

Company Number: 09796351

**THE COMPANIES ACT 2006**

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**PRIVATE COMPANY LIMITED BY SHARES**

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**WRITTEN RESOLUTION**

**OF**

**RETIG LTD**

**(the "Company")**

WEDNESDAY



RM \*R7Z0SLGA\* #12  
20/02/2019  
COMPANIES HOUSE

Pursuant to Chapter 2 of Part 13 of the Companies Act 2006 (the "CA 2006"), the following resolution was passed as a special resolution on 5<sup>th</sup> February 2019:

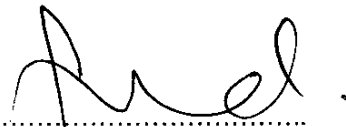
1. THAT:

- a) in accordance with section 551 of the Companies Act 2006 (**CA 2006**), the directors of the Company (**Directors**) be generally and unconditionally authorised:
  - i. to allot A ordinary shares in the aggregate nominal amount (within the meaning of section 551(3) and (6) of the CA 2006) of £298.00; and
  - ii. to allot ordinary shares up to an aggregate nominal amount (within the meaning of section 551(3) and (6) of the CA 2006) of £227.00 (other than the A ordinary shares to be allotted pursuant to (i) above); and
  - iii. to allot and grant rights to subscribe for, or convert any securities into shares up to an aggregate nominal amount (within the meaning of section 551(3) and (6) of the CA 2006) of £10,000,000, by way of the issue (and subsequent conversion into shares) of convertible loan notes,

provided that this authority shall, unless renewed, varied or revoked by the Company, expire on the date which falls 5 years after the date this resolution is passed save that the Company may, before such expiry, make an offer or agreement which would or might require shares to be allotted, or rights to be granted and the Directors may allot shares or grant rights to subscribe for or to convert any security into shares in pursuance of such offer or agreement notwithstanding that the authority conferred by this resolution has expired. This authority revokes and replaces all unexercised authorities previously granted to the

Directors but without prejudice to any allotment of shares or any rights to subscribe for, or convert any securities into, shares already made or granted or offered or agreed to be made or granted pursuant to such authorities;

- b) in accordance with section 570 of the CA 2006, the Directors be generally authorised to allot equity securities (as defined in section 560 of the CA 2006) of the Company for cash pursuant to the authorities conferred by paragraph (a) above, as if section 561(1) of the CA 2006 did not apply to any such allotment, provided that this power shall expire on the date which falls 5 years after the date this resolution is passed (unless renewed, varied or revoked by the Company prior to or on that date), save that the Company may, before such expiry, make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of any such offer or agreement notwithstanding that the power conferred by this resolution has expired; and
- c) the regulations contained in the document attached to this resolution be adopted as the articles of association of the Company in substitution for, and to the exclusion of, all existing articles of association.

  
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For and on behalf of the Company



The Companies Act 2006

Articles of Association of Retig Limited

Private company limited by shares

(Adopted by Written Resolution passed on 5 February 2019)

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## 1. PRELIMINARY

- 1.1 In these articles "**Model Articles**" means the Model Articles in schedule 1 to the Companies (Model Articles) Regulations 2008 (SI 2008 No. 3229) and as otherwise amended prior to the adoption of these articles. Save as otherwise specifically provided in these articles, words and expressions which have particular meanings in the Model Articles shall have the same meanings in these articles.
- 1.2 *The Model Articles as they relate to a private company limited by shares shall apply to the Company, except in so far as they are modified or excluded by these articles and together with these articles constitute the articles of association of the Company.*
- 1.3 Articles 10, 11(2), 14(1), (2), (3) and (4), 17(2), 21, 44(2), 52 and 53 of the Model Articles shall not apply to the Company.
- 1.4 Article 1 of the Model Articles after the word "articles" (on the first line) the words "and in any articles adapting in whole or part the same" shall be inserted.
- 1.5 In article 8(2) of the Model Articles the words "copies of which have been signed by each eligible director" shall be replaced by the words "where each eligible director has signed one or more copies of it".
- 1.6 In article 8(3) of the Model Articles the words "and whose vote would have been counted" shall be added after the words "who would have entitled to vote on the matter".
- 1.7 Article 20 of the Model Articles shall be amended by the insertion of the words "(including alternate directors) and the secretary (if any)" before the words "properly incur".
- 1.8 In article 25(2)(c) of the Model Articles, the words "evidence, indemnity and the payment of a reasonable fee" shall be deleted and replaced with the words "evidence and indemnity".
- 1.9 Article 29 of the Model Articles shall be amended by the insertion of the words ", or the name of any person(s) named as the transferee(s) in an instrument of transfer executed under article 28(2)," after the words "the transmittee's name".
- 1.10 Articles 31(1)(a) to (d) (inclusive) of the Model Articles shall be amended by the deletion, in each case, of the words "either" and "or as the directors may otherwise decide".

## 2. PRIVATE COMPANY

The Company is a private company within the meaning of section 4(1) of the Companies Act 2006.

## 3. INTERPRETATION

- 3.1 In these articles unless the context otherwise requires, the following expressions have the following meanings:

**"Act"** means the Companies Act 2006, and every statutory modification, re-enactment or replacement of that Act for the time being in force;

**"Adoption Date"** means the date of adoption of these articles;

**"A Ordinary Shares"** means the A Ordinary Shares of £0.001 each in the share capital of the Company;

**"Auditors"** means the auditors (if any) from time to time of the Company and/or such other firm of professional advisers as the Board may from time to time select for the relevant purpose required under these articles;

**"Asset Sale"** means the disposal by the Company or a member of the Group of all or a substantial part of the assets of the Group;

**"Board"** means the board of directors of the Company from time to time;

**"Business Day"** means a day (excluding Saturdays) on which banks are generally open in London for the transaction of normal banking business;

**"Company"** means Retig Limited registered in England and Wales with company number 09796351;

**"Deed of Adherence"** has the same meaning given to it in the Shareholders Agreement;

**"Deemed Transfer Notice"** means a Transfer Notice deemed to be given under any provision of these articles;

**"Director"** means a director for the time being of the Company;

**"Dismissed"** means any Leaver who has been dismissed or asked to leave the employment of any Group Company whether summarily or following any due disciplinary process or tribunal by reason of gross misconduct, poor performance, disciplinary action or otherwise in accordance with any Group Company's employment rules from time to time;

**"EMI Plan"** means the Retig Enterprise Management Incentive Plan adopted by the Board on or after 16 February 2017 and as amended from time to time;

**"EMI Shareholder"** means any Shareholder who acquires the relevant Shares pursuant to the exercise of an option granted under the EMI Plan;

**"Employee"** means an employee or executive director of any Group Company;

**"Encumbrance"** means any mortgage, charge (whether fixed or floating), pledge, lien, trust, encumbrance, security interest, assignment by way of security or other third party right or interest (legal or equitable) including any right of pre-emption over or in respect of the relevant asset, security or right or any other agreement or arrangement having similar effect;

**"Excluded EMI Option"** means the option over 36,000 Ordinary Shares granted under the EMI Plan to the Excluded EMI Shareholder on or within 20 Business Days of the Adoption Date;

