and 24.6 and at the same price in cash, the proportion of those shares that is equal to the proportion of the total number of Ordinary Shares then in issue that is represented by the Ordinary Shares held by that holder ("**New Issue Proportion**").

24.5 An offer ("**Offer**") of shares:

24.5.1 shall specify a period of not fewer than 10 business days and not more than 15 business days within which the Offer must be accepted, failing which it will lapse (a "**New Issue Offer Period**");

24.5.2 may stipulate that any holder of Ordinary Shares who wishes to subscribe for a number of shares in excess of his New Issue Proportion must, in his acceptance, state how many additional shares he wishes to subscribe for, in which case any shares not accepted by other holders of Ordinary Shares will be used to satisfy the request for additional New Securities pro rata to each requesting shareholder's New Issue Proportion, provided that no such requesting shareholder shall be obliged to take more than the maximum number of New Securities stated by it.

24.6 If any shares are not taken up pursuant to Articles 24.4 and 24.5 (the "**Excess New Shares**"), the Excess New Shares may be offered by the Company to any person (other than a holder of Ordinary Shares) at a price that is not less than the price, and otherwise on terms that are not more favourable than the terms, set out in the Offer, provided that no Excess New Shares shall be issued more than three months after the end of the New Issue Offer Period unless the procedure in Articles 24.4 and 24.5 is repeated in respect of those Excess New Shares.

25 Purchase of own shares

- 25.1 The Company may purchase its own shares in accordance with the provisions of the Act.
- 25.2 The Company may finance the purchase of its own shares in any way permitted by the Act including by way of cash reserves up to the limits provided by the Act.
- 26 Variation of class rights**
- 26.1 Whenever the capital of the Company is divided into different classes of shares, the rights attached to any class may be varied or abrogated either whilst the Company is a going concern, or during or in contemplation of a winding up, with the consent in writing of the holders of 75 per cent of the issued shares of the class or with the sanction of a special resolution passed at a separate meeting of the holders of that class.
- 26.2 The rights attached to any class of shares shall not (unless otherwise provided by the rights attached to the shares of that class) be deemed to be varied by the creation or issue of further shares ranking in some or all respects *pari passu* with or in priority to those shares or by the purchase or redemption by the Company of any of its own shares.
- 27 Share certificates**
- 27.1 Model Article 24 shall be modified by the deletion of Model Article 24(2) and its replacement with the following paragraph:
- "Every certificate must specify: (a) in respect of how many shares, of what class, it is issued; (b) the nominal value of those shares; (c) the amount paid up on them; and (d) any distinguishing numbers assigned to them."
- 28 Share transfers**
- 28.1 Shares may be transferred by means of an instrument of transfer in any usual form or any other form approved by the directors, which is executed by or on behalf of (a) the transferor; and (b) (if any of the shares is partly paid) the transferee.
- 28.2 No fee may be charged for registering any instrument of transfer or other document relating to or affecting the title to any share.
- 28.3 The Company may retain any instrument of transfer which is registered.
- 28.4 The transferor remains the holder of a share until the transferee's name is entered in the register of members as holder of it.
- 28.5 Subject only to Article 28.6, the directors shall register any transfer of shares made in accordance with these Articles within 21 days of the following being lodged at the Company's registered office or such other place as the directors have appointed:
- 28.5.1 the duly stamped instrument of transfer; and
- 28.5.2 the certificate for the shares to which the transfer relates or an indemnity in lieu of the certificate in a form reasonably satisfactory to the directors.
- 28.6 Subject to Article 28.10, the directors may refuse to register the transfer of a share if:
- 28.6.1 the share is not fully paid;
- 28.6.2 the transfer is not lodged at the Company's registered office or such other place as the directors have appointed;
- 28.6.3 the transfer is not accompanied by the certificate for the shares to which it relates, or such other evidence as the directors may reasonably require to show the transferor's right to make the transfer, or evidence of the right of

