

Company number: 10463462

THE COMPANIES ACT 2006

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

of

PRIOR + PARTNERS LIMITED

(adopted by special resolution passed on 16 August 2021)

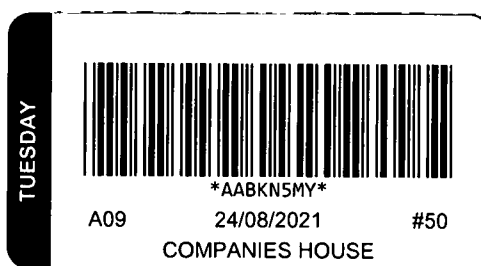


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PART 1
MODEL ARTICLES AND EXCLUSION OF OTHER REGULATIONS, INTERPRETATION AND
LIMITATION OF LIABILITY

1 MODEL ARTICLES AND EXCLUSION OF OTHER REGULATIONS

The following shall be the articles of association of the Company. The Model Articles shall form part of these Articles and apply to the Company, except in so far as they are modified or excluded by, or are inconsistent with, these Articles. No other regulations for management of a company set out in any statute or subordinate legislation concerning companies shall apply to the Company.

2 INTERPRETATION

2.1 In these Articles, unless the context otherwise requires:

“Act”

means the Companies Act 2006;

“Acting in Concert”

has the meaning given in the City Code on Takeovers and Mergers issued by the Panel on Takeovers and Mergers (as amended from time to time);

“address”

includes a number or address used for the purposes of sending or receiving documents or information by electronic means;

“Allocation Notice”

has the meaning given in Article 36.10;

“Alternate” or “Alternate Director”

has the meaning given in Article 21;

“Appointor”

has the meaning given in Article 21;

“Articles”

means the Company’s articles of association for the time being in force and **“Article”** is one of these Articles;

“Business Day”

means a day that is not a Saturday or Sunday or any day that is a bank holiday in England and Wales;

“Company”

means Prior + Partners Limited, incorporated in England (company number 10463462);

"Company's Lien"

has the meaning given in Article 28.1;

"Completion Date"

has the meaning given in Article 36.10;

"Eligible Director"

means a Director who would be entitled to vote on the matter at a meeting of Directors (but excluding any Director whose vote is not to be counted in respect of the matter);

"Expert"

has the meaning given in Article 40.3;

"Fair Value"

has the meaning given in Article 40;

"hard copy" "electronic form" and related expressions

have the meanings given in section 1168 of the Act;

"including"

means including, without limitation, and **"include"** shall be construed accordingly;

"Minimum Transfer Condition"

has the meaning given in Article 36.2(d);

"Model Articles"

means the model articles for private companies limited by shares contained in schedule 1 to the Companies (Model Articles) Regulations 2008 (SI 2008/3229) as amended prior to the date of adoption of these Articles;

"Offer Period"

has the meaning given in Article 36.8;

"Ordinary Shareholder"

means a holder for the time being of any Ordinary Shares, other than the Company holding Treasury Shares;

"Option Shareholder"

means a holder for the time being of any Option Shares, other than the Company holding Treasury Shares;

"Option Shares"

means Option Shares of £0.10 each in the capital of the Company;

"Ordinary Shares"

means Ordinary Shares of £0.10 each in the capital of the Company;

"persons entitled"

has the meaning given in Article 36(1) of the Model Articles as modified by Article 45.1;

"Proxy Notice"

has the meaning given in Article 50.1;

"Sale"

means the bona fides transfer, whether through a single transaction or a series of transactions, to a person (being neither a Shareholder nor the Company) or any such persons Acting in Concert with each other, of Ordinary Shares as a result of which such person acquires 75 per cent or more in nominal value of all the Ordinary Shares (or interests in such Ordinary Shares);

"Sale Shares"

has the meaning given in Article 36.2;

"Selling Shareholder"

has the meaning given in Article 36.2;

"Shareholder"

means a holder for the time being of any Shares, other than the Company holding Treasury Shares;

"Shares"

means the Ordinary Shares, Option Shares or such other shares in the capital of the Company from time to time and **"Share"** means any one of them;

"Transfer Notice"

has the meaning given in Article 36.2;

"Treasury Shares"

means Shares held by the Company as treasury shares from time to time within the meaning set out in section 724(5) of the Act;

"Whole Interest"

in relation to a Share, means the whole legal title to, and equitable interest in it and any further Shares derived from it, free from all encumbrances, and with all rights attaching to it or them; and

"writing" or "written"

means the representation or reproduction of words, symbols or other information in a legible and non-transitory form by any method or combination of methods, whether in electronic form or otherwise.