**"Excluded EMI Shareholder"** mean Simon James Perkins but only to the extent of the Ordinary Shares that are or were subject to the Excluded EMI Option;

**"Group"** the Company and any subsidiary of the Company (within the meaning of section 1159 of the Act) and **"Group Company"** shall be construed accordingly;

**"Investor Director"** shall have the same meaning as in a Shareholder Agreement;

**"Leaver"** means an EMI Shareholder (other than the Excluded EMI Shareholder):

- (a) who ceases to be an Employee; or
- (b) who is subject to an Obligatory Transfer Event as referred to in article 11;

**"Lien Enforcement Notice"** means a notice in writing which complies with the requirements of article 29.3(b);

**"Liquidation"** means the passing of a resolution for the winding-up of the Company;

**"Market Value"** has the meaning provided for in article 12;

**"Nominating Shareholders"** means Other Existing Shareholders who together hold (based on their shareholding as at the Adoption Date) in aggregate Shares conferring more than 50 per cent of the voting rights normally exercisable at general meetings of the Company (but excluding the A Ordinary Shares as at the Adoption Date);

**"Obligatory Transfer Event"** means any event specified in article 11;

**"Ordinary Shares"** means the ordinary shares of £0.001 each in the share capital of the Company;

**"Other Existing Shareholder"** means: (a) any Shareholder as at the Adoption Date (other than the holder(s) of the A Ordinary Shares); and (b) any transferee from time to time of any Shares which were held by such Shareholder as at the Adoption Date, in each case for so long as such persons hold any Shares;

**"Paid Up"** means, in relation to a share, paid up or credited as paid up;

**"Post Cessation Holder"** means any EMI Shareholder (other than the Excluded EMI Shareholder) who has acquired their Shares where such acquisition occurs after such EMI Shareholder ceases to be an Employee;

**"Relevant Event"** means an Asset Sale, a Share Sale or Liquidation;

**"Share"** means a share in the capital of the Company of whatever class and **"Shares"** shall be construed accordingly;

**"Share Sale"** means the transfer of all of the Shares in the capital of the Company to a third party;

**"Shareholder"** means a holder of any Shares;

**"Shareholder Agreement"** means any shareholder agreement entered into on or around the date of the adoption of these articles by and between the Company and the Shareholders;

**"Shareholder Nominee Director"** has the meaning given to it in article 14.1;

**"Third Party Sale"** means (a) the transfer (whether through a single transaction or a series of transactions) of Shares as a result of which any person (or persons connected with each other, or persons acting in concert with each other) would have the legal or beneficial ownership over that number of shares in the capital of the Company which in aggregate would confer more than 50 per cent of the voting rights normally exercisable at general meetings of the Company provided that there shall be no sale as a result of any transfer pursuant to article 5.1 and/or (b) any form of capital reorganisation or scheme of arrangement or the like under the Companies Act 2006 or the Insolvency Act 1986 (as amended from time to time) or otherwise where any person (or persons connected with each other, or persons acting in concert with each other) would acquire directly or indirectly beneficial ownership of or over that number of shares in the Company which in aggregate would confer more than 50 per cent of the voting rights normally exercisable at general meetings of the Company; and

**"Transfer Notice"** a notice in writing given by any Shareholder to the Company where that shareholder desires, or is required by these articles, to transfer (or enter into an agreement to transfer) any Shares. Where such notice is deemed to have been served, it shall be referred to as a Deemed Transfer Notice.

- 3.2 In these articles, words or expressions, the definitions of which are contained or referred to in the Act, shall be construed as having the meaning thereby attributed to them but excluding any statutory modification thereof not in force on the date of adoption of these articles.
- 3.3 In these articles, words importing the singular include (where appropriate) the plural, words importing any gender include (where appropriate) every gender, and words importing persons include (where appropriate) bodies corporate and unincorporate; and (in each case) vice versa.
- 3.4 In these articles, in relation to any member, references to any English legal term for any action, remedy, method of judicial proceeding, insolvency proceeding, event of incapacity, legal status, court, governmental or administrative authority or agency, official or any legal concept, practice or principle or thing shall in respect of any jurisdiction other than England where that member is domiciled, resident, incorporated or carries on business be deemed to include what most approximates in that jurisdiction to the English legal term concerned.
- 4. SHARE CAPITAL**
- 4.1 Save only with respect to rights attaching to the A Ordinary Shares as contemplated in article 4.3 below, each Share shall rank parri passu according to the number of Shares held by each Shareholder.
- 4.2 On a resolution at a general meeting, every member who (being an individual) is present in person or by proxy or (being a body corporate) is present by a duly authorised representative or by proxy shall, on a show of hands, have one vote, and, on a poll, have one vote for each share held by him.
- 4.3 Upon the occurrence of a Relevant Event, the holder(s) of A Ordinary Shares shall be entitled to receive in respect of its A Ordinary Shares an amount equal to the higher of (a) its aggregate subscription price for its A Ordinary Shares or (b) that proportion of the assets of the Company as the number of A Ordinary Shares owned by the holder(s) of A Ordinary Shares bears to the total number of issued Shares immediately prior to the Relevant Event, in priority to the other Shareholders of the Company provided that if on the occurrence of the Relevant Event, the holder(s) of A Ordinary Shares would not otherwise receive a price equal to at least the value of the aggregate subscription price for the A Ordinary Shares owned by the holder(s) of A Ordinary Shares, the holder(s) of A Ordinary Shares shall be entitled to receive all consideration due to Shareholders on such Relevant Event in the proportion that the number of A Ordinary Shares owned by the holder(s) of A Ordinary Shares bears to the total number of A Ordinary Shares.
- 4.4 Whenever the share capital of the Company is divided into different classes of shares, the special rights attached to any such class may only be varied or abrogated (either whilst the Company is a going concern or during or in contemplation of a winding-up) either (a) with the consent in writing of the holders of more than three-fourths in nominal value of the issued shares of that class; or (b) with the sanction of a special resolution passed at a separate general meeting of the holders of that class. To every such separate general meeting all the provisions of these articles relating to general meetings of the Company (and to the proceedings at such general meetings) shall, *mutatis mutandis*, apply, except that (i) the necessary quorum shall be two persons, present in person or by proxy or by duly authorised representative (if a corporation), who together hold or represent at least one-third in nominal value of the issued shares of the relevant class (unless all the shares of that class are registered in the name of a single holder, in which case the quorum shall be that holder, his proxy or his duly authorised representative (if a corporation)), but so that if, at any adjourned meeting of such holders, such a quorum is not present, then those holders who are present (in person or by proxy or by duly authorised representative (if a corporation)) shall be a quorum, (ii) any holder of shares of the relevant class present in person or by proxy or by duly authorised representative (if a corporation) may demand a



poll; and (iii) the holders of shares of the relevant class shall, on a poll, have one vote in respect of every share of that class held by him.

## 5. **TRANSFERS AND ISSUE OF NEW SHARES**

5.1 None of the Shareholders shall transfer, sell, assign, renounce or otherwise create or dispose of any interest (including an Encumbrance) in or over any of its Shares except in accordance with the provisions of these articles or a Shareholder Agreement.