- someone other than the transferor to make the transfer on the transferor's behalf;
 - 28.6.4 the transfer is in respect of more than one class of share;
 - 28.6.5 the transfer is in favour of more than four transferees; or
 - 28.6.6 the transfer is in favour of a person under the age of 18, a Bankrupt or a Patient.
- 28.7 If the directors refuse to register the transfer of a share, they shall:
 - 28.7.1 send to the transferee notice of refusal, together with the reasons for the refusal, as soon as practicable and in any event within two months of the date on which the instrument of transfer was lodged with the Company;
 - 28.7.2 return the instrument of transfer to the transferee with the notice of refusal unless they suspect that the proposed transfer may be fraudulent.
- 28.8 For the purpose of ensuring that a transfer of shares is authorised under these Articles, the directors may from time to time require any member or past member or any person named as transferee in any instrument of transfer lodged for registration to provide to the Company such information as the directors reasonably think fit regarding any matter which they consider relevant. Unless that information is supplied within 30 days of the date of the request, the directors may declare the shares in question to be subject to the restrictions set out in s.454 Companies Act 1985 until such time as that information is supplied or (as the case may be) may refuse to register the relevant transfer.
- 28.9 Reference in Article 28.8 to a member or past member includes the personal representatives, trustee in bankruptcy, receiver or liquidator of any member and any deputy or other person authorised by the Court of Protection to act on behalf of a Patient.
- 28.10 Notwithstanding anything contained in these Articles:
 - 28.10.1 the directors (or director if there is only one) of the Company may not decline to register any transfer of shares in the Company nor suspend registration of any such shares; and
 - 28.10.2 a holder of shares in the Company is not required to comply with any provision of the Articles which restricts the transfer of shares or which requires any such shares to be first offered to all or any current shareholders of the Company before any transfer may take place,

where in any such case the transfer is or is to be:

 - 28.10.2.1 in favour of any person, bank or institution to which such shares have been mortgaged or charged by way of security (or by any nominee of such person, bank or institution) pursuant to a power of sale under such security;
 - 28.10.2.2 executed by a receiver or manager appointed by or on behalf of any such person, bank or institution under any such security, or;
 - 28.10.2.3 to any such person, bank or institution (or to its nominee) pursuant to any such security.
- 28.11 Model Article 26 shall not apply.

29 **Procedure for disposing of fractions of shares**

Public Company Model Article 69(2)(b) shall apply as if the words "in the case of a certificated share," were deleted.

30 **Dividends and distributions**

The provisions of Articles 31, 32 and 34 are subject to Article 23.1.

31 **Procedure for declaring dividends**

31.1 The Company may by ordinary resolution declare dividends, and the directors may decide to pay interim dividends. No dividend may exceed the amount recommended by the directors.

31.2 No dividend may be declared or paid unless it is in accordance with members' respective rights.

31.3 Unless the members' resolution to declare or directors' decision to pay a dividend, or the rights attached to the shares, specify otherwise, it must be paid by reference to each member's holding of shares on the date of the resolution or decision to declare or pay it.

31.4 Model Article 30 shall not apply.

32 **Calculation of dividends**

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

32.1.1 declared and paid according to the amounts paid up (as to nominal value) on the shares on which the dividend is paid; and

32.1.2 apportioned and paid proportionately to the amounts paid up (as to nominal value) on the shares during any portion or portions of the period in respect of which the dividend is paid.

32.2 If any share is issued on terms providing that it ranks for dividend as from a particular date, that share ranks for dividend accordingly.

32.3 For the purposes of calculating dividends, no account is to be taken of any amount which has been paid up on a share in advance of the due date for payment of that amount.

33 **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 the rights attached to the share. Model Article 32 shall not apply.

34 **Non-cash distributions**

Model Article 34(1) shall apply as if the words "Subject to the terms of issue of the share in question" were deleted and replaced with the words "Subject to the rights attaching to the share in question".

35 **Authority to capitalise and appropriation of capitalised sums**

Model Article 36(4) shall apply as if the words:

"(a) in or towards paying up any amounts unpaid on existing shares held by the persons entitled or (b)"

were inserted before the words "in paying up new debentures of the Company".

36 Members can call general meeting if not enough directors

If:

36.1 the Company has only one director or no directors, and

36.2 the director (if any) is unable or unwilling to appoint sufficient directors to make up a quorum or to call a general meeting to do so,

then two or more members (or if the Company only has one member, such member) may call a general meeting (or instruct the company secretary (if any) to do so) for the purpose of appointing one or more directors.

37 Adjournment

Model Article 41(5) shall apply as if the words "(that is, excluding the day of the adjourned meeting and the day on which the notice is given)" were deleted.