2.2 In these Articles, unless the context requires otherwise:

- (a) bodies corporate are **"associated"** if one is a subsidiary of the other or both are subsidiaries of the same body corporate;
- (b) an **"interest"** in a share includes any interest of any kind whatsoever in a share or a right attaching to it, including where there is a contingent interest or right;
- (c) **"transfer"** of a Share includes:
 - (i) any direction by a Shareholder that a Share be allotted, issued or transferred to a person other than himself; and
 - (ii) any sale or any other disposition (including the creation, or allowing the creation, of any encumbrance over it) of any interest in it;
- (d) words importing the singular number shall include the plural and vice versa, words denoting any gender shall include a reference to each other gender and words denoting persons shall include bodies corporate or unincorporated;
- (e) subject to paragraph (f) a reference to any enactment or subordinate legislation (as defined by section 21(1) Interpretation Act 1978) shall include any modification or re-enactment of that provision for the time being in force;
- (f) other words or expressions shall bear the same meaning as in the Act or the Model Articles as in force on the date when these Articles become binding on the Company; and
- (g) the headings are used for convenience only and shall not affect the interpretation of these Articles.

2.3 These Articles include provisions of a scheme for encouraging or facilitating the holding of Shares by or for the benefit of:

- (a) the bona fide employees or former employees of the Company or any other body corporate which is associated with the Company; or
- (b) the spouses, civil partners, surviving spouses, surviving civil partners, or minor children or step-children of such employees or former employees.

3 LIABILITY OF MEMBERS

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

PART 2 DIRECTORS DECISION-MAKING BY DIRECTORS

4 COMPANY NAME

The Company's name may be changed by the Directors.

5 DIRECTORS TO TAKE DECISIONS COLLECTIVELY

- 5.1 The general rule about decision-making by Directors is that any decision of the Directors must be either:

- (a) a majority decision at a meeting; or
- (b) a decision taken in accordance with Article 9.

- 5.2 If and so long as:

- (a) the Company only has one Director; and
- (b) no provision of the Articles, including as to the number of Directors, requires it to have more than one Director,

the general rule about decision-making by Directors does not apply, and the Director may take decisions without regard to any of the provisions of the Articles relating to Directors' decision-making (apart from Article 15 regarding recording his decisions) and he may, alone, exercise all the powers and discretions expressed by these Articles to be vested in the Directors generally.

6 UNANIMOUS DECISIONS

- 6.1 A decision of the Directors is taken in accordance with this Article 6 when all Eligible Directors indicate to each other by any means that they agree on a matter.
- 6.2 Such a decision may take the form of a resolution in writing, where each Eligible Director has signed a copy of it or to which each Eligible Director has otherwise indicated agreement in writing.
- 6.3 A decision may not be taken in accordance with this Article 6 if the Eligible Directors would not have formed a quorum at a Directors' meeting.

7 CALLING A DIRECTORS' MEETING

- 7.1 Any Director may call a Directors' meeting by giving notice of the meeting to the Directors or by authorising the Company secretary (if any) to give such notice.
- 7.2 Notice of any Directors' meeting must indicate:
- (a) its proposed date and time;
 - (b) where it is to take place; and

- (c) if it is anticipated that Directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting.

- 7.3 Notice of a Directors' meeting must be given to each Director, but need not be in writing.
- 7.4 Notice of a Directors' meeting need not be given to Directors who waive their entitlement to notice of that meeting, by giving notice to that effect to the Company before, on 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.

8 PARTICIPATION IN DIRECTORS' MEETINGS

In determining whether Directors are participating in a Directors' meeting, it is irrelevant where any Director is or how they communicate with each other as long as they can all hear and speak to each other.