5.2 In accordance with section 567 of the Act, the requirements of sections 561 and 562 of the Act are excluded in relation to allotments of equity securities by the Company.

5.3 Subject to the provisions of a Shareholder Agreement and the EMI Plan, all Shares which the Company proposes to allot wholly for cash shall first be offered for subscription to the holder(s) of the A Ordinary Shares. Such offer shall be made by notice in writing specifying the maximum number of Shares to which the holder(s) of the A Ordinary Shares is entitled and a time (being not less than 45 days) within which the offer (if not accepted) will be deemed to have been declined. The offer may be accepted in whole or in part. After the expiration of such time, or upon receipt by the Company of an acceptance or refusal of every offer so made, the Company shall be entitled to dispose of any Shares so offered, and which are not required to be allotted in accordance with this article 5.3, in such manner as the Company may think most beneficial to the Company.

## 6. **PERMITTED TRANSFERS**

6.1 Notwithstanding the provisions in these articles and subject to the terms of a Shareholder Agreement:

- (a) Shares may be transferred by a body corporate (the "**Original Holder**") to a subsidiary or holding company of the Original Holder or another subsidiary of such holding company;
- (b) a Shareholder may transfer Shares to a nominee or trustee for that holder and any nominee or trustee may transfer Shares to any other nominee or trustee or to the beneficiary provided that no beneficial interest in the Shares passes by reason of any such transfer; and
- (c) a Shareholder may transfer Shares to a member of his/her immediate family (being, a spouse or linear descendant) or to a trust of which the Shareholder and/or any such member of their immediately family is/are the sole beneficiary/ies or to a company (limited or unlimited) established for the purpose of holding investments for the benefit of such Shareholder and/ or such family member(s).

6.2 A transfer pursuant to this article 6 is conditional upon the following (as applicable):

- (a) each proposed transferee shall first have entered into any deed of adherence required to be entered into pursuant to the provisions of a Shareholder Agreement; and
- (b) in respect of a transfer pursuant 6.1(a), the transfer is on terms that if the transferee ceases to be in such relationship with the Original Holder the Shares in question shall forthwith be transferred to the Original Holder.

## 7. **PRE-EMPTION RIGHT ON TRANSFERS**

7.1 Any Shareholder (other than the holder(s) of the A Ordinary Shares) (the "**Proposing Transferor**") proposing to transfer any Shares shall give notice in writing (the "**Pre-Emptive Notice**") to the Company (which shall promptly give notice to the holder(s) of the A Ordinary Shares and the Other Shareholders) specifying:

- (a) the number of Shares that are proposed to be transferred and the number of Shares that the Proposing Transferor will retain after such transfer (if any);
  - (b) the price per Share that the Proposing Transferor is willing to transfer at (the **"Transfer Price"**), and the total consideration to be received by the Proposing Transferor for all of the specified Shares at the Transfer Price;
  - (c) that the specified Shares are offered (i) in the first instance to the holder(s) of the A Ordinary Shares but to the extent that the holder(s) of the A Ordinary Shares does not accept the offer of the specified Shares in full, (ii) to the Shareholders (other than the holder(s) of A Ordinary Shares) or the Proposing Transferor (together for the purposes of this article 7, the **"Other Shareholders"**)) (who may accept such offer in whole or in part);
  - (d) the period in which the holder(s) of the A Ordinary Shares and the Other Shareholders may accept the offer in the Pre-Emptive Notice (which, in the case of the Other Shareholders, shall be conditional on the holder(s) of the A Ordinary Shares not accepting such offer) which shall not be less than 45 days; and
  - (e) the identity of the third party purchaser to whom the Proposing Transferor has provisionally agreed (subject to the provisions of this article 7) to sell the Shares at the Transfer Price if the holder(s) of the A Ordinary Shares and/or (if relevant) the Other Shareholders do not accept the pre-emptive offer contained in the Pre-Emptive Notice.
- 7.2 The Pre-Emptive Notice shall constitute the Company the agent of the Proposing Transferor for the sale of the Shares of all (but not some only) Shares specified in the Transfer Notice together with all rights then attached thereto at the Transfer Price.
- 7.3 The holder(s) of the A Ordinary Shares responding to a Pre-Emptive Notice shall:
- (a) notify its response to both the Proposing Transferor and the Company; and
  - (b) either accept the offer or decline the offer.
- 7.4 Each Other Shareholder responding to a Pre-Emptive Notice shall:
- (a) notify its response to both the Proposing Transferor and the Company; and
  - (b) either accept the offer (which shall be conditional on the holder(s) of the A Ordinary Shares not accepting such offer) and if so, may state in respect of what number or proportion of Shares specified in the Transfer Notice it wishes to accept (which may be any number or all of such Shares), or decline the offer.
- 7.5 If the holder(s) of the A Ordinary Shares has not responded by the end of the offer period, it shall be deemed to have declined the offer. If an Other Shareholder has not responded by the end of the offer period, it shall be deemed to have declined the offer. If all of the Shares specified in the Transfer Notice have been accepted by the holder(s) of the A Ordinary Shares, the Company shall give notice in writing to the Proposing Transferor of the acceptance of the offer and the Proposing Transferor shall be bound upon payment of the price due to transfer the relevant Shares to the holder(s) of the A Ordinary Shares. If the Shares specified in the Transfer Notice have not been accepted by the holder(s) of the A Ordinary Shares (including if the holder(s) of the A Ordinary Shares shall be deemed to have declined) but one or more Other Shareholders (**"Accepting Other Shareholders"**) have accepted the offer (either alone or together with all other Accepting Other Shareholders) in respect of all of the Shares specified in the Transfer Notice (but not some only):