38 No voting of shares on which money owed to Company

Unless all amounts payable to the Company in respect of a particular share have been paid:

38.1 no voting rights attached to that share may be exercised at any general meeting, at any adjournment of it, or on any poll called at or in relation to it; and

38.2 the holder of that share does not constitute an eligible member in relation to any written resolution proposed to the holders of such shares.

39 Poll votes

Model Article 44 shall apply as if:

39.1 Model Articles 44(1)(a) and 44(2)(b) were deleted; and

39.2 the words "immediately and in such manner" in Model Article 44(4) were deleted and replaced by the words "when, where and in such manner".

40 Delivery of proxy notices

40.1 Any notice of a general meeting must specify the address or addresses ("**proxy notification address**") at which the Company or its agents will receive proxy notices relating to that meeting, or any adjournment of it, delivered in hard copy or electronic form.

40.2 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.

40.3 Subject to Articles 40.4 and 40.5, a proxy notice must be delivered to a proxy notification address not less than 24 hours before the general meeting or adjourned meeting to which it relates.

40.4 In the case of a poll taken more than 48 hours after it is demanded, the notice must be delivered to a proxy notification address not less than 24 hours before the time appointed for the taking of the poll.

40.5 In the case of a poll not taken during the meeting but taken not more than 48 hours after it was demanded, the proxy notice must be delivered:

- 40.5.1 in accordance with Article 40.3; or
- 40.5.2 at the meeting at which the poll was demanded to the chairman of the meeting, company secretary (if any) or any director.
- 40.6 The directors may, in their sole discretion, determine from time to time that in calculating the periods referred to in Articles 40.3 and 40.4 no account shall be taken of any part of a day that is not a working day.
- 40.7 A proxy notice which is not delivered in accordance with Articles 40.3, 40.4 or 40.5 shall be invalid unless the directors, in their sole discretion, accept the proxy notice at any time before the meeting.
- 40.8 An appointment under a proxy notice may be revoked by delivering to a proxy notification address a notice in writing given by or on behalf of the person by whom or on whose behalf the proxy notice was given.
- 40.9 A notice revoking a proxy appointment only takes effect if it is delivered before:
 - 40.9.1 the start of the meeting or adjourned meeting to which it relates; or
 - 40.9.2 (in the case of a poll not taken on the same day as the meeting or adjourned meeting) the time appointed for taking the poll to which it relates.
- 40.10 If a proxy notice is not signed by the person appointing the proxy, it must be accompanied by written evidence, satisfactory to the directors, of the authority of the person who signed it to do so on the appointor's behalf.
- 40.11 If more than one proxy notice relating to the same share is delivered for the purposes of the same meeting, the proxy notice last delivered shall prevail in conferring authority on the person named in the notice to attend the meeting and vote. A proxy notice in electronic form found by the Company to contain a computer virus shall not be accepted by the Company and shall be invalid.
- 40.12 Model Article 46 shall not apply.

41 **Class meetings**

Section 334 of the Act and the provisions of these Articles relating to general meetings shall, with necessary modifications, apply to separate meetings of the holders of any class of shares, but so that any holder of shares of the class in question present in person or by proxy may demand a poll.

42 **Written resolutions**

A proposed written resolution shall lapse if it is not passed before the end of the period of 21 days beginning with the circulation date (as determined in accordance with the Act).

43 **Company's lien and call notices**

43.1 **Company's lien**

43.1.1 The Company has a lien (the "**Company's lien**") over every share in respect of any monies which are owed to the Company by a member (including, without limitation, pursuant to any loan made by the Company to a member) and which are payable immediately or at some time in the future, whether or not a demand for repayment has been made by the Company in respect of such monies.

43.1.2 The Company's lien over a share—

- 43.1.2.1 takes priority over any third party's interest in that share, and
 - 43.1.2.2 extends to any dividend or other money payable by the company in respect of that share and (if the lien is enforced and the share is sold by the company) the proceeds of sale of that share.
- 43.1.3 The directors may at any time decide (with the consent of Ordinary Shareholders holding more than 50 per cent of the Ordinary Shares then in issue) that a share which is or would otherwise be subject to the Company's lien shall not be subject to it, either wholly or in part.
- 43.2 **No lien over charged shares**

