

Company No. 09482179

THE COMPANIES ACT 2006
COMPANY LIMITED BY SHARES
SPECIAL RESOLUTION
OF
LUPFAW 413 LIMITED
(the "Company")

CIRCULATION DATE: 21 July 2015

Pursuant to Chapter 2 of Part 13 of the Companies Act 2006 (the "**Act**"), the directors of the Company **HEREBY RESOLVE THAT** the following resolution be passed as a special resolution (the "**Special Resolution**")

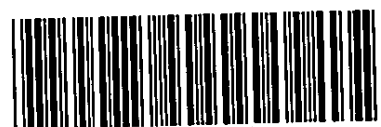
- 1 **THAT** the draft articles of association of the Company attached to this resolution be adopted as the articles of association of the Company in substitution for, and to the exclusion of, the existing articles of association

AGREEMENT

Please read the notes attached to this document before signifying your agreement to the Special Resolution

Pursuant to section 288 of the Act, we the undersigned, being all Eligible Members (as defined in section 289 of the Act) hereby irrevocably pass the Special Resolution set out above

WEDNESDAY



A15 *A4CNNI2Q* 29/07/2015 #313
COMPANIES HOUSE

NAME: RICHARD MICHAEL WEBSTER

SIGNATURE: 

DATE: 21 July 2015

NAME: IAN ROBERT BARDON

SIGNATURE: 

DATE: 21 July 2015

Notes:

If you agree to the Special Resolution, please indicate your agreement by signing and dating this document where indicated above and returning it to the Company using one of the following methods

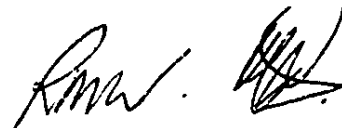
- 1 **BY HAND:** delivering the signed copy to the Company's registered office, or
- 2 **BY POST:** returning the signed copy by post to Company's registered office

If you do not agree to the Special Resolution you do not need to do anything, you will not be deemed to agree if you do not reply. Please only return your agreement to the Special Resolution if you agree to the Special Resolution. Once you have returned your agreement to the Special Resolution to the Company, you may not revoke your agreement.

Where, by the date that falls 28 days after the circulation date shown above insufficient agreement has been received for the Special Resolution to pass, such Special Resolution will lapse. If you agree to the Special Resolution please ensure that your agreement reaches the Company on or before this date.

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 power of attorney or other authority when returning this document.

PRIVATE & CONFIDENTIAL



**lupton fawcett
denison till**
the law of advantage

Dated 21 July 2015

ARTICLES OF ASSOCIATION

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Yorkshire House
East Parade
Leeds
LS1 5BD
Tel 0113 280 2000
www.lf-dt.com

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THE COMPANIES ACT 2006
COMPANY LIMITED BY SHARES

NEW

ARTICLES OF ASSOCIATION

of

LUPFAW 413 LIMITED

(Adopted by a special resolution passed on 21 July 2015)

1. Introduction

- 1 1 The model articles for private companies limited by shares contained or incorporated in Schedule 1 to the Companies (Model Articles) Regulations 2008 (SI 2008/3229) as amended prior to the date of adoption of these articles (the "**Model Articles**") shall apply to the Company, save insofar as they are varied or excluded by, or are inconsistent with, the following Articles
- 1 2 In these Articles and the Model Articles any reference to any statutory provision shall be deemed to include a reference to each and every statutory amendment, modification, re-enactment and extension thereof for the time being in force
- 1 3 In these Articles
- (a) article headings are used for convenience only and shall not affect the construction or interpretation of these Articles,
 - (b) words denoting the singular include the plural and vice versa and reference to one gender includes the other gender and neuter and vice versa,
 - (c) Articles 8(2), 9(4), 10(3), 11(2), 13, 14, 17(2), 17(3), 21, 26(5), 27, 28, 29, 30(5) to (7) (inclusive), 44(4), 51, 52 and 53 of the Model Articles shall not apply to the Company

2 Definitions

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

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

"**Acting in Concert**" has the meaning given to it in The City Code on Takeovers and Mergers published by the Panel on Takeovers and Mergers (as amended from time to time),

"**Associate**" in relation to any person means

(a) any person who is an associate of that person and the question of whether a person is an associate of another is to be determined in accordance with section 435 of the Insolvency Act 1986 and (whether or not an associate as so determined),

(b) any Member of the same Group

"Auditors" means the auditors or accountants of the Company from time to time,

"Bad Leaver" means a person who ceases to be an Employee as a consequence of that person's dismissal as an Employee for cause, where "cause" shall mean the lawful termination of that person's contract of employment or consultancy without notice or payment in lieu of notice as a consequence of that person's misconduct

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

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

"Company" means Lupfaw 413 Limited (Company number 09482179),

"Company's Lien" has the meaning given in Article 23 1,

"Controlling Interest" means an interest in shares giving to the holder or holders control of the Company within the meaning of section 1124 of the CTA 2010,

"CTA 2010" means the Corporation Tax Act 2010,

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

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

"Effective Termination Date" means the date on which the Employee's employment or consultancy terminates [OR the date on which the Employee gives or is given notice to terminate his employment or consultancy],

"electronic address" has the same meaning as in section 333 of the Act,

"electronic form" and **"electronic means"** have the same meaning as in section 1168 of the Act,

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

"Employee" means an individual who is employed by or who provides consultancy services to, the Company or any member of the Group,

"Employee Shareholder" means an Employee who is the registered holder of less than 50% per cent of the Ordinary Shares at the relevant date,

"Employee Shares" in relation to an Employee Shareholder means all Ordinary Shares held by the Employee Shareholder in question,

"Encumbrance" means any mortgage, charge, security, interest, lien, pledge, assignment by way of security, equity, claim, right of pre-emption, option, covenant, restriction, reservation, lease, trust, order, decree, judgment, title defect (including

without limitation any retention of title claim), conflicting claim of ownership or any other encumbrance of any nature whatsoever (whether or not perfected other than liens arising by operation of law),

"Exit" means a Share Sale,

"Expert Valuer" is as determined in accordance with Article 9 2,

"Fair Value" is as determined in accordance with Article 9,

"Financial Year" has the meaning set out in section 390 of the Act,

"Good Leaver" means a person who ceases to be an Employee and who is neither a Bad Leaver nor an Intermediate Leaver,

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

"hard copy form" has the same meaning as in section 1168 of the Act,

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

"Intermediate Leaver" means a person who ceases to be an Employee as a consequence of such person's resignation as an Employee at any time during the Relevant Period, except in circumstances which constitute a constructive, wrongful and/or unfair dismissal save in the case that unfair dismissal is as a result of a procedural defect,

"ITEPA" means Income Tax (Earnings and Pensions) Act 2003,

"Issue Price" means the price at which the relevant Share is issued, including any premium,

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

"Offer" has the meaning set out in Article 12 2,

"Offer Period" has the meaning set out in Article 12 3,

"Ordinary Shares" means the issued ordinary shares of £1 00 each in the capital of the Company from time to time and **"Ordinary Share"** shall be interpreted accordingly,

"Priority Rights" means the rights of Shareholders to purchase Shares contained in a Transfer Notice in the priority stipulated in Article 8 6 or Article 11 2 (as the case may be),

"Proceeds of Sale" means the consideration payable (excluding any deferred consideration) whether in cash or otherwise to those Shareholders selling Shares under a Share Sale less any reasonable fees, costs and expenses payable in respect of such Share Sale,

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

"Proposed Sale Date" has the meaning given in Article 12 3,

"Proposed Sale Notice" has the meaning given in Article 12 3,

"Proposed Sale Shares" has the meaning given in Article 12 3,

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

"Proposed Transfer" has the meaning given in Article 12 1,

"Qualifying Person" has the meaning given in section 318(3) of the Act,

"Relevant Interest" has the meaning set out in Article 20 4,

"Relevant Period" means the period of one year following the relevant person becoming a Shareholder,

"Restricted Shares" has the meaning set out in Article 11 4,

"Sale Shares" has the meaning set out in Article 8 2(a),

"Seller" has the meaning set out in Article 8 2,

"Shareholder" means any holder of any Shares from time to time,

"Shares" means the Ordinary Shares and a reference to "Share" shall be interpreted accordingly,

"Share Sale" means the sale of (or the grant of a right to acquire or to dispose of) any of the shares in the capital of the Company (in one transaction or as a series of transactions) which will result in the purchaser of those shares (or grantee of that right) and persons Acting in Concert with him together acquiring a Controlling Interest in the Company, except where following completion of the sale the shareholders and the proportion of shares held by each of them are the same as the shareholders and their shareholdings in the Company immediately prior to the sale,