- (a) the Shares specified in the Transfer Notice shall be deemed to have been accepted by the Accepting Other Shareholders in the proportion (as determined by the Company in its absolute discretion) that as nearly as practicable enables each Accepting Other Shareholder (if more than one) to be able to acquire as many of the Shares specified in the Transfer Notice as that Accepting Other Shareholder shall have notified it wishes to acquire pursuant to article 7.5(a) whilst ensuring that all of the Shares specified in the Transfer Notice are allocated as between the Accepting Other Shareholders or, if there is only one Accepting Other Shareholder, all of the Shares specified in the Transfer Notice shall be deemed to have been accepted by that Accepting Other Shareholder; and
  - (b) the Company shall give notice in writing to the Proposing Transferor of the acceptance of the offer (and in the case where one or more Other Shareholders have accepted the offer in respect of all of the Shares specified in the Transfer Notice shall inform the Proposing Transferor of the identities of such Accepting Other Shareholder(s) and the number of such Shares to be transferred to such Accepting Other Shareholder(s)) and the Proposing Transferor shall be bound upon payment of the price due to transfer the relevant Shares to the holder(s) of the A Ordinary Shares or to the Accepting Other Shareholder(s) (as the case may be).
- 7.6 If the Proposing Transferor makes default in transferring any such Shares the Company may receive the purchase money on its behalf and may authorise a director of the Company to execute a transfer of such Shares as agent of and/or as attorney for the Proposing Transferor in favour of the holder(s) of the A Ordinary Shares or Other Shareholder(s) (as the case may be). The receipt by the Company of the purchase money shall be a good discharge to the holder(s) of the A Ordinary Shares or Accepting Other Shareholder(s) (as the case may be). The Company shall pay the purchase money into a separate bank account and shall hold the same on trust for the Proposing Transferor.
- 7.7 Subject to the provisions of a Shareholder Agreement, if the offer in the Pre-Emptive Notice is not accepted in full by the holder(s) of the A Ordinary Shares or Other Shareholder(s) (as the case may be), the Proposing Transferor shall, during the period of 30 days following the expiry of the pre-emptive offer, be at liberty to transfer all but not some only of the Shares specified in the Transfer Notice to the person specified in article 7.1(e) provided that the price per Share obtained upon such transfer shall in no circumstances be less than the Transfer Price and the Proposing Transferor shall upon request by the Company or the holder(s) of the A Ordinary Shares furnish such information in relation to the price per Share obtained as aforesaid.
- 8. COMPULSORY TRANSFERS**
- 8.1 The provisions of this article shall apply to any Leaver and any Post Cessation Holder.
- 8.2 Where the Board gives notice in writing to a Leaver pursuant to this article 8 within 12 months of the EMI Shareholder becoming a Leaver, such Leaver shall be deemed to have served a Deemed Transfer Notice in respect of all of his/her Shares (which shall for the purpose of this article 8 be referred to as "**Leaver's Shares**"), immediately upon the Board giving such notice and, for as long as the Leaver is a Shareholder, the Board may determine at any time that a further Deemed Transfer Notice has been served by the Leaver.
- 8.3 Where the Board gives notice in writing to a Post Cessation Holder pursuant to this article 8 within 12 months of the Post Cessation Holder being registered as a Shareholder, such Post Cessation Holder shall be deemed to have served a Deemed Transfer Notice in respect of all of his/her Shares (also "**Leaver's Shares**"), immediately upon the Board giving such notice and, for as long as the Post Cessation Holder is a Shareholder, the Board may determine at any time that a further Deemed Transfer Notice has been served by the Post Cessation Holder.

- 8.4 The Board has the further right to postpone any Leaver's Deemed Transfer Notice and/or any Post Cessation Holders Deemed Transfer Notice for such period as they determine.
- 8.5 The Deemed Transfer Notice shall constitute the Company (by the Board) as the agent of the Leaver or Post Cessation Holder (as the case may be) empowered to sell the Leaver's Shares (together with all rights attaching thereto at the date of the Deemed Transfer Notice or at any time thereafter) at the **"Transfer Price"** (as defined in article 8.6) on the terms of this article 8. A Deemed Transfer Notice may not be revoked.
- 8.6 The Transfer Price shall be:
- (a) other than where the article 8.6(b) or article 8.6(c) applies, the Market Value of the Leaver's Shares at that time;
  - (b) where the Leaver is Dismissed, 60 per cent of Market Value at that time; and
  - (c) where the provisions of article 9 apply, the nominal value of the Shares.
- 8.7 As soon as practicable following the date of the Deemed Transfer Notice (**"Offer Date"**), the Board shall offer the Leaver's Shares to the parties as provided in articles 8.8 and 8.9.
- 8.8 The Board shall consider firstly whether the Company shall purchase the Leaver's Shares at the Transfer Price within 20 Business Days of the Offer Date (**"First Leaver Period"**). If, at the end of the First Leaver Period, the Board decides on behalf of the Company not to purchase all of the Leaver's Shares, the balance (**"Initial Surplus Leaver's Shares"**) shall be dealt with in accordance with article 8.9.
- 8.9 At the end of the First Leaver Period, the Board shall offer the Initial Surplus Leaver's Shares to all Shareholders, inviting them to apply in writing within 20 Business Days of the date of the offer (**"Second Leaver Period"**) for the maximum number of Initial Surplus Leaver's Shares they wish to buy.
- If, at the end of the Second Leaver Period, the number of Initial Surplus Leaver's Shares applied for by Shareholders is equal to or exceeds the number of Initial Surplus Leaver's Shares, the Board shall allocate the Initial Surplus Leaver's Shares to each Shareholder who has applied for Initial Surplus Leaver's Shares in the proportion which his/her existing holding of Shares bears to the total number of Shares held by those Shareholders who have applied for Initial Surplus Leaver's Shares. Fractional entitlements shall be rounded to the nearest whole number. No allocation shall be made to an Shareholder of more than the maximum number of Initial Surplus Leaver's Shares which he/she has stated he/she is willing to buy.
- If, at the end of the Second Leaver Period, the total number of Initial Surplus Leaver's Shares applied for is less than the number of Initial Surplus Leaver's Shares, the Board shall allocate the Initial Surplus Leaver's Shares to the Shareholders in accordance with their applications. The balance shall be retained by the Leaver or Post Cessation Holder (as the case may be) subject to any subsequent Deemed Transfer Notice pursuant to article 8.2 or 8.3 (as the case may be) or where otherwise transferable in accordance with these articles.
- 8.10 In the event that any Leaver's Shares are retained by the Leaver or Post Cessation Holder (as the case may be) such Leaver's Shares shall (unless the Board decides otherwise) have no rights while the Leaver's Shares are held by the Leaver or Post Cessation Holder. Immediately upon the Leaver's Shares being transferred any rights attaching to the Leaver's Shares shall automatically resume upon the Company's register of members noting the removal of the Leaver or Post Cessation Holder as Shareholder.
- 8.11 If allocations under articles 8.8 or 8.9 have been made in respect of some or all of the Leaver's Shares, the Board shall give written notice of allocation (**"Allocation Notice"**) to the Leaver or Post Cessation Holder and/or the Company and/or Shareholders (as the case

may be) to whom Leaver's Shares have been allocated ("**Applicant**"). The Allocation Notice shall specify the number of Leaver's Shares allocated to each Applicant, the amount payable by each Applicant for the number of Leaver's Shares allocated to him ("**Consideration**") and the place and time for completion of the transfer of the Leaver's Shares (which shall be not more than 20 Business Days after the date of the Allocation Notice).

- 8.12 On the service of an Allocation Notice, the Leaver or Post Cessation Holder (as the case may be) shall, against payment of the Consideration, transfer the Leaver's Shares allocated in accordance with the requirements specified in the Allocation Notice.
- 8.13 If the Leaver or Post Cessation Holder (as the case may be) fails to comply with the requirements of the Allocation Notice he/she shall be deemed to have irrevocably appointed the Chairman of the Board (or, failing him, one of the other Directors, or some other person nominated by a resolution of the Board or by a majority of voting Shareholders) to be his/her agent or attorney to, on behalf of the Leaver or Post Cessation Holder (as the case may be):
- (a) complete, execute and deliver in his/her name all documents necessary to give effect to the transfer of the relevant Leaver's Shares to the Applicants;
  - (b) receive the Consideration and give a good discharge for it;
  - (c) (subject to the transfers being duly stamped) enter the Applicants in the register of members of the Company as the holders of the Shares purchased by them; and
  - (d) the Company shall pay the Consideration into a separate bank account in the Company's name on trust (but without interest) for the Leaver or Post Cessation Holder (as the case may be) until he/she has delivered his/her certificate for the relevant Shares (or an indemnity, in a form reasonably satisfactory to the Board, in respect of any lost certificate, together with such other evidence (if any) as the Board may reasonably require to prove good title to those Shares) to the Company.