Notwithstanding Article 43.1 above, or anything else to the contrary contained in these Articles or the Model Articles, the Company shall have no lien on any share that has been charged to a bank, lender, financial institution or other person (or any affiliate of, or nominee or other entity acting on behalf of such a bank, lender, financial institution or other person) by a member by way of security.
- 43.3 **Enforcement of the company's lien**
 - 43.3.1 Subject to the provisions of this Article 43.2, if:
 - 43.3.1.1 a lien enforcement notice "(a "**lien enforcement notice**") has been given in respect of a share, and
 - 43.3.1.2 the person to whom the notice was given has failed to comply with it,

the Company may sell that share in such manner as the directors (with the consent of an Ordinary Shareholders holding more than 50 per cent of the Ordinary Shares then in issue) decide.
 - 43.3.2 A lien enforcement notice:
 - 43.3.2.1 may only be given in respect of a share which is subject to the Company's lien, in respect of a sum which is payable and the due date for payment of that sum has passed;
 - 43.3.2.2 must specify the share concerned;
 - 43.3.2.3 must require payment of the sum payable within 14 days of the notice;
 - 43.3.2.4 must be addressed either to the holder of the share or to a person entitled to it by reason of the holder's death, bankruptcy or otherwise; and
 - 43.3.2.5 must state the Company's intention to sell the share if the notice is not complied with.
 - 43.3.3 Where shares are sold under this Article 43.2:
 - 43.3.3.1 the directors may authorise any person to execute an instrument of transfer of the shares to the purchaser or a person nominated by the purchaser, and
 - 43.3.3.2 the transferee is not bound to see to the application of the consideration, and the transferee's title is not affected by any irregularity in or invalidity of the process leading to the sale.

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

43.3.4.1 first, in payment of the sum for which the lien exists as was payable at the date of the lien enforcement notice,

43.3.4.2 second, to the person entitled to the shares at the date of the sale, but only after the certificate for the shares sold has been surrendered to the Company for cancellation or an indemnity in lieu of the certificate in a form reasonably satisfactory to the directors has been given for any lost certificates, and subject to a lien equivalent to the Company's lien over the shares before the sale for any money payable in respect of the shares after the date of the lien enforcement notice.

43.3.5 A statutory declaration by a director or the company secretary that the declarant is a director or the company secretary and that a share has been sold to satisfy the Company's lien on a specified date:

43.3.5.1 is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share, and

43.3.5.2 subject to compliance with any other formalities of transfer required by the articles or by law, constitutes a good title to the share.

43.4 **Call notices**

43.4.1 Subject to these Articles and the terms on which shares are allotted, the directors may send a notice (a "**call notice**") to a member requiring the member to pay the Company a specified sum of money (a "**call**") which is due and payable by that member at the date when the directors decide to send the call notice.

43.4.2 A call notice:

43.4.2.1 may not require a member to pay a call which exceeds the total sum due and payable by that member;

43.4.2.2 must state when and how any call to which it relates it is to be paid; and

43.4.2.3 may permit or require the call to be paid by instalments.

43.4.3 A member must comply with the requirements of a call notice, but no member is obliged to pay any call before 14 days have passed since the notice was sent.

43.4.4 Before the Company has received any call due under a call notice the directors may:

43.4.4.1 revoke it wholly or in part, or

43.4.4.2 specify a later time for payment than is specified in the notice,

by a further notice in writing to the member in respect of whose shares the call is made.

43.5 **Liability to pay calls**

- 43.5.1 Liability to pay a call is not extinguished or transferred by transferring the shares in respect of which it is required to be paid.
- 43.5.2 Joint holders of a share are jointly and severally liable to pay all calls in respect of that share.
- 43.5.3 Subject to the terms on which shares are allotted, the directors may, when issuing shares, provide that call notices sent to the holders of those shares may require them—
 - 43.5.3.1 to pay calls which are not the same, or
 - 43.5.3.2 to pay calls at different times.

43.6 **When call notice need not be issued**

- 43.6.1 A call notice need not be issued in respect of sums which are specified, in the terms on which a share is allotted, as being payable to the Company in respect of that share (whether in respect of nominal value or premium):
 - 43.6.1.1 on allotment;
 - 43.6.1.2 on the occurrence of a particular event; or
 - 43.6.1.3 on a date fixed by or in accordance with the terms of issue.
- 43.6.2 But if the due date for payment of such a sum has passed and it has not been paid, the holder of the share concerned is treated in all respects as having failed to comply with a call notice in respect of that sum, and is liable to the same consequences as regards the payment of interest and forfeiture.