"Transfer Notice" shall have the meaning given in Article 8 2,

"Transfer Price" shall have the meaning given in Articles 8 2, 7 9(a) and 11 1 (as appropriate)

3 Share capital

3 1 In these Articles, unless the context requires otherwise, references to shares of a particular class shall include shares allotted and/or issued after the Date of Adoption and ranking pari passu in all respects (or in all respects except only as to the date from which those shares rank for dividend) with the shares of the relevant class then in issue

3 2 The words "and the directors may determine the terms, conditions and manner of redemption of any such shares" shall be deleted from article 22(2) of the Model Articles

3 3 Subject to the Act, the Company may purchase its own Shares with cash to the extent permitted by section 692(1)(b) of the Act

3 4 Paragraph (c) of article 24(2) of the Model Articles shall be amended by the replacement of the words "that the shares are fully paid, and" with the words "the amount paid up on them, and"

3 5 In article 25(2) of the Model Articles, the words "payment of a reasonable fee as the directors decide" in paragraph (c) shall be deleted and replaced by the words "payment of the expenses reasonably incurred by the Company in investigating evidence as the directors may determine"

4. Dividends

4 1 In respect of any Financial Year, the Company's Available Profits will be applied as set out in this Article 4

4 2 Any Available Profits which the Company may determine to distribute in respect of any Financial Year, will be distributed among the holders of the Shares (pari passu) pro rata to their respective holdings of Shares

4 3 Subject to the Act and these Articles, the Board may pay interim dividends if justified by the Available Profits in respect of the relevant period

4 4 Every dividend shall accrue on a daily basis assuming a 365 day year All dividends are expressed net and shall be paid in cash

4 5 If there are nil paid or partly paid share(s), any holder of such share(s) shall only be entitled, in case of any dividend, to be paid an amount equal to the amount of the dividend multiplied by the percentage of the amount that is paid up (if any) on such share(s) during any portion or portions of the period in respect of which a dividend is paid

4 6 A capitalised sum which was appropriated from profits available for distribution may be applied in or towards paying up any sums unpaid on existing Shares held by the persons entitled to such capitalised sum

4 7 If

(a) a Share is subject to the Company's Lien, and

(b) the Directors are entitled to issue a Lien Enforcement Notice in respect of it,

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

(i) the fact and sum of any such deduction,

(ii) any non-payment of a dividend or other sum payable in respect of a Share resulting from any such deduction, and

(iii) how the money deducted has been applied

4 8 Article 31(1) of the Model Articles shall be amended by

- (a) the replacement of the words "either in writing or as the directors may otherwise decide" at the end of paragraphs (a), (b) and (c) of that article 31(1) with the words "in writing", and
- (b) the replacement of the words "either in writing or by such other means as the directors decide" from the end of paragraph (d) of that article 31(1) with the words "in writing"

5. Votes in general meeting and written resolutions

- 5 1 The Ordinary Shares shall confer on each holder of Ordinary Shares the right to receive notice of and to attend, speak and vote at all general meetings of the Company and to receive and vote on proposed written resolutions of the Company
- 5 2 Where Shares confer a right to vote, on a show of hands each holder of such shares who (being an individual) is present in person or by proxy or (being a corporation) is present by a duly authorised representative or by proxy shall have one vote and on a poll each such holder so present shall have one vote for each Share held by him
- 5 3 No voting rights attached to a share which is nil paid or partly paid may be exercised
 - (a) at any general meeting, at any adjournment of it or at any poll called at or in relation to it, or
 - (b) on any proposed written resolution,unless all of the amounts payable to the Company in respect of that share have been paid

6. Allotment of new shares or other securities: pre-emption

- 6 1 Subject to the remaining provisions of this Article 6, the Directors are generally and unconditionally authorised for the purpose of section 551 of the Act to exercise any power of the Company to
 - (a) allot Shares, or
 - (b) grant rights to subscribe for or convert any securities into Shares,to any persons, at any times and subject to any terms and conditions as the Directors think proper, provided that
 - (1) this authority shall be limited to a maximum nominal amount of 100 Ordinary Shares,
 - (2) this authority shall only apply insofar as the Company has not by resolution waived or revoked it,
 - (3) this authority may only be exercised for a period of five years commencing upon the Date of Adoption, save that the Directors may make an offer or agreement which would or might require Shares to be allotted or rights granted to subscribe for or convert any security into Shares after the expiry of such authority (and the Directors may allot Shares or grant such rights in pursuance of an offer or agreement as if such authority had not expired)

6 2 Sections 561(1) and 562(1) to (5) (inclusive) of the Act do not apply to an allotment of Ordinary Securities made by the Company

6 3 Unless otherwise agreed by special resolution, if the Company proposes to allot any New Securities those New Securities shall not be allotted to any person unless the Company has in the first instance offered them to all holders of Ordinary Shares (the "**Subscribers**") on the same terms and at the same price as those New Securities are being offered to other persons on a pari passu and pro rata basis to the number of Ordinary Shares held by those holders (as nearly as may be without involving fractions) The offer

(a) shall be in writing, be open for acceptance from the date of the offer to the date 10 Business Days after the date of the offer (inclusive) (the "**Subscription Period**") and give details of the number and subscription price of the New Securities, and

(b) may stipulate that any Subscriber who wishes to subscribe for a number of New Securities in excess of the proportion to which each is entitled shall in their acceptance state the number of excess New Securities for which they wish to subscribe

6 4 If, at the end of the Subscription Period, the number of New Securities applied for is equal to or exceeds the number of New Securities, the New Securities shall be allotted to the Subscribers who have applied for New Securities on a pro rata basis to the number of Ordinary Shares held by such Subscribers which procedure shall be repeated until all New Securities have been allotted (as nearly as may be without involving fractions or increasing the number allotted to any Subscriber beyond that applied for by him)

6 5 If, at the end of the Subscription Period, the number of New Securities applied for is less than the number of New Securities, the New Securities shall be allotted to the Subscribers in accordance with their applications and any remaining New Securities shall be offered to any other person as the Directors may determine at the same price and on the same terms as the offer to the Subscribers

6 6 Subject to the requirements of Articles 6 3 to 6 5 (inclusive) and to the provisions of section 551 of the Act, any New Securities shall be at the disposal of the Board who may allot, grant options over or otherwise dispose of them to any persons at those times and generally on the terms and conditions they think proper

6 7 No Shares shall be allotted to any Employee, Director, prospective Employee or prospective director of the Company, who in the opinion of the Board is subject to taxation in the United Kingdom, unless such person has entered into a joint section 431 ITEPA election with the Company if so required by the Company

7. Transfers of Shares – general

7 1 In Articles 7 to 13 inclusive, reference to the transfer of a Share includes the transfer or assignment of a beneficial or other interest in that Share or the creation of a trust or Encumbrance over that Share and reference to a Share includes a beneficial or other interest in a Share

7 2 No Share may be transferred unless the transfer is made in accordance with these Articles

7 3 If a Shareholder transfers or purports to transfer a Share otherwise than in accordance with these Articles he will be deemed immediately to have served a Transfer Notice in respect of all Shares held by him

7 4 Any transfer of a Share by way of sale which is required to be made under Articles 8 to 13 (inclusive) will be deemed to include a warranty that the transferor sells with full title guarantee

7 5 The Directors may refuse to register a transfer if

- (a) it is a transfer of a Share to a bankrupt, a minor or a person of unsound mind,
- (b) the transfer is to an employee, Director or prospective employee or prospective director of the Company, who in the opinion of the Board is subject to taxation in the United Kingdom, and such person has not entered into a joint section 431 ITEPA election with the Company,
- (c) it is a transfer of a Share which is not fully paid
 - (i) to a person of whom the Directors do not approve, or
 - (ii) on which Share the Company has a lien,
- (d) the transfer is not lodged at the registered office or at such other place as the Directors may appoint,
- (e) the transfer is not accompanied by the certificate for the Shares to which it relates (or an indemnity for lost certificate in a form acceptable to the Board) and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer,
- (f) the transfer is in respect of more than one class of Shares,
- (g) the transfer is in favour of more than four transferees, or
- (h) these Articles otherwise provide that such transfer shall not be registered

If the Directors refuse to register a transfer, the instrument of transfer must be returned to the transferee with the notice of refusal unless they suspect that the proposed transfer may be fraudulent