## 9. TAG-ALONG

- 9.1 If Shareholders collectively holding at least 50 per cent of the Shares then in issue (the "**Proposed Sellers**") propose to sell some or all of their Shares, pursuant to a Third Party Sale (a "**Proposed Sale**"), then the Proposed Sellers shall give written notice (a "**Tag Notice**") to the other Shareholders (the "**Other Holders**") of the Proposed Sale at least 14 days prior to the proposed date of completion thereof. The Tag Notice shall set out, to the extent not described in any accompanying documents, the identity of the proposed buyer(s) (the "**Proposed Buyer**"), the price per Share and other terms and conditions of payment, the proposed date of sale and the number of Shares to be acquired by the Proposed Buyer.
- 9.2 The Proposed Sale may not be completed unless the Proposed Buyer has unconditionally offered (a "**Tag Offer**") to buy the same proportion of any Shares held by the Other Holders as the Shares the subject of the Proposed Sale represent of the Proposed Sellers' total holding of issued Shares immediately prior to the Proposed Sale. Such offer shall remain open for acceptance by the Other Holders for not less than 14 days, provided that the consideration payable by the Proposed Buyer to the Other Holders under any Tag Offer shall be:
- (a) the same for each class of Share (provided that, for the avoidance of doubt, this does not mean that the price of a Share has to be the same across all classes of Shares (save that the price of each A Ordinary Share and Ordinary Share shall be the same as the price for all other shares within such class));
  - (b) in the same form for each Share; and

(c) otherwise, subject to equivalent payment terms,

as are offered for each of the Proposed Seller's Shares which are the subject of the Proposed Sale. Each Shareholder also agrees to waive all pre-emption, veto or similar rights in respect of a proposed sale of his Shares under this article 9.2 that arise under the articles or otherwise.

9.3 Notwithstanding any other provisions in this article 9, if any or all of the consideration received or to be received by the Proposed Sellers for any class of Shares is or is not to be immediately payable in cash, then the Proposed Sellers may determine in their absolute discretion that such non cash consideration for that class or classes of Shares shall be settled and paid to the Other Holders in cash on the date upon which the Proposed Sellers receive the non-cash consideration, the value of such non cash consideration to be either (at the option of the Proposed Sellers):

- (a) as determined by a reputable investment bank appointed to act for the Company by the Proposed Sellers and the Other Holders, and in the event that the Proposed Sellers and the Other Holders are unable to agree, upon the application of either party, the Chief Executive for the time being of The British Bankers Association, or his deputy, shall make the appointment on their behalf which shall be final and binding; or
- (b) as agreed between the Proposed Sellers and the Other Holders before the date falling three Business Days before the proposed date of sale specified in the Tag Notice.

9.4 If any Other Holder who has indicated his acceptance of a Tag Notice makes default in transferring its Shares pursuant to this article 9 (the "**Relevant Securities**"):

- (a) the chairman for the time being of the Company, or failing him one of the Directors or some other person duly nominated by a resolution of the Board for that purpose, shall be deemed to be the duly appointed agent of the holder with full power to execute, complete and deliver in the name and on behalf of the holder all documents necessary to give effect to the transfer of the Relevant Securities to the relevant transferee (including to execute, the necessary transfer(s) (and, if necessary, indemnities in lieu of available and/or lost share certificates) on the Other Shareholder's behalf);
- (b) the Company may receive and give a good discharge for the purchase money on behalf of the holder and (subject to the transfer being duly stamped) enter the name of the transferee in the register of members or other appropriate register as the holder by transfer of the Relevant Securities;
- (c) the Company shall forthwith pay the consideration into a separate bank account (including a separate nominee security account) in the Company's name and if and when the holder shall deliver up his certificate or certificates for the Relevant Securities to the Company (or an indemnity in a form reasonably satisfactory to the Board in respect of any lost certificate) he shall thereupon be paid the consideration, without interest and less any sums owed to the Company by the holder.

9.5 The appointment referred to in article 9.4(a) shall be irrevocable and is given by way of security for the performance of the obligations of the holder under these articles.

9.6 The provisions of this article 9 shall not apply to any proposed transfer which is a permitted transfer under article 6.

9.7 The Directors shall refuse to register any purported transfer by the Proposed Sellers to the Proposed Buyer which does not take place in compliance with this article 9.

10. **DRAG ALONG RIGHTS**

- 10.1 Subject to the terms of a Shareholder Agreement, if Shareholders collectively holding at least 88 per cent of the Shares then in issue (the "**Accepting Shareholders**") wish to pursue a Third Party Sale and have received an offer from any person (an "**Offeror**") to acquire all (but not some) of their Shares that, if accepted, would result in a Third Party Sale (a "**Qualifying Offer**"), then the provisions of this article 10 shall apply.
- 10.2 The Accepting Shareholders shall give written notice (a "**Drag Notice**") to each other holder of Shares (the "**Other Shareholders**") of their wish to accept the Qualifying Offer and the Other Shareholders shall, subject to the provisions of article 10.4 below, thereupon become bound to accept the Qualifying Offer on the same terms and to transfer their Shares to the Offeror (or his nominee) with full title guarantee on the date specified by the Accepting Shareholders, provided that the consideration payable for each Share shall be:
- (a) the same for each class of Share (provided that, for the avoidance of doubt, this does not mean that the price of a Share has to be the same across all classes of Shares (save that the price of each A Ordinary Share and Ordinary Share shall be the same as the price for all other shares within such class));
  - (b) in the same form for each Share; and
  - (c) otherwise, subject to equivalent payment terms,
- as are offered for each of the Accepting Shareholders' Shares which are the subject of the Qualifying Offer. Each Shareholder also agrees to waive all pre-emption, veto or similar rights in respect of a sale of his Shares pursuant to this article 10.2 that arise under the articles or otherwise.
- 10.3 The requirements of the Qualifying Offer set out above shall not be regarded as not being satisfied merely because the dates on which the Qualifying Offer is made to persons may differ.
- 10.4 Notwithstanding any other provisions in this article 10, if any or all of the consideration received or to be received by the Accepting Shareholders for any class of Shares is or is not to be immediately payable in cash, then the Accepting Shareholders may determine in their absolute discretion that such non cash consideration for that class or classes of Shares shall be settled and paid to the Other Shareholders in cash on the date upon which the Accepting Shareholders receive the non-cash consideration, the value of such non cash consideration to be either (at the option of the Accepting Shareholders):
- (a) as determined by a reputable investment bank appointed to act for the Company by the Accepting Shareholders and the Other Shareholders, and in the event that the Accepting Shareholders and the Other Shareholder are unable to agree, upon the application of either party, the Chief Executive for the time being of The British Bankers Association, or his deputy, shall make the appointment on their behalf which shall be final and binding; or
  - (b) as agreed between the Accepting Shareholders and the Other Shareholders before the date falling three Business Days after the date of the Drag Notice.
- 10.5 If any Other Shareholder makes default in transferring its Shares pursuant to this article 10 (the "**Relevant Securities**"):
- (a) the chairman for the time being of the Company, or failing him one of the directors of the Company or some other person duly nominated by a resolution of the Board for that purpose, shall be deemed to be the duly appointed agent of the holder with full power to execute, complete and deliver in the name and on behalf of the holder all documents necessary to give effect to the transfer of the Relevant Securities to

the relevant transferee (including to execute, the necessary transfer(s) (and, if necessary, indemnities in lieu of available and/or lost share certificates) on the Other Shareholder's behalf);