43.7 **Failure to comply with call notice: automatic consequences**

- 43.7.1 If a person is liable to pay a call and fails to do so by the call payment date—
 - 43.7.1.1 the directors may issue a notice of intended forfeiture to that person, and
 - 43.7.1.2 until the call is paid, that person must pay the company interest on the call from the call payment date at the relevant rate.
- 43.7.2 For the purposes of this article—
 - 43.7.2.1 the “call payment date” is the time when the call notice states that a call is payable, unless the directors give a notice specifying a later date, in which case the “call payment date” is that later date;
 - 43.7.2.2 the “relevant rate” is
 - (i) such rate as was fixed in the call notice which required payment of the call, or has otherwise been determined by the directors; or
 - (ii) if no rate is fixed in either of these ways, 5 per cent per annum.
- 43.7.3 The relevant rate must not exceed by more than 5 percentage points the base lending rate most recently set by the Monetary Policy Committee of the Bank of

England in connection with its responsibilities under Part 2 of the Bank of England Act 1998(a).

- 43.7.4 The directors may waive any obligation to pay interest on a call wholly or in part.

44 **Forfeiture**

- 44.1 Public Company Model Article 58 shall apply as if existing paragraphs 58(d) and (e) were re-designated as paragraphs 58(e) and (f) respectively and as if a new paragraph 58(d) were inserted as follows:

"may require payment of all costs and expenses that may have been incurred by the Company by reason of such non-payment by a date which is not less than 14 days after the date of the notice".

- 44.2 Public Company Model Article 60(3)(d) shall apply as if the words "and any costs and expenses required by the Company to be paid pursuant to the Articles" were inserted after the words "(whether accrued before or after the date of forfeiture)".

- 44.3 Public Company Model Article 60(4) shall apply as if the words "and costs and expenses (if any)" were inserted after the words "all calls and interest".

45 **Communications**

- 45.1 The company communications provisions (as defined in the Act) shall also apply to any document or information not otherwise authorised or required to be sent or supplied by or to a company under the Companies Acts but to be sent or supplied pursuant to these Articles:

45.1.1 by or to the Company; or

45.1.2 by or to the directors acting on behalf of the Company.

- 45.2 The provisions of s.1168 of the Act (hard copy and electronic form and related expressions) shall apply to the Company as if the words "and the Articles" were inserted after the words "the Companies Acts" in ss.1168(1) and 1168(7).

- 45.3 Section 1147 of the Act shall apply to any document or information to be sent or supplied by the Company to its members under the Companies Acts or pursuant to these Articles as if:

45.3.1 in s.1147(2) the words "or by airmail (whether in hard copy or electronic form) to an address outside the United Kingdom" were inserted after the words "in the United Kingdom";

45.3.2 in s.1147(3) the words "48 hours after it was sent" were deleted and replaced with the words "when sent, notwithstanding that the Company may be aware of the failure in delivery of such document or information.";

45.3.3 a new s.1147(4)(A) were inserted as follows:

"Where the document or information is sent or supplied by hand (whether in hard copy or electronic form) and the Company is able to show that it was properly addressed and sent at the cost of the Company, it is deemed to have been received by the intended recipient when delivered.";

45.3.4 s.1147(5) were deleted.

- 45.4 Proof that a document or information sent by electronic means was sent in accordance with guidance issued by the Institute of Chartered Secretaries and Administrators shall be conclusive evidence that the document or information was properly addressed as required by s.1147(3) of the Act and that the document or information was sent or supplied.

45.5 In the case of members who are joint holders of shares, anything to be agreed or specified by the holder may be agreed or specified by the holder whose name appears first in the register of members. Sched 5, Part 6, para 16(2) of the Act shall apply accordingly.

45.6 Model Article 48 shall not apply.

46 Failure to notify contact details

46.1 If the Company sends two consecutive documents or pieces of information to a member over a period of not less than 12 months and:

46.1.1 each of them is returned undelivered; or

46.1.2 the Company receives notification that neither of them has been delivered;

that member ceases to be entitled to receive documents or information from the Company.

46.2 A member who has ceased to be entitled to receive documents or information from the Company shall become entitled to receive documents or information again by sending the Company:

46.2.1 a new address to be recorded in the register of members; or

46.2.2 if the member has agreed that the Company should use a means of communication other than sending things to such an address, the information that the Company needs to use that means of communication effectively.