7 6 The Directors may, as a condition to the registration of any transfer of shares in the Company, require the transferee to execute and deliver to the Company a deed agreeing to be bound by the terms of any shareholders' agreement or similar document in force between some or all of the Shareholders and the Company in any form as the Directors may reasonably require (but not so as to oblige the transferee to have any obligations or liabilities greater than those of the proposed transferor under any such agreement or other document) and if any condition is imposed in accordance with this Article 7 6 the transfer may not be registered unless that deed has been executed and delivered to the Company's registered office by the transferee

7 7 To enable the Directors to determine whether or not there has been any disposal of shares in the capital of the Company (or any interest in shares in the capital of the Company) in breach of these Articles the Directors may require any holder or the legal personal representatives of any deceased holder or any person named as transferee in any transfer lodged for registration or any other person who the Directors may reasonably believe to have information relevant to that purpose, to furnish to the Company that information and evidence the Directors may request regarding any

matter which they deem relevant to that purpose, including (but not limited to) the names, addresses and interests of all persons respectively having interests in the shares in the capital of the Company from time to time registered in the holder's name. If the information or evidence is not provided to enable the Directors to determine to their reasonable satisfaction that no breach has occurred, or where as a result of the information and evidence the Directors are reasonably satisfied that a breach has occurred, the Directors shall immediately notify the holder of such shares in the capital of the Company in writing of that fact and the following shall occur

- (a) the relevant shares shall cease to confer upon the holder of them (including any proxy appointed by the holder) any rights to vote (whether on a show of hands or on a poll and whether exercisable at a general meeting or on a written resolution of the Company or at any separate meeting or written resolution of the class in question), or
- (b) the withholding of payment of all dividends or other distributions otherwise attaching to the relevant shares or to any further shares issued in respect of those shares, and
- (c) the holder may be required at any time following receipt of the notice to transfer some or all of its Shares to any person(s) at the price that the Directors may require by notice in writing to that holder

The rights referred to in (a) and (b) above may be reinstated by the Board subject to and shall in any event be reinstated upon the completion of any transfer referred to in (c) above

7 8 In any case where the Board requires a Transfer Notice to be given in respect of any Shares, if a Transfer Notice is not duly given within a period of 10 Business Days of demand being made, a Transfer Notice shall be deemed to have been given at the expiration of that period

7 9 If a Transfer Notice is required to be given by the Board or is deemed to have been given under these Articles, the Transfer Notice, unless otherwise specified in the Articles, will be treated as having specified that

- (a) the Transfer Price for the Sale Shares will be as agreed between the Board (any director who is a Seller or with whom the Seller is connected (within the meaning of section 252 of the Act) not voting) and the Seller, or, failing agreement within five Business Days after the date on which the Board becomes aware that a Transfer Notice has been deemed to have been given, will be the Fair Value of the Sale Shares,
- (b) it does not include a Minimum Transfer Condition (as defined in Article 16 2(d)), and
- (c) the Seller wishes to transfer all of the Shares held by it

7 10 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 or nil paid) the transferee

8. Transfers of Shares subject to pre-emption rights

8 1 Any transfer of Shares by a Shareholder shall be subject to the pre-emption rights contained in this Article 8

8 2 A Shareholder who wishes to transfer Shares (a "**Seller**") shall, except as otherwise provided in these Articles, before transferring or agreeing to transfer any Shares give notice in writing (a "**Transfer Notice**") to the Company specifying

- (a) the number of Shares which he wishes to transfer (the "**Sale Shares**"),
- (b) if he wishes to sell the Sale Shares to a third party, the name of the proposed transferee,
- (c) the price at which he wishes to transfer the Sale Shares, and
- (d) whether the Transfer Notice is conditional on all or a specific number of the Sale Shares being sold to Shareholders (a "**Minimum Transfer Condition**")

If no price is specified by the Seller, the price at which the Sale Shares are to be transferred must be agreed between the Seller and the Board. In addition, if the price is not specified in cash, an equivalent cash value price must be agreed between the Seller and the Board. In both cases, the Transfer Price will be deemed to be the Fair Value of the Sale Shares if no price is agreed between the Seller and the Board within 5 Business Days of the Company receiving the Transfer Notice

8 3 No Transfer Notice once given or deemed to have been given under these Articles may be withdrawn

8 4 A Transfer Notice constitutes the Company the agent of the Seller for the sale of the Sale Shares at the Transfer Price

8 5 As soon as practicable following the later of

- (a) receipt of a Transfer Notice, and
- (b) in the case where the Transfer Price has not been agreed, the determination of the Transfer Price under Article 9,

the Board shall offer the Sale Shares for sale to the Shareholders in the manner set out in Articles 8 6 and 8 7. Each offer must be in writing and give details of the number and Transfer Price of the Sale Shares offered

8 6 *Pronty for offer of Sale Shares*

- (a) The Sale Shares shall be offered to the holders of Ordinary Shares in each case on the basis set out in Article 8 7

8 7 *Transfers Offer*

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

- (b) If the Sale Shares are subject to a Minimum Transfer Condition then any allocation made under Article 8 7 will be conditional on the fulfilment of the Minimum Transfer Condition
- (c) If, at the end of the Offer Period, the number of Sale Shares applied for is equal to or exceeds the number of Sale Shares, the Board shall allocate the Sale Shares to each Continuing Shareholder who have applied for Sale Shares in the proportion (fractional entitlements being rounded to the nearest whole number) which his existing holding of the relevant class(es) of Shares bears to the total number of the relevant class(es) of Shares held by those Continuing Shareholders who have applied for Sale Shares which procedure shall be repeated until all Sale Shares have been allocated but no allocation shall be made to a Shareholder of more than the maximum number of Sale Shares which he has stated he is willing to buy
- (d) If, at the end of the Offer Period, no Sale Shares are applied for or the number of Sale Shares applied for is less than the number of Sale Shares, the Board shall allocate the Sale Shares to the Continuing Shareholders in accordance with their applications (if any) and the balance will be dealt with in accordance with Article 8 8(e)

8 8 *Completion of transfer of Sale Shares*

- (a) If the Transfer Notice includes a Minimum Transfer Condition and the total number of Shares applied for does not meet the Minimum Transfer Condition the Board shall notify the Seller and all those to whom Sale Shares have been conditionally allocated under Article 8 7 stating the condition has not been met and that the relevant Transfer Notice has lapsed with immediate effect
- (b) If
 - (i) the Transfer Notice does not include a Minimum Transfer Condition, or
 - (ii) the Transfer Notice does include a Minimum Transfer Condition and allocations have been made in respect of all or the minimum required number of the Sale Shares,

the Board shall, when no further offers are required to be made under Article 8 7 and once the requirements of Article 12 has been fulfilled to the extent required, give written notice of allocation (an "**Allocation Notice**") to the Seller and each Shareholder to whom Sale Shares have been allocated (an "**Applicant**") specifying the number of Sale Shares allocated to each Applicant and the place and time (being not less than 10 Business Days nor more than 10 Business Days after the date of the Allocation Notice) for completion of the transfer of the Sale Shares

- (c) Upon service of an Allocation Notice, the Seller must, against payment of the Transfer Price, transfer the Sale Shares in accordance with the requirements specified in it
- (d) If the Seller fails to comply with the provisions of Article 8 8(c)
 - (i) the chairman of the Company or, failing him, one of the directors, or some other person nominated by a resolution of the Board, may on behalf of the Seller

- (A) complete, execute and deliver in his name all documents necessary to give effect to the transfer of the relevant Sale Shares to the Applicants,
 - (B) receive the Transfer Price and give a good discharge for it, and
 - (C) (subject to the transfer being duly stamped) enter the Applicants in the register of Shareholders as the holders of the Shares purchased by them, and
- (ii) the Company shall pay the Transfer Price into a separate bank account in the Company's name on trust (but without interest) or otherwise hold the Transfer Price on trust for the Seller until he has delivered to the Company his certificate or certificates for the relevant Shares (or an indemnity for lost certificate in a form acceptable to the Board)
- (e) If no Sale Shares are applied for by the Continuing Shareholders in accordance with Article 8 7 or if an Allocation Notice does not relate to all the Sale Shares then
 - (i) in the case only of a Seller who immediately prior to the issue of his Transfer Notice holds more than 50% of the Ordinary Shares at such time the provisions of Article 13 shall apply, or
 - (ii) subject to Article 8 8(f) in any other case the Seller may, within twelve weeks after service of the Allocation Notice, transfer the unallocated Sale Shares to any person at a price at least equal to the Transfer Price
- (f) The right of the Seller to transfer Shares under Article 8 8(e) (ii) does not apply if the Board is of the opinion on reasonable grounds that
 - (i) the transferee is a person (or a nominee for a person) who the Board determine in their absolute discretion is a competitor with (or an Associate of a competitor with) the business of the Company or with a Subsidiary Undertaking of the Company,
 - (ii) the sale of the Sale Shares is not bona fide or the price is subject to a deduction, rebate or allowance to the transferee, or
 - (iii) the Seller has failed or refused to provide promptly information available to it or him and reasonably requested by the Board for the purpose of enabling it to form the opinion mentioned above