- (b) the Company may receive and give a good discharge for the purchase money on behalf of the holder and (subject to the transfer being duly stamped) enter the name of the transferee in the register of members or other appropriate register as the holder by transfer of the Relevant Securities;
- (c) the Company shall forthwith pay the consideration into a separate bank account (including a separate nominee security account) in the Company's name and if and when the holder shall deliver up his certificate or certificates for the Relevant Securities to the Company (or an indemnity in a form reasonably satisfactory to the Board in respect of any lost certificate) he shall thereupon be paid the consideration, without interest and less any sums owed to the Company by the holder.

The appointment referred to in article 10.5(a) shall be irrevocable and is given by way of security for the performance of the obligations of the holder under these articles.

- 10.6 The provisions of this article 10 shall not apply to any proposed transfer which is a permitted transfer under article 6.

## **11. OBLIGATORY TRANSFERS**

- 11.1 If anything mentioned in this article 11 happens to or relates to an EMI Shareholder (other than the Excluded EMI Shareholder) it shall be an Obligatory Transfer Event in respect of that EMI Shareholder with that EMI Shareholder then becoming a Leaver and the provisions of article 5 shall apply to that Shareholder's Shares with the Transfer Price for such Leaver's Shares being as specified in article 8.6(c):

- (a) an order is made for that EMI Shareholders bankruptcy;
- (b) an application to the court is made under section 253 of the Insolvency Act 1986 where that EMI Shareholder intends to make a proposal to his/her creditors for a voluntary arrangement;
- (c) that EMI Shareholder makes an individual voluntary arrangement with his/her creditors on agreed terms pursuant to schedule 22 of the Enterprise Act 2002;
- (d) that EMI Shareholder convenes a meeting of his/her creditors or takes any other steps with a view to making an arrangement or composition in satisfaction of his/her creditors generally;
- (e) that EMI Shareholder is unable to pay his/her debts as they fall due for the purposes of section 268 of the Insolvency Act 1986;
- (f) the happening in relation to that EMI Shareholder of any event analogous or similar to any of the above in any jurisdiction;
- (g) that EMI Shareholder has a disqualification order made against him/her under the Company Directors Disqualification Act 1986; or
- (h) that EMI Shareholder commits a material and persistent breach of his/her obligations under these articles which, if capable of remedy, has not been so remedied within 20 Business Days of the Board requiring such remedy.



12. **MARKET VALUE**

- 12.1 The Board shall, in its discretion, determine the "Market Value" of Shares at the relevant time and may decide to instruct the Auditors to provide the determination where the Board sees fit. In determining the Market Value the Board or the Auditors (as the case may be) shall value the Company on a going concern basis on the assumption of an arm's length sale of the Company between a willing seller and a willing buyer and taking into account whether or not the Shares in question represent a minority or majority holding in the Company.
- 12.2 If required to provide such a determination, the Auditors shall be considered to be acting as experts and not as arbitrators and their decision shall (save in the case of manifest error) be final and binding. The reasonable costs of the Auditors shall be borne by the Company. Where the Auditors refuse to give the opinion or certificate required of them the matter shall be referred to an independent firm of chartered accountants selected by a majority (by votes) of the Shareholders or, failing such selection within 10 Business Days by a firm selected by the President for the time being of the Institute of Chartered Accountants in England and Wales upon the application of the Board.

13. **INVESTOR DIRECTOR**

- 13.1 The holder(s) of the A Ordinary Shares shall have the right from time to time to appoint an Investor Director and to remove from office any person so appointed and to appoint another person in his place in accordance with the provisions in the Shareholder Agreement.
- 13.2 The holder(s) of the A Ordinary Shares shall be entitled to invite one observer to attend: (a) meetings of the Board; (b) meetings of the directors of any member of the Group; and (c) meetings of any committee or sub-committee of or established by the Board or the board of directors of any member of the Group.
- 13.3 Any appointment or removal pursuant to clause 13.1 of the Investor Director shall be in writing served on the Company and signed by the holder of the A Ordinary Shares (or, if more than one, holders holding a majority (that is, more than 50 per cent) of the A Ordinary Shares). Such appointment or removal (which may consist of several documents) may be signed by or on behalf of the holder of the A Ordinary Shares Investor (or, if more than, the holder(s) holding a majority (that is, more than 50 per cent) of the A Ordinary Shares) by any director or the secretary of a holder(s), by its duly appointed attorney or by its duly authorised representative.

14. **SHAREHOLDER NOMINEE DIRECTOR**

- 14.1 The Nominating Shareholders shall have the right to appoint one person to be a director of the Company (the "**Shareholder Nominee Director**") and to remove from office any person so appointed and to appoint another person in his place.
- 14.2 Any appointment or removal pursuant to article 14.1 shall be in writing served on the Company and signed by each Nominating Shareholder. Such appointment or removal (which may consist of several documents) may be signed by the relevant Nominating Shareholder (or on its behalf by any director or the secretary of that Nominating Shareholder or its duly authorised representative, if it shall be a company) or by its duly appointed attorney.

15. **QUORUM**

- 15.1 Subject to the provisions of a Shareholder Agreement, the quorum for the transaction of business at a Board meeting is any two eligible Directors.
- 15.2 For the purposes of any meeting (or part of a meeting) held pursuant to article 15.1 to authorise a Directors conflict, if there is only one eligible Director in office other than the

conflicted Director(s), the quorum for such meeting (or part of a meeting) shall be one eligible Director.

**16. PROCEEDINGS AT BOARD MEETINGS**

Any Director or his/her alternate may validly participate in a Board meeting or a committee of Directors through the medium of conference telephone or similar form of communication equipment provided that all persons participating in the meeting are able to hear and speak to each other throughout the meeting. A person so participating shall be deemed to be present in person at the meeting and shall accordingly be counted in a quorum and be entitled to vote (subject to any contrary provisions contained in these articles). Subject to the Act, all business transacted in such manner by the Board or a committee of the Directors shall for the purposes of the articles be deemed to be validly and effectively transacted at a meeting of the Board or of a committee of the Directors notwithstanding that fewer than two Directors or alternate Directors are physically present at the same place. Such a meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no such group, where the chairman of the meeting then is.