9 QUORUM FOR DIRECTORS' MEETINGS

- 9.1 At a Directors' meeting, unless a quorum is participating, no proposal is to be voted on, other than in accordance with Article 9.4.
- 9.2 Subject to Article 9.3, the quorum for Directors' meetings shall be two Eligible Directors.
- 9.3 For the purposes of any meeting (or part of a meeting) held:
 - (a) pursuant to Article 13.1 to authorise a Director's conflict, if there is only one Eligible Director in office other than the conflicted Director(s); or
 - (b) where Article 5.2 applies,
 the quorum for such meeting (or part of a meeting) shall be one Eligible Director.
- 9.4 If the total number of Directors for the time being is less than the quorum required or the minimum number of Directors, the Directors must not take any decision other than a decision to:
 - (a) approve the registration of transfers of Shares, or the registration of a transmittee as a Shareholder, in accordance with these Articles; or
 - (b) appoint further Directors sufficient to make up the quorum; or
 - (c) propose a written resolution of Shareholders; or
 - (d) call a general meeting.

10 VOTING AT DIRECTORS' MEETINGS

- 10.1 Subject to the Articles, a decision is taken at a Directors' meeting by a majority of the votes of the participating Eligible Directors.
- 10.2 Subject to the Articles, each Eligible Director participating in a Directors' meeting has one vote.
- 10.3 Subject to Article 10.4, a Director, who pursuant to the Act or Article 12 has declared to the other Directors the nature and extent of his interest, or in respect of whom a conflict matter is authorised in accordance with Article 13.1, or otherwise, shall be entitled to vote in respect of that matter or any matter arising from it, and if he shall do so his vote shall be counted and he may be taken into account in ascertaining whether or not a quorum is present at the meeting of the Directors or of the committee of Directors at which the vote is taken.

10.4 In relation to any conflict matter authorised in accordance with Article 13.1, the Director shall not have the right to vote on that matter if:

- (a) that right is removed by the terms and conditions of the authorisation; or
- (b) the Director is, either by himself or by the other Directors, excluded from any meeting or discussion on that matter pursuant to Article 13.2(c).

11 CHAIRMAN'S CASTING VOTE AT DIRECTORS' MEETINGS

11.1 Subject to Article 11.2, if the numbers of votes for and against a proposal at a meeting of Directors are equal, the chairman or other Director chairing the meeting has a casting vote.

11.2 Article 11.1 shall not apply if the chairman or other Director chairing the meeting is not an Eligible Director for the purposes of that meeting (or that part of the meeting).

12 TRANSACTIONS OR ARRANGEMENTS WITH THE COMPANY

12.1 Provided that he has disclosed to the Directors the nature and extent of any material interest of his, a Director:

- (a) may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company or any of its associated bodies corporate is otherwise interested; and
- (b) may be a director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any associated body corporate of the Company or any other body corporate in which the Company is interested,

and:

- (i) he shall not, by reason of his office, be accountable to the Company for any benefit which he (or a person connected with him (as defined in section 252 of the Act)) derives from any such office or employment or from any such transaction or arrangement or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit;
- (ii) he shall not infringe his duty to avoid a situation in which he has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company as a result of any such office or employment or any such transaction or arrangement or any interest in any such body corporate;
- (iii) he shall not be required to disclose to the Company, or use in performing his duties as a Director of the Company, any confidential information relating to such office, employment, transaction, arrangement or interest if to make such a disclosure or use would result in a breach of a duty or obligation of confidence owed by him in relation to or in connection with that office, employment, transaction, arrangement or interest;
- (iv) he may absent himself from discussions, whether in meetings of the Directors or otherwise and exclude himself from information, which will or may relate to that office, employment, transaction, arrangement or interest.

12.2 For the purposes of this Article 12:

- (a) a general notice given 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;

- (b) an interest of which a Director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his;
- (c) a Director need not disclose an interest if it cannot be reasonably regarded as likely to give rise to a conflict of interest; and
- (d) a Director need not disclose an interest if, or to the extent that, the other Directors are already aware of it (and for this purpose the other Directors are treated as being aware of anything of which they ought reasonably to be aware).

13 DIRECTORS' AUTHORISATION OF DIRECTOR'S CONFLICT OF INTEREST

13.1 The Directors may (subject to any terms and conditions as they may think fit, and subject always to their right at any time to vary or terminate such authorisation) authorise, pursuant to section 175 of the Act, any matter which would otherwise result in a Director infringing his duty to avoid a situation in which he has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company and which may reasonably be regarded as likely to give rise to a conflict of interest (including a conflict of interest and duty or conflict of duties).