9. Valuation of Shares

- 9 1 If no Transfer Price can be agreed between the Seller and the Board in accordance with provisions of Articles 7 9, 8 2 or 11 1 or otherwise then, on the date of failing agreement, the Board shall either
- (a) appoint an expert valuer in accordance with Article 9 2 (the "**Expert Valuer**") to certify the Fair Value of the Sale Shares, or
 - (b) (if the Fair Value has been certified by an Expert Valuer within the preceding 12 weeks) specify that the Fair Value of the Sale Shares will be calculated by dividing any Fair Value so certified by the number of Sale Shares to which it

related and multiplying such Fair Value by the number of Sale Shares the subject of the Transfer Notice

9 2 The Expert Valuer will be either

- (a) the Auditors, or
- (b) (if otherwise agreed by the Board and the Seller) an independent firm of Chartered Accountants to be agreed between the Board and the Seller or failing agreement not later than the date 10 Business Days after the date of service of the Transfer Notice to be nominated by the then President of the Institute of Chartered Accountants in England and Wales on the application of either party and approved by the Company

9 3 The "Fair Value" of the Sale Shares shall be determined by the Expert Valuer on the following assumptions and bases

- (a) valuing the Sale Shares as on an arm's-length sale between a willing seller and a willing buyer,
- (b) if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so,
- (c) that the Sale Shares are capable of being transferred without restriction,
- (d) valuing the Sale Shares as a rateable proportion of the total value of all the issued Shares without any premium or discount being attributable to the percentage of the issued share capital of the Company which they represent but taking account of the rights attaching to the Sale Shares, and
- (e) reflect any other factors which the Expert Valuer reasonably believes should be taken into account

9 4 If any difficulty arises in applying any of these assumptions or bases then the Expert Valuer shall resolve that difficulty in whatever manner they shall in their absolute discretion think fit

9 5 The Expert Valuer shall be requested to determine the Fair Value within 20 Business Days of their appointment and to notify the Board of their determination

9 6 The Expert Valuer shall act as experts and not as arbitrators and their determination shall be final and binding on the parties (in the absence of fraud or manifest error)

9 7 The Board will give the Expert Valuer access to all accounting records or other relevant documents of the Company subject to them agreeing to such confidentiality provisions as the Board may reasonably impose

9 8 The Expert Valuer shall deliver their certificate to the Company. As soon as the Company receives the certificate it shall deliver a copy of it to the Seller. Unless the Sale Shares are to be sold under a Transfer Notice, which is deemed to have been served, the Seller may by notice in writing to the Company within [five] Business Days of the service on him of the copy certificate, cancel the Company's authority to sell the Sale Shares

9 9 The cost of obtaining the certificate shall be paid by the Company unless

- (a) the Seller cancels the Company's authority to sell, or

- (b) the Sale Price certified by the Expert Valuer is less than the price (if any) offered by the directors to the Seller for the Sale Share before Expert Valuer was instructed,

in which case the Seller shall bear the cost

10. Compulsory transfers – general

- 10 1 A person entitled to a Share in consequence of the death or bankruptcy of a Shareholder shall in each case be deemed to have given a Transfer Notice in respect of that Share at the date of death or in the case of bankruptcy a time determined by the Directors

11. Departing employees

- 11 1 If an Employee Shareholder ceases to be an Employee, the relevant Employee Shareholder shall be deemed to have given a Transfer Notice in respect of all of his Employee Shares on the Effective Termination Date. In such circumstances the Transfer Price shall be as follows

- (a) where the relevant Employee Shareholder ceases to be an Employee by reason of being a Bad Leaver, the lower of Fair Value and the nominal value of the Employee Shares,
- (b) where the relevant Employee Shareholder ceases to be an Employee by reason of being an Intermediate Leaver, the lower of Fair Value and the Issue Price of the Employee Shares,
- (c) where the relevant Employee Shareholder ceases to be an Employee by reason of being a Good Leaver the Fair Value of the Employee Shares

For the purposes of this Article, Fair Value shall be as agreed between the Board and the relevant Employee Shareholder, or failing agreement within five Business Days of seeking to agree such price, shall be as determined in accordance with Article 9

- 11 2 For the purposes of this Article, the Priority Rights shall be such that the Employee Shares are offered in the following order of priority
 - (a) to any person(s) approved by the Board other than the departing Employee Shareholder, and/or
 - (b) to the Company (subject always to the provisions of the Act)

Suspension of voting rights

- 11 3 All voting rights attached to Employee Shares held by a Employee Shareholder (the "**Restricted Member**"), if any, shall at the time he ceases to be an Employee be suspended
- 11 4 Any Employee Shares whose voting rights are suspended pursuant to Article 11 3 ("**Restricted Shares**") shall confer on the holders of Restricted Shares the right to receive a notice of and attend all general meetings of the Company but shall have no right to vote either in person or by proxy or to vote on any proposed written resolution

If a Restricted Member transfers any Restricted Shares in accordance with these Articles all voting rights attached to the Restricted Shares so transferred shall upon completion of the transfer (as evidenced by the transferee's name being entered in the Company's register of members) automatically be restored

12. Mandatory Offer on a Change of Control

- 12 1 Except in the case of transfers pursuant to Articles 10 or 11, and subject to Article 13 after going through the pre-emption procedure in Article 8, the provisions of Article 12 2 will apply if one or more Proposed Sellers propose to transfer in one or a series of related transactions any Ordinary Shares (the "**Proposed Transfer**") which would, if put into effect, result in any Proposed Purchaser (and Associates of his or persons Acting in Concert with him) acquiring a Controlling Interest in the Company
- 12 2 A Proposed Seller must, before making a Proposed Transfer procure the making by the Proposed Purchaser of an offer (the "**Offer**") to the other Shareholders to acquire all of the Ordinary Shares for a consideration per share the value of which is at least equal to the Specified Price (as defined in Article 12 7)
- 12 3 The Offer must be given by written notice (a "**Proposed Sale Notice**") at least 10 Business Days (the "**Offer Period**") prior to the proposed sale date ("**Proposed Sale Date**") The Proposed Sale Notice must set out, to the extent not described in any accompanying documents, the identity of the Proposed Purchaser, the purchase price and other terms and conditions of payment, the Proposed Sale Date and the number of Shares proposed to be purchased by the Proposed Purchaser (the "**Proposed Sale Shares**")
- 12 4 If any other holder of Ordinary Shares is not given the rights accorded him by this Article, the Proposed Sellers will not be entitled to complete their sale and the Company will not register any transfer intended to carry that sale into effect
- 12 5 If the Offer is accepted by any Shareholder (an "**Accepting Shareholder**") within the Offer Period, the completion of the Proposed Transfer will be conditional upon the completion of the purchase of all the Shares held by Accepting Shareholders
- 12 6 The Proposed Transfer is subject to the pre-emption provisions of Article 8 but the purchase of the Accepting Shareholders' shares shall not be subject to Article 8
- 12 7 For the purpose of this Article
- (a) the expression "**Specified Price**" shall mean in respect of each Share a sum in cash equal to the highest price per Share offered or paid by the Proposed Purchaser
- (i) in the Proposed Transfer, or
- (ii) in any related or previous transaction by the Proposed Purchaser or any person Acting in Concert with the Proposed Purchaser in the 12 months preceding the date of the Proposed Transfer,
- plus an amount equal to the Relevant Sum, as defined in Article 12 7(b), of any other consideration (in cash or otherwise) paid or payable by the Proposed Purchaser or any other person Acting in Concert with the Proposed Purchaser, which having regard to the substance of the transaction as a whole, can reasonably be regarded as an addition to the price paid or payable for the Shares (the "**Supplemental Consideration**"),

(b) **Relevant Sum = C – A**

where A = number of Ordinary Shares being sold in connection with the relevant Proposed Transfer,