**17. TRANSACTIONS OR OTHER ARRANGEMENTS WITH THE COMPANY**

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

- 17.1 may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise (directly or indirectly) interested;
- 17.2 shall be an eligible Director for the purposes of any proposed decision of the Board (or committee of Directors) in respect of such contract or proposed contract in which he/she is interested;
- 17.3 shall be entitled to vote at a Board meeting (or of a committee of the Directors) or participate in any unanimous decision, in respect of such contract or proposed contract in which he/she is interested;
- 17.4 may act by himself/herself or his/her firm in a professional capacity for the Company (otherwise than as auditor) and he/she or his/her firm shall be entitled to remuneration for professional services as if he/she were not a Director,
- 17.5 may be a Director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate in which the Company is otherwise (directly or indirectly) interested; and
- 17.6 shall not, save as he/she may otherwise agree, be accountable to the Company for any benefit which he/she (or a person connected with him/her (as defined in section 252 of the Act)) derives from any such contract, transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such contract, transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit nor shall the receipt of any such remuneration or other benefit constitute a breach of his/her duty under section 176 of the Act.

**18. DIRECTORS' CONFLICTS OF INTEREST**

- 18.1 The Directors may, in accordance with the requirements set out in this article, authorise any matter or situation proposed to them by any Director which would, if not authorised, involve a Director (an **"Interested Director"**) breaching his/her duty under section 175 of the Act to avoid conflicts of interest (**"Conflict"**).

- 18.2 Any authorisation under this article 18 will be effective only if:
- (a) to the extent permitted by the Act, the matter in question shall have been proposed by any Director for consideration in the same way that any other matter may be proposed to the Board under the provisions of these articles or in such other manner as the Board may determine;
  - (b) any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested Director; and
  - (c) the matter was agreed to without the Interested Director voting or would have been agreed to if the Interested Director's vote had not been counted.
- 18.3 Any authorisation of a Conflict under this article 18 may (whether at the time of giving the authorisation or subsequently):
- (a) extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised;
  - (b) provide that the Interested Director be excluded from the receipt of documents and information and the participation in discussions (whether at Board meetings or otherwise) related to the Conflict;
  - (c) provide that the Interested Director shall or shall not be an eligible Director in respect of any future decision of the Board vote in relation to any resolution related to the Conflict;
  - (d) impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the Board think fit;
  - (e) provide that, where the Interested Director obtains, or has obtained (through his/her involvement in the Conflict and otherwise than through his/her position as a Director of the Company) information that is confidential to a third party, he/she will not be obliged to disclose that information to the Company, or to use it in relation to the Company's affairs where to do so would amount to a breach of that confidence; and
  - (f) permit the Interested Director to absent himself from the discussion of matters relating to the Conflict at any Board meeting and be excused from reviewing papers prepared by, or for, the Board to the extent they relate to such matters.
- 18.4 Where the Board authorises a Conflict, the Interested Director will be obliged to conduct himself in accordance with any terms and conditions imposed by the Board in relation to the Conflict.
- 18.5 The Board may revoke or vary such authorisation at any time, but this will not affect anything done by the Interested Director, prior to such revocation or variation, in accordance with the terms of such authorisation.
- 18.6 In authorising a Conflict the Board may decide (whether at the time of giving the authorisation or subsequently) that if a Director has obtained any information through his/her involvement in the Conflict otherwise than as a Director of the Company and in respect of which he/she owes a duty of confidentiality to another person, the Director is under no obligation to:
- (a) disclose such information to the Board or to any Director or other officer or employee of the Company; or
  - (b) use or apply any such information in performing his/her duties as a Director,

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

- 18.7 A Director is not required, by reason of being a Director (or because of the fiduciary relationship established by reason of being a Director), to account to the Company for any remuneration, profit or other benefit which he/she derives from or in connection with a relationship involving a Conflict which has been authorised by the Board or by the Company in general meeting (subject in each case to any terms, limits or conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds.

**19. RECORDS OF DECISIONS TO BE KEPT**

Where decisions of the Board are taken by electronic means, such decisions shall be recorded by the Board in permanent form, so that they may be read with the naked eye.

**20. NUMBER OF DIRECTORS**

Unless otherwise determined by ordinary resolution, the number of Directors (other than alternate Directors) shall be a maximum of six.

**21. APPOINTMENT AND REMOVAL OF ALTERNATE DIRECTORS**

- 21.1 Any Director ("**appointor**") may appoint as an alternate any other Director, or any other person approved by resolution of the Board, to:

- (a) exercise that Director's powers; and
- (b) carry out that Director's responsibilities,

in relation to the taking of decisions by the Board, in the absence of the alternate's appointor.

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 Board.

- 21.2 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.

**22. RIGHTS AND RESPONSIBILITIES OF ALTERNATE DIRECTORS**

- 22.1 An alternate Director may act as alternate Director to more than one Director and has the same rights in relation to any decision of the Board as the alternate's appointor.

- 22.2 Except as the 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 Board meetings and of all meetings of committees of Directors of which his/her appointor is a member.

A person who is an alternate Director but not a Director:

- (e) may be counted as participating for the purposes of determining whether a quorum is present (but only if that person's appointor is not participating);
- (f) may participate in a unanimous decision of the Board (but only if his/her appointor is an eligible Director in relation to that decision, but does not participate); and
- (g) shall not be counted as more than one Director for the purposes of articles 22.2(e) and 22.2(f).

22.3 *A Director who is also an alternate Director is entitled, in the absence of his/her appointor, to a separate vote on behalf of his/her appointor, in addition to his/her own vote on any decision of the Board (provided that his/her appointor is an eligible Director in relation to that decision), but shall not count as more than one Director for the purposes of determining whether a quorum is present.*

22.4 An alternate Director may be paid expenses and may be indemnified by the Company to the same extent as his/her appointor but shall not be 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.

## 23. **TERMINATION OF ALTERNATE DIRECTORSHIP**

An alternate Director's appointment as an alternate terminates:

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

## 24. **SECRETARY**

The Board may appoint any person who is willing to act as the secretary for such term, at such remuneration and upon such conditions as they may think fit and from time to time remove such person and, if the Board so decide, appoint a replacement, in each case by a decision of the Board.

## 25. **GENERAL MEETINGS**

Notices convening general meetings of the Company shall comply with the provisions of Chapter 3 of Part 13 of the Act.

## 26. **POLL VOTES**

26.1 A poll may be demanded at any general meeting by any qualifying person (as defined in section 318 of the Act) present and entitled to vote at the meeting.

26.2 Article 44(3) of the Model Articles shall be amended by the insertion of the words "A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made" as a new paragraph at the end of that article.

27. **PROXIES**

- 27.1 Article 45(1)(d) of the Model Articles shall be deleted and replaced with the words "is delivered to the Company in accordance with the articles not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in accordance with any instructions contained in the notice of the general meeting (or adjourned meeting) to which they relate".
- 27.2 Article 45(1) of the Model Articles shall be amended by the insertion of the words "and a proxy notice which is not delivered in such manner shall be invalid, unless the Board, in their discretion, accept the notice at any time before the meeting" as a new paragraph at the end of that article.
- 27.3 Proxies must be deposited at the registered office of the Company or, to such other postal address, electronic mail address or facsimile number as may be specifically permitted for the purpose of depositing proxy forms in the notice convening such general meeting. For the avoidance of doubt, where no such alternative is specifically provided for in the notice convening the relevant general meeting all proxy forms relating to that general meeting must be deposited at the registered office of the Company.
- 27.4 Where there is a vote on a resolution on a show of hands at a general meeting and a member entitled to vote on the resolution has appointed more than one proxy those proxies (when taken together) shall not be entitled to have more votes than the member would have if he/she were present in person.