47 Destruction of documents

47.1 The Company is entitled to destroy:

47.1.1 all instruments of transfer of shares which have been registered, and all other documents on the basis of which any entries are made in the register of members, from six years after the date of registration;

47.1.2 all notifications of change of address, from two years after they have been recorded; and

47.1.3 all share certificates which have been cancelled from one year after the date of the cancellation.

47.2 If the Company destroys a document in good faith, in accordance with these Articles, and without notice of any claim to which that document may be relevant, it is conclusively presumed in favour of the Company that:

47.2.1 entries in the register purporting to have been made on the basis of an instrument of transfer or other document so destroyed were duly and properly made;

47.2.2 any instrument of transfer so destroyed was a valid and effective instrument duly and properly registered;

47.2.3 any share certificate so destroyed was a valid and effective certificate duly and properly cancelled; and

47.2.4 any other document so destroyed was a valid and effective document in accordance with its recorded particulars in the books or records of the Company.

47.3 This Article does not impose on the Company any liability which it would not otherwise have if it destroys any document before the time at which this Article permits it to do so.

47.4 In this Article, references to the destruction of any document include a reference to its being disposed of in any manner.

48 Company seals

Model Article 49(4)(b) shall not apply.

49 No right to inspect accounts and other records

49.1 Except as provided by law or authorised by the directors or an ordinary resolution of the Company, or pursuant to any shareholders' agreement or other legally binding obligation entered into by the Company with that member from time to time, no person is entitled to inspect any of the Company's accounting or other records or documents merely by virtue of being a member.

49.2 Model Article 50 shall not apply.

50 Provision for employees on cessation or transfer of business

50.1 The directors may, with the consent of Ordinary Shareholders holding more than 50 per cent of the Ordinary Shares then in issue and subject to Article 50.2, exercise the power to make provision for the benefit of persons employed or formerly employed by the Company or any of its subsidiaries in connection with the cessation or the transfer to any person of the whole or part of the undertaking of the Company or that subsidiary.

50.2 Any exercise by the directors of the power to make provision of the kind referred to in Article 50.1 (including, without prejudice to the provisions of Article 18, remuneration) for the benefit of directors, former directors or shadow directors employed or formerly employed by the Company or any of its subsidiaries must be approved by an ordinary resolution of the Company before any payment to or for the benefit of such persons is made.

50.3 Model Article 51 shall not apply.

51 Indemnities and funding of defence proceedings

51.1 This Article 51 shall have effect, and any indemnity provided by or pursuant to it shall apply, only to the extent permitted by, and subject to the restrictions of, the Act. It does not allow for or provide (to any extent) an indemnity which is more extensive than is permitted by the Act and any such indemnity is limited accordingly. This Article 51 is also without prejudice to any indemnity to which any person may otherwise be entitled.

51.2 The Company:

51.2.1 may indemnify any person who is a director of the Company and keep indemnified each such person after he ceases to hold office; and

51.2.2 may indemnify any other person who is an officer (other than an auditor) of the Company; and

51.2.3 may indemnify any person who is a director or other officer (other than an auditor) of any associated company of the Company,

in each case out of the assets of the Company from and against any loss, liability or expense incurred by him or them in relation to the Company or any associated company of the Company by reason of his being or having been a director or other officer of the Company or any such company.

51.3 The Company may indemnify any person who is a director of a company that is a trustee of an occupational pension scheme (as defined in s.235(6) of the Act) out of the assets of the Company from and against any loss, liability or expense incurred by him or them in connection with such company's activities as trustee of the scheme.

51.4 The directors may, subject to the provisions of the Act, exercise the powers conferred on them by ss.205 and 206 of the Act to:

51.4.1 provide funds to meet expenditure incurred or to be incurred in defending any proceedings, investigation or action referred to in those sections or in connection with an application for relief referred to in s.205; or

51.4.2 take any action to enable such expenditure not to be incurred.

51.5 Model Article 52 shall not apply.

52 **Insurance**

52.1 The directors may purchase and maintain insurance at the expense of the Company for the benefit of any person who is or was at any time a director or other officer (other than an auditor) of the Company or of any associated company (as defined in s.256 of the Act) of the Company or a trustee of any pension fund or employee benefits trust for the benefit of any employee of the Company.

52.2 Model Article 53 shall not apply.