C = the Supplemental Consideration

13 Drag-along

13 1 Subject to the provisions of Article 8 if the holders of more than 50% (per cent) of the Ordinary Shares (the "**Selling Shareholders**") wish to transfer all their interest in Ordinary Shares (the "**Sellers' Shares**") to a Proposed Purchaser, the Selling Shareholders shall have the option (the "**Drag Along Option**") to compel each other holder of Shares (each a "**Called Shareholder**" and together the "**Called Shareholders**") to sell and transfer all their Shares to the Proposed Purchaser or as the Proposed Purchaser shall direct (the "**Drag Purchaser**") in accordance with the provisions of this Article

13 2 The Selling Shareholders may exercise the Drag Along Option by giving a written notice to that effect (a "**Drag Along Notice**") to the Company which the Company shall forthwith copy to the Called Shareholders at any time before the transfer of the Sellers' Shares to the Drag Purchaser. A Drag Along Notice shall specify that

- (a) the Called Shareholders are required to transfer all their Shares (the "**Called Shares**") under this Article,
- (b) the person to whom they are to be transferred,
- (c) the consideration for which the Called Shares are to be transferred (calculated in accordance with this Article),
- (d) the proposed date of transfer, and
- (e) the form of any sale agreement or form of acceptance or any other document of similar effect that the Called Shareholders are required to sign in connection with such sale (the "**Sale Agreement**"),

(and, in the case of paragraphs (b) to (d) above, whether actually specified or to be determined in accordance with a mechanism described in the Drag Along Notice). No Drag Along Notice or Sale Agreement may require a Called Shareholder to agree to any terms except those specifically provided for in this Article

13 3 Drag Along Notices shall be irrevocable but will lapse if for any reason there is not a sale of the Sellers' Shares by the Selling Shareholders to the Drag Purchaser within 60 Business Days after the date of service of the Drag Along Notice. The Selling Shareholders shall be entitled to serve further Drag Along Notices following the lapse of any particular Drag Along Notice

13 4 The consideration (in cash or otherwise) for which the Called Shareholders shall be obliged to sell each of the Called Shares shall be that to which they would be entitled if the total consideration proposed to be paid by the Drag Purchaser for all of the Called Shares and the Sellers' Shares were distributed to the holders of the Called Shares and the Sellers' Shares pro-rata to the number of Shares held (the "**Drag Consideration**")

13 5 In respect of a transaction that is the subject of a Drag-Along Notice and with respect to any Drag Document, a Called Shareholder shall only be obliged to undertake to

transfer his Shares with full title guarantee (and provide an indemnity for lost certificate in a form acceptable to the Board if so necessary) in receipt of the Drag Consideration when due and shall not be obliged to give warranties or indemnities except a warranty as to capacity to enter into a Drag Document and the full title guarantee of the Shares held by such Called Shareholder

13.6 Within three Business Days of the Company copying the Drag Along Notice to the Called Shareholders (or such later date as may be specified in the Drag Along Notice) (the "**Drag Completion Date**"), each Called Shareholder shall deliver

- (a) duly executed stock transfer form(s) for its Shares in favour of the Drag Purchaser,
- (b) the relevant share certificate(s) (or a duly executed indemnity for lost certificate in a form acceptable to the Board) to the Company, and
- (c) duly executed Sale Agreement, if applicable, in the form specified in the Drag Along Notice or as otherwise specified by the Company,

(together the "**Drag Documents**")

13.7 On the Drag Completion Date, the Company shall pay each Called Shareholder, on behalf of the Drag Purchaser, the Drag Consideration that is due to the extent the Drag Purchaser has paid such consideration to the Company. The Company's receipt of the Drag Consideration shall be a good discharge to the Drag Purchaser. The Company shall hold the Drag Consideration in trust for each of the Called Shareholders without any obligation to pay interest.

13.8 To the extent that the Drag Purchaser has not, on the Drag Completion Date, paid the Drag Consideration that is due to the Company, the Called Shareholders shall be entitled to the immediate return of the Drag Documents for the relevant Shares and the Called Shareholders shall have no further rights or obligations under this Article 13 in respect of their Shares.

13.9 If a Called Shareholder fails to deliver the Drag Documents for its Shares to the Company by the Drag Completion Date, the Company and each Director shall be constituted the agent of such defaulting Called Shareholder to take such actions and enter into any Drag Document or such other agreements or documents as are necessary to effect the transfer of the Called Shareholder's Shares pursuant to this Article 13 and the Directors shall, if requested by the Drag Purchaser, authorise any Director to transfer the Called Shareholder's Shares on the Called Shareholder's behalf to the Drag Purchaser to the extent the Drag Purchaser has, by the Drag Completion Date, paid the Drag Consideration to the Company for the Called Shareholder's Shares offered to him. The Board shall then authorise registration of the transfer once appropriate stamp duty has been paid. The defaulting Called Shareholder shall surrender his share certificate for his Shares (or suitable executed indemnity) to the Company. On surrender, he shall be entitled to the Drag Consideration due to him.

13.10 On any person, following the issue of a Drag Along Notice, becoming a Shareholder pursuant to the exercise of a pre-existing option or warrant to acquire shares in the Company or pursuant to the conversion of any convertible security of the Company (a "**New Shareholder**"), a Drag Along Notice shall be deemed to have been served on the New Shareholder on the same terms as the previous Drag Along Notice who shall then be bound to sell and transfer all Shares so acquired to the Drag Purchaser and the provisions of this Article shall apply with the necessary changes to the New Shareholder except that completion of the sale of the Shares shall take place immediately on the Drag Along Notice being deemed served on the New Shareholder.

14 General meetings

- 14 1 If the Directors are required by the Shareholders under section 303 of the Act to call a general meeting, the Directors shall convene the meeting for a date not later than 28 days after the date on which the Directors became subject to the requirement under section 303 of the Act
- 14 2 The provisions of section 318 of the Act shall apply to the Company, save that if a quorum is not present at any meeting adjourned for the reason referred to in article 41 of the Model Articles, then, provided that the Qualifying Person present holds or represents the holder of at least 50 per cent in nominal value of the Shares any resolution agreed to by such Qualifying Person shall be as valid and effectual as if it had been passed unanimously at a general meeting of the Company duly convened and held
- 14 3 If any two or more Shareholders (or Qualifying Persons representing two or more Shareholders) attend the meeting in different locations, the meeting shall be treated as being held at the location specified in the notice of the meeting, save that if no one is present at that location so specified, the meeting shall be deemed to take place where the largest number of Qualifying Persons is assembled or, if no such group can be identified, at the location of the chairman
- 14 4 If a demand for a poll is withdrawn under article 44(3) of the Model Articles, the demand shall not be taken to have invalidated the result of a show of hands declared before the demand was made and the meeting shall continue as if the demand had not been made
- 14 5 Polls must be taken in such manner as the chairman directs. A poll demanded on the election of a chairman or on a question of adjournment must be held immediately. A poll demanded on any other question must be held either immediately or at such time and place as the chairman directs not being more than 14 days after the poll is demanded. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll was demanded
- 14 6 No notice need be given of a poll not held immediately if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case at least seven clear days' notice shall be given specifying the time and place at which the poll is to be taken
- 14 7 If the poll is to be held more than 48 hours after it was demanded the Shareholders shall be entitled to deliver Proxy Notices in respect of the poll at any time up to 24 hours before the time appointed for taking that poll. In calculating that period, no account shall be taken of any part of a day that is not a working day

15. Proxies

- 15 1 Paragraph (c) of article 45(1) of the Model Articles shall be deleted and replaced by the words "is signed by or on behalf of the shareholder appointing the proxy and accompanied by any the authority under which it is signed (or a certified copy of such authority or a copy of such authority in some other way approved by the directors)"
- 15 2 The instrument appointing a proxy and any authority under which it is signed or a certified copy of such authority or a copy in some other way approved by the Directors may

- (a) be sent or supplied in hard copy form, or (subject to any conditions and limitations which the Board may specify) in electronic form, to the registered office of the Company or to such other address (including electronic address) as may be specified for this purpose in the notice convening the meeting or in any instrument of proxy or any invitation to appoint a proxy sent or supplied by the Company in relation to the meeting at any time before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote,
- (b) be delivered at the meeting or adjourned meeting at which the person named in the instrument proposes to vote to the chairman or to the company secretary or to any Director, or
- (c) in the case of a poll, be delivered at the meeting at which the poll was demanded to the chairman or to the company secretary or to any Director, or at the time and place at which the poll is held to the Chairman or to the company secretary or to any Director or scrutineer,

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

16 Directors' borrowing powers

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

17. Alternate Directors

- 17 1 Notwithstanding any provision of these Articles to the contrary, any person appointed as a Director (the "**Appointor**") may appoint any director or any other person as he thinks fit to be his alternate Director to

- (a) exercise that Director's powers, and
- (b) carry out that Director's responsibilities in relation to the taking of decisions by the Directors in the absence of the alternate's Appointor

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

- 17 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

- 17 3 The notice must

- (a) identify the proposed alternate, and
- (b) in the case of a notice of appointment, contain a statement signed by the proposed alternate that the proposed alternate is willing to act as the alternate of the Director giving the notice

- 17 4 An alternate Director may act as an alternate to more than one Director and has the same rights, in relation to any Directors' meeting (including as to notice) or Directors' written resolution, as the alternate's Appointor

17 5 Except as these Articles specify otherwise, alternate directors

- (a) are deemed for all purposes to be Directors,
- (b) are liable for their own acts and omissions,
- (c) are subject to the same restrictions as their Appointors, and
- (d) are not deemed to be agents of or for their Appointors,

and, in particular (without limitation), each alternate director shall be entitled to receive notice of all meetings of Directors and of all meetings of committees of Directors of which his Appointor is a member

17 6 A person who is an alternate Director but not a Director

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

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

17 7 A Director who is also an alternate Director is entitled, in the absence of his Appointor, to a separate vote on behalf of each Appointor, in addition to his own vote on any decision of the Directors (provided that his Appointor is an Eligible Director in relation to that decision)

17 8 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

17 9 An alternate Director's appointment as an alternate shall terminate

- (a) when the alternate's Appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate,
- (b) on the occurrence in relation to the alternate of any event which, if it occurred in relation to the alternate's Appointor, would result in the termination of the Appointor's appointment as a Director,
- (c) on the death of the alternate's Appointor, or
- (d) when the alternate's Appointor's appointment as a Director terminates

18 Proceedings of Directors

18 1 The quorum for Directors' meetings shall be two Directors (save that where a Relevant Interest of such a Director is being authorised by other Directors in accordance with section 175(5)(a) of the Act, such Director and any other interested Director shall not be included in the quorum required for the purpose of such authorisation but shall otherwise be included for the purpose of forming the quorum at the meeting) If such a quorum is not present within half an hour from the time appointed for the meeting, or if during a meeting such quorum ceases to be present, the meeting shall stand adjourned to the same day in the next week at the same time and place or at such time

and place as determined by the Directors present at such meeting. If a quorum is not present at any such adjourned meeting within half an hour from the time appointed, then the meeting shall proceed provided that at least one Director present is the holder of in excess of 50% (per cent) of the issued Ordinary Shares at such date.

- 18.2 In the event that a meeting of the Directors is attended by a Director who is acting as alternate for one or more other Directors, the Director or Directors for whom he is the alternate shall be counted in the quorum despite their absence, and if on that basis there is a quorum the meeting may be held despite the fact (if it is the case) that only one Director is physically present.
- 18.3 If all the Directors participating in a meeting of the Directors are not physically in the same place, the meeting shall be deemed to take place where the largest group of participators in number is assembled. In the absence of a majority the location of the chairman shall be deemed to be the place of the meeting.
- 18.4 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 at any time before or after the date on which the meeting is held. Where such notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it.
- 18.5 Provided (if these Articles so require) that he has declared to the Directors, in accordance with the provisions of these Articles, the nature and extent of his interest (and subject to any restrictions on voting or counting in a quorum imposed by the Directors in authorising a Relevant Interest), a Director may vote at a meeting of the Directors or of a committee of the Directors on any resolution concerning a matter in which he has an interest, whether a direct or an indirect interest, or in relation to which he has a duty and shall also be counted in reckoning whether a quorum is present at such a meeting.
- 18.6 Questions arising at any meeting of the Directors shall be decided by a majority of votes. In the case of any equality of votes, the chairman shall have a second or casting vote.
- 18.7 A decision of the Directors may take the form of a resolution in writing, where each Eligible Director has signed one or more copies of it, or to which each Eligible Director has otherwise indicated agreement in writing (including confirmation given by electronic means). Reference in article 7(1) of the Model Articles to article 8 of the Model Articles shall be deemed to include a reference to this article also.

19. Directors' interests

Specific interests of a Director

- 19.1 Subject to the provisions of the Act and provided (if these Articles so require) that he has declared to the Directors in accordance with the provisions of these Articles, the nature and extent of his interest, a Director may (save as to the extent not permitted by law from time to time), notwithstanding his office, have an interest of the following kind:
- (a) where a Director (or a person connected with him) is party to or in any way directly or indirectly interested in, or has any duty in respect of, any existing or proposed contract, arrangement or transaction with the Company or any other undertaking in which the Company is in any way interested,
 - (b) where a Director (or a person connected with him) is a director, employee or other officer of, or a party to any contract, arrangement or transaction with, or in

any way interested in, any body corporate promoted by the Company or in which the Company is in any way interested,

- (c) where a Director (or a person connected with him) is a shareholder in the Company or a shareholder in, employee, director, member or other officer of, or consultant to, a Parent Undertaking of, or a Subsidiary Undertaking of a Parent Undertaking of, the Company,
- (d) where a Director (or a person connected with him) holds and is remunerated in respect of any office or place of profit (other than the office of auditor) in respect of the Company or body corporate in which the Company is in any way interested,
- (e) where a Director is given a guarantee, or is to be given a guarantee, in respect of an obligation incurred by or on behalf of the Company or any body corporate in which the Company is in any way interested,
- (f) where a Director (or a person connected with him or of which he is a member or employee) acts (or any body corporate promoted by the Company or in which the Company is in any way interested of which he is a director, employee or other officer may act) in a professional capacity for the Company or any body corporate promoted by the Company or in which the Company is in any way interested (other than as auditor) whether or not he or it is remunerated for this,
- (g) an interest which cannot reasonably be regarded as likely to give rise to a conflict of interest, or
- (h) any other interest authorised by ordinary resolution

Interests of which a Director is not aware

- 19 2 For the purposes of this Article 19, an interest of which a Director is not aware and of which it is unreasonable to expect him to be aware shall not be treated as an interest of his

Accountability of any benefit and validity of a contract

- 19 3 In any situation permitted by this Article 19 (save as otherwise agreed by him) a Director shall not by reason of his office be accountable to the Company for any benefit which he derives from that situation and no such contract, arrangement or transaction shall be avoided on the grounds of any such interest or benefit

Terms and conditions of Board authorisation

- 19 4 Subject to Article 19, any authority given in accordance with section 175(5)(a) of the Act in respect of a Director ("**Interested Director**") who has proposed that the Directors authorise his interest ("**Relevant Interest**") pursuant to that section may, for the avoidance of doubt

- (a) be given on such terms and subject to such conditions or limitations as may be imposed by the authorising Directors as they see fit from time to time, including, without limitation
 - (i) restricting the Interested Director from voting on any resolution put to a meeting of the Directors or of a committee of the Directors in relation to the Relevant Interest, or

- (ii) restricting the Interested Director from being counted in the quorum at a meeting of the Directors or of a committee of the Directors where such Relevant Interest is to be discussed,
- (b) be withdrawn, or varied at any time by the Directors entitled to authorise the Relevant Interest as they see fit from time to time, and

an Interested Director must act in accordance with any such terms, conditions or limitations imposed by the authorising Directors pursuant to section 175(5)(a) of the Act and this Article 19

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

19 5 Where a Director has an interest which can reasonably be regarded as likely to give rise to a conflict of interest, the Director shall take such additional steps as may be necessary or desirable for the purpose of managing such conflict of interest, including compliance with any procedures laid down from time to time by the Directors for the purpose of managing conflicts of interest generally and/or any specific procedures approved by the Directors for the purpose of or in connection with the situation or matter in question, including without limitation

- (a) absenting himself from any discussions, whether in meetings of the Directors or otherwise, at which the relevant situation or matter falls to be considered, and
- (b) excluding himself from documents or information made available to the Directors generally in relation to such situation or matter and/or arranging for such documents or information to be reviewed by a professional adviser to ascertain the extent to which it might be appropriate for him to have access to such documents or information

Requirement of a Director to declare an interest

19 6 Subject to section 182 of the Act, a Director shall declare the nature and extent of any interest permitted by Article 19 1 at a meeting of the Directors, or by general notice in accordance with section 184 (notice in writing) or section 185 (general notice) of the Act or in such other manner as the Directors may determine, except that no declaration of interest shall be required by a Director in relation to an interest

- (a) falling under Article 19 1(g),
- (b) if, or to the extent that, the other Directors are already aware of such interest (and for this purpose the other Directors are treated as aware of anything of which they ought reasonably to be aware), or
- (c) if, or to the extent that, it concerns the terms of his service contract (as defined by section 227 of the Act) that have been or are to be considered by a meeting of the Directors, or by a committee of Directors appointed for the purpose under these Articles

Shareholder approval

19 7 Subject to section 239 of the Act, the Company may by ordinary resolution ratify any contract, transaction or arrangement, or other proposal, not properly authorised by reason of a contravention of any provisions of this Article 19

19 8 For the purposes of this Article 19

- (a) a conflict of interest includes a conflict of interest and duty and a conflict of duties,
- (b) the provisions of section 252 of the Act shall determine whether a person is connected with a Director,
- (c) a general notice to the Directors that a Director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the Director has an interest in any such transaction of the nature and extent so specified

20 Notices

20 1 Subject to the requirements set out in the Act, any notice given or document sent or supplied to or by any person under these Articles, or otherwise sent by the Company under the Act, may be given, sent or supplied

- (a) in hard copy form, or
- (b) in electronic form,

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

Notices shall be given and documents supplied in accordance with the procedures set out in the Act, except to the extent that a contrary provision is set out in this Article 32

Notices in hard copy form

20 2 Any notice or other document in hard copy form given or supplied under these Articles may be delivered or sent by first class post (airmail if overseas)

- (a) to the Company or any other company at its registered office, or
- (b) to the address notified to or by the Company for that purpose, or
- (c) in the case of an intended recipient who is a member or his legal personal representative or trustee in bankruptcy, to such member's address as shown in the Company's register of members, or
- (d) in the case of an intended recipient who is a Director or alternate, to his address as shown in the register of Directors, or
- (e) to any other address to which any provision of the Companies Acts (as defined in the Act) authorises the document or information to be sent or supplied, or
- (f) where the Company is the sender, if the Company is unable to obtain an address falling within one of the addresses referred to in (a) to (e) above, to the intended recipient's last address known to the Company

20 3 Any notice or other document in hard copy form given or supplied under these Articles shall be deemed to have been served and be effective

- (a) if delivered, at the time of delivery,
- (b) if posted, on receipt or 48 hours after the time it was posted, whichever occurs first

Notices in electronic form

- 20 4 Subject to the provisions of the Act, any notice or other document in electronic form given or supplied under these Articles may
- (a) if sent by fax or email (provided that a fax number or an address for email has been notified to or by the Company for that purpose), be sent by the relevant form of communication to that address,
 - (b) if delivered or sent by first class post (airmail if overseas) in an electronic form (such as sending a disk by post), be so delivered or sent as if in hard copy form under Article 20 2, or
 - (c) be sent by such other electronic means (as defined in section 1168 of the Act) and to such address(es) as the Company may specify by notice (in hard copy or electronic form) to all members of the Company from time to time
- 20 5 Any notice or other document in electronic form given or supplied under these Articles shall be deemed to have been served and be effective
- (a) if sent by facsimile or email (where a fax number or an address for email has been notified to or by the Company for that purpose), on receipt or 48 hours after the time it was sent, whichever occurs first,
 - (b) if posted in an electronic form, on receipt or 48 hours after the time it was posted, whichever occurs first,
 - (c) if delivered in an electronic form, at the time of delivery, and
 - (d) if sent by any other electronic means as referred to in Article 20 4(c), at the time such delivery is deemed to occur under the Act
- 20 6 Where the Company is able to show that any notice or other document given or sent under these Articles by electronic means was properly addressed with the electronic address supplied by the intended recipient, the giving or sending of that notice or other document shall be effective notwithstanding any receipt by the Company at any time of notice either that such method of communication has failed or of the intended recipient's non-receipt

General

- 20 7 In the case of joint holders of a share all notices shall be given to the joint holder whose name stands first in the register of members of the Company in respect of the joint holding (the "**Primary Holder**") Notice so given shall constitute notice to all the joint holders
- 20 8 Anything agreed or specified by the Primary Holder in relation to the service, sending or supply of notices, documents or other information shall be treated as the agreement or specification of all the joint holders in their capacity as such (whether for the purposes of the Act or otherwise)

21. Indemnities and insurance

- 21 1 Subject to the provisions of and so far as may be permitted by, the Act
- (a) every Director or other officer of the Company (excluding the Company's auditors) shall be entitled to be indemnified by the Company (and the Company

shall also be able to indemnify directors of any associated company (as defined in section 256 of the Act) out of the Company's assets against all liabilities incurred by him in the actual or purported execution or discharge of his duties or the exercise or purported exercise of his powers or otherwise in relation to or in connection with his duties, powers or office, provided that no Director or any associated company is indemnified by the Company against

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

save that, in respect of a provision indemnifying a director of a company (whether or not the Company) that is a trustee of an occupational pension scheme (as that term is used in section 235 of the Act) against liability incurred in connection with that company's activities as trustee of the scheme, the Company shall also be able to indemnify any such director without the restrictions in Articles 21 1(a)(i), 21 1(a)(iii)(B) and 21 1(a)(iii)(C) applying,

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

21 2 The Company shall (at the cost of the Company) effect and maintain for each Director policies of insurance insuring each Director against risks in relation to his office as each director may reasonably specify including without limitation, any liability which by virtue of any rule of law may attach to him in respect of any negligence, default of duty or breach of trust of which he may be guilty in relation to the Company

22 Secretary

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

23 Lien

23 1 The Company shall have a first and paramount lien (the "**Company's Lien**") over every Share (whether or not a fully paid share) for all and any indebtedness of any holder of it to the Company (whether a sole holder or one of two or more joint holders), whether or not that indebtedness or liability is in respect of the Shares concerned and whether or not it is presently payable

23 2 The Company's Lien over a Share

- (a) shall take priority over any third party's interest in that Share, and
- (b) extends to any dividend or other money payable by the Company in respect of that Share and (if the lien is enforced and the Share is sold by the Company) the proceeds of sale of that Share

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

23 3 Subject to the provisions of this Article 23, if

- (a) a notice complying with Article 23 4 (a "**Lien Enforcement Notice**") has been given by the Company in respect of a Share, and
- (b) the person to whom the notice was given has failed to comply with it,

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

23 4 A Lien Enforcement Notice

- (a) may only be given by the Company in respect of a Share which is subject to the Company's Lien, in respect of which a sum is payable and the due date for payment of that sum has passed,
- (b) must specify the Share concerned,
- (c) must require payment of the sum payable within 14 days of the notice,
- (d) 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
- (e) must state the Company's intention to sell the Share if the notice is not complied with

23 5 Where any Share is sold pursuant to this Article 23

- (a) the Directors may authorise any person to execute an instrument of transfer of the Share to the purchaser or a person nominated by the purchaser, and
- (b) the transferee shall not be bound to see to the application of the consideration, and the transferee's title shall not be affected by any irregularity in or invalidity of the process leading to the sale

23 6 The net proceeds of any such sale (after payment of the costs of sale and any other costs of enforcing the lien) must be applied

- (a) first, in payment of so much of the sum for which the lien exists as was payable at the date of the Lien Enforcement Notice,
 - (b) secondly, to the person entitled to the Share at the date of the sale, but only after the certificate for the Share sold has been surrendered to the Company for cancellation or an indemnity for lost certificate in a form acceptable to the Board has been given for any lost certificate, and subject to a lien equivalent to the Company's Lien for any money payable (whether or not it is presently payable) as existing upon the Share before the sale in respect of all Shares registered in the name of that person (whether as the sole registered holder or as one of several joint holders) after the date of the Lien Enforcement Notice
- 23 7 A statutory declaration by a Director or the company secretary that the declarant is a Director or the company secretary and that a Share has been sold to satisfy the Company's Lien on a specified date
 - (a) shall be conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the Share, and
 - (b) subject to compliance with any other formalities of transfer required by these Articles or by law, shall constitute a good title to the Share
- 24 Call Notices**
- 24 1 Subject to these Articles and the terms on which Shares are allotted, the Directors may send a notice (a "**Call Notice**") to a Shareholder who has not fully paid for that Shareholder's Share(s) requiring the Shareholder to pay the Company a specified sum of money (a "**call**") which is payable to the Company by that Shareholder when the Directors decide to send the Call Notice
- 24 2 A Call Notice
 - (a) may not require a Shareholder to pay a call which exceeds the total sum unpaid on that Shareholder's Shares (whether as to the Share's nominal value or any sum payable to the Company by way of premium),
 - (b) shall state when and how any call to which it relates it is to be paid, and
 - (c) may permit or require the call to be paid by instalments
- 24 3 A Shareholder shall comply with the requirements of a Call Notice, but no Shareholder shall be obliged to pay any call before 14 days have passed since the notice was sent
- 24 4 Before the Company has received any call due under a Call Notice the Directors may
 - (a) revoke it wholly or in part, or
 - (b) specify a later time for payment than is specified in the Call Notice, by a further notice in writing to the Shareholder in respect of whose Shares the call is made
- 24 5 Liability to pay a call shall not be extinguished or transferred by transferring the Shares in respect of which it is required to be paid Joint holders of a Share shall be jointly and severally liable to pay all calls in respect of that Share

- 24 6 Subject to the terms on which Shares are allotted, the Directors may, when issuing Shares, provide that Call Notices sent to the holders of those Shares may require them to
- (a) pay calls which are not the same, or
 - (b) pay calls at different times
- 24 7 A Call Notice need not be issued in respect of sums which are specified, in the terms on which a Share is issued, as being payable to the Company in respect of that Share (whether in respect of nominal value or premium)
- (a) on allotment,
 - (b) on the occurrence of a particular event, or
 - (c) on a date fixed by or in accordance with the terms of issue
- 24 8 If the due date for payment of such a sum as referred to in Article 24 7 has passed and it has not been paid, the holder of the Share concerned shall be treated in all respects as having failed to comply with a Call Notice in respect of that sum, and shall be liable to the same consequences as regards the payment of interest and forfeiture
- 24 9 If a person is liable to pay a call and fails to do so by the Call Payment Date (as defined below)
- (a) the Directors may issue a notice of intended forfeiture to that person, and
 - (b) until the call is paid, that person shall be required to pay the Company interest on the call from the Call Payment Date at the Relevant Rate (as defined below)
- 24 10 For the purposes of Article 24 9
- (a) the **"Call Payment Date"** shall be the time when the call notice states that a call is payable, unless the Directors give a notice specifying a later date, in which case the **"Call Payment Date"** is that later date,
 - (b) the **"Relevant Rate"** shall be
 - (i) the rate fixed by the terms on which the Share in respect of which the call is due was allotted,
 - (ii) such other rate as was fixed in the Call Notice which required payment of the call, or has otherwise been determined by the Directors, or
 - (iii) if no rate is fixed in either of these ways, five per cent a year,provided that the Relevant Rate shall not exceed by more than five percentage points the base lending rate most recently set by the Monetary Policy Committee of the Bank of England in connection with its responsibilities under Part 2 of the Bank of England Act 1998(a)
- 24 11 The Directors may waive any obligation to pay interest on a call wholly or in part
- 24 12 The Directors may accept full payment of any unpaid sum in respect of a Share despite payment not being called under a Call Notice

25. Forfeiture of Shares

25 1 A notice of intended forfeiture

- (a) may be sent in respect of any Share for which there is an unpaid sum in respect of which a call has not been paid as required by a Call Notice,
- (b) shall be sent to the holder of that Share or to a person entitled to it by reason of the holder's death, bankruptcy or otherwise,
- (c) shall require payment of the call and any accrued interest [and all expenses that may have been incurred by the Company by reason of such non-payment] by a date which is not fewer than 14 days after the date of the notice,
- (d) shall state how the payment is to be made, and
- (e) shall state that if the notice is not complied with, the Shares in respect of which the call is payable will be liable to be forfeited

25 2 If a notice of intended forfeiture is not complied with before the date by which payment of the call is required in the notice of intended forfeiture, then the Directors may decide that any Share in respect of which it was given is forfeited, and the forfeiture is to include all dividends or other moneys payable in respect of the forfeited Shares and not paid before the forfeiture

25 3 Subject to these Articles, the forfeiture of a Share extinguishes

- (a) all interests in that Share, and all claims and demands against the Company in respect of it, and
- (b) all other rights and liabilities incidental to the Share as between the person whose Share it was prior to the forfeiture and the Company

25 4 Any Share which is forfeited in accordance with these Articles

- (a) shall be deemed to have been forfeited when the Directors decide that it is forfeited,
- (b) shall be deemed to be the property of the Company, and
- (c) may be sold, re-allotted or otherwise disposed of as the Directors think fit

25 5 If a person's Shares have been forfeited then

- (a) the Company shall send that person notice that forfeiture has occurred and record it in the register of members,
- (b) that person shall cease to be a Shareholder in respect of those Shares,
- (c) that person shall surrender the certificate for the Shares forfeited to the Company for cancellation,
- (d) that person shall remain liable to the Company for all sums payable by that person under the Articles at the date of forfeiture in respect of those Shares, including any interest (whether accrued before or after the date of forfeiture), and

- (e) the Directors shall be entitled to waive payment of such sums wholly or in part or enforce payment without any allowance for the value of the Shares at the time of forfeiture or for any consideration received on their disposal
- 25 6 At any time before the Company disposes of a forfeited Share, the Directors shall be entitled to decide to cancel the forfeiture on payment of all calls and interest [and expenses] due in respect of it and on such other terms as they think fit
- 25 7 If a forfeited Share is to be disposed of by being transferred, the Company shall be entitled to receive the consideration for the transfer and the Directors shall be entitled to authorise any person to execute the instrument of transfer
- 25 8 A statutory declaration by a Director or the company secretary that the declarant is a Director or the company secretary and that a Share has been forfeited on a specified date
- (a) shall be conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the Share, and
 - (b) subject to compliance with any other formalities of transfer required by the articles or by law, constitutes a good title to the Share
- 25 9 A person to whom a forfeited Share is transferred shall not be bound to see to the application of the consideration (if any) nor shall that person's title to the Share be affected by any irregularity in or invalidity of the process leading to the forfeiture or transfer of the Share
- 25 10 If the Company sells a forfeited Share, the person who held it prior to its forfeiture shall be entitled to receive the proceeds of such sale from the Company, net of any commission, and excluding any sum which
- (a) was, or would have become, payable, and
 - (b) had not, when that Share was forfeited, been paid by that person in respect of that Share,
- but no interest shall be payable to such a person in respect of such proceeds and the Company shall not be required to account for any money earned on such proceeds

26. Surrender of Shares

- 26 1 A Shareholder shall be entitled to surrender any Share
- (a) in respect of which the Directors issue a notice of intended forfeiture,
 - (b) which the Directors forfeit, or
 - (c) which has been forfeited
- The Directors shall be entitled to accept the surrender of any such Share
- 26 2 The effect of surrender on a Share shall be the same as the effect of forfeiture on that Share
- 26 3 The Company shall be entitled to deal with a Share which has been surrendered in the same way as a Share which has been forfeited

27. Authority to capitalise and appropriation of capitalised sums

27 1 The Board may, if authorised to do so by an ordinary resolution

- (a) decide to capitalise any profits of the Company (whether or not they are available for distribution) which are not required for paying a preferential dividend, or any sum standing to the credit of the Company's share premium account or capital redemption reserve, and
- (b) appropriate any sum which they so decide to capitalise (a "**Capitalised Sum**") to such Shareholders and in such proportions as the Board may in their absolute discretion deem appropriate (the "**Shareholders Entitled**")

Article 27 of the Model Articles shall not apply to the Company

27 2 Capitalised Sums may be applied on behalf of such Shareholders and in such proportions as the Board may (in its absolute discretion) deem appropriate

27 3 Any Capitalised Sum may be applied in paying up new Shares up to the nominal amount (or such amount as is unpaid) equal to the Capitalised Sum, which are then allotted credited as fully paid to the Shareholders Entitled or as they may direct

27 4 A Capitalised Sum which was appropriated from profits available for distribution may be applied in paying up new debentures of the Company which are allotted credited as fully paid to the Shareholders Entitled or as they may direct

27 5 Subject to the Articles the Board may

- (a) apply Capitalised Sums in accordance with Articles 27 3 and 27 4 partly in one way and partly another,
- (b) make such arrangements as they think fit to deal with Shares or debentures becoming distributable in fractions under this Article 27, and
- (c) authorise any person to enter into an agreement with the Company on behalf of all of the Shareholders Entitled which is binding on them in respect of the allotment of Shares or debentures under this Article 27