28. **SHARES**

The Company may issue shares for less than the aggregate of their nominal value.

29. **LIEN, CALLS ON SHARES AND FORFEITURE**

- 29.1 The Company has a lien (the "**Company's Lien**") over every Share (whether fully Paid Up or not) which is registered in the name of a person indebted or under any liability to the Company, whether he/she is the sole registered holder of the Share or one of several joint holders, for all monies payable by him/her (either alone or jointly with any other person) to the Company, whether payable immediately or at some time in the future.
- 29.2 The provisions of articles 52(2) and (3), 55, 56(2), 57(2), (3) and (4), 59, 60, 61 and 62 for public companies set out in schedule 3 to The Companies (Model Articles) Regulations 2008 (SI 2008/3229) shall apply to the Company, save that each reference in those articles to a "member or "members" shall be deemed to be references to a "shareholder" or "shareholders" (as the case may be).
- 29.3 **Enforcement of the Company's Lien**
- (a) Enforcement of the Company's Lien
    - (i) a Lien Enforcement Notice has been given in respect of a Share; and
    - (ii) 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 decide.
  - (b) A Lien Enforcement Notice:
    - (i) may only be given 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;
    - (ii) must specify the Share concerned;

- (iii) must require payment of the sum within 14 clear days of the notice (that is, excluding the date on which the notice is given and the date on which that 14 day period expires);
  - (iv) must be addressed either to the holder of the Share or to a transferee of that holder; and
  - (v) must state the Company's intention to sell the Share if the notice is not complied with.
- (c) Where Shares are sold under this article 29.3:
  - (i) the Directors may authorise any person to execute an instrument of transfer of the Shares to the purchaser or to a person nominated by the purchaser, and
  - (ii) 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.
- (d) 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:
  - (i) 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; and
  - (ii) 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 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 by that person (or his estate or any joint holder of the Shares) after the date of the Lien Enforcement Notice.
- (e) A statutory declaration by a director that the declarant is a director and that a Share has been sold to satisfy the Company's Lien on a specified date:
  - (i) is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the Share; and
  - (ii) subject to compliance with any other formalities of transfer required by the articles or by law, constitutes a good title to the Share.

#### 29.4 **Call notices**

- (a) Subject to the articles and the terms on which Shares are allotted, the Directors may send a notice (a **"Call Notice"**) to a Shareholder requiring the Shareholder to pay the Company a specified sum of money (a **"Call"**) which is payable to the Company at the date when the Directors decide to send the Call Notice.
- (b) A Call Notice:
  - (i) may not require a Shareholder to pay a Call which exceeds the total amount of his/her indebtedness or liability to the Company;
  - (ii) must state when and how any Call to which it relates is to be paid; and
  - (iii) may permit or require the Call to be made in instalments.

- (c) A Shareholder must comply with the requirements of a Call Notice, but no Shareholder is obliged to pay any Call before 14 clear days (that is, excluding the date on which the notice is given and the date on which that 14 day period expires) have passed since the notice was sent.
- (d) Before the Company has received any Call due under a Call Notice the Directors may:
  - (i) revoke it wholly or in part; or
  - (ii) specify a later time for payment than is specified in the notice,
 by a further notice in writing to the Shareholder in respect of whose Shares the Call is made.
- (e) 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:
  - (i) on allotment;
  - (ii) on the occurrence of a particular event; or
  - (iii) on a date fixed by or in accordance with the terms of issue.

#### 29.5 **Forfeiture**

- (a) If a person is liable to pay a Call and fails to do so by the call payment date:
  - (i) the Directors may issue a notice of intended forfeiture to that person; and
  - (ii) until the Call is paid, that person must pay the Company interest on the Call from the call payment date at the relevant rate.
- (b) A notice of intended forfeiture:
  - (i) may be sent in respect of any Share in respect of which a Call has not been paid as required by a Call Notice;
  - (ii) must be sent to the holder of that Share (or all the joint holders of that Share) or to a transmittee of that holder;
  - (iii) must require payment of the Call and any accrued interest by a date which is not less than 14 clear days after the date of the notice (that is, excluding the date on which the notice is given and the date on which that 14 day period expires);
  - (iv) must state how the payment is to be made; and
  - (v) must 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.

#### 30. **MEANS OF COMMUNICATION TO BE USED**

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

- (a) if properly addressed and sent by prepaid United Kingdom first class post to an address in the United Kingdom, 48 hours after it was posted (or five Business Days after posting either to an address outside the United Kingdom or from outside the United Kingdom to an address within the United Kingdom, if (in each case) sent by



reputable international overnight courier addressed to the intended recipient, provided that delivery in at least five Business Days was guaranteed at the time of sending and the sending party receives a confirmation of delivery from the courier service provider);

- (b) if properly addressed and delivered by hand, when it was given or left at the appropriate address'
- (c) if properly addressed and sent or supplied by electronic means, one hour after the document or information was sent or supplied;
- (d) if sent or supplied by means of a website, when the material is first made available on the website or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on the website; or, if earlier,
- (e) as soon as the member acknowledges actual receipt.

For the purposes of this article, no account shall be taken of any part of a day that is not a Business Day.

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

30.3 A member present in person at any meeting of the Company shall be deemed to have received notice of the meeting and, where necessary, of the purposes for which it was called.

## 31. **INDEMNITY**

31.1 Subject to article 31.2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled:

- (a) each relevant officer shall be indemnified out of the Company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a relevant officer:
  - (i) in the actual or purported execution and/or discharge of his/her duties, or in relation to them; and
  - (ii) in relation to the Company's (or any associated Company's) activities as trustee of an occupational pension scheme (as defined in section 235(6) of the Act),

including (in each case) any liability incurred by him/her in defending any civil or criminal proceedings, in which judgment is given in his/her favour or in which he/she is acquitted or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his/her part or in connection with any application in which the court grants him/her, in his/her capacity as a relevant officer, relief from liability for negligence, default, breach of duty or breach of trust in relation to the Company's (or any associated Company's) affairs; and

- (b) the Company may provide any relevant officer with funds to meet expenditure incurred or to be incurred by him/her in connection with any proceedings or application referred to in article 31.1(a) and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure.

31.2 This article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Act or by any other provision of law.

31.3 In this article:

- (a) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate; and
- (b) a "relevant officer means any Director or other officer or former Director or other officer of the Company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act).

**32. INSURANCE**

32.1 The Board may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any relevant officer in respect of any relevant loss.

32.2 In this article:

- (a) a "relevant officer means any Director or other officer or former Director or other officer of the Company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act);
- (b) a "relevant loss" means any loss or liability which has been or may be incurred by a relevant officer in connection with that relevant officer's duties or powers in relation to the Company, any associated company or any pension fund or employees' share scheme of the Company or associated company; and
- (c) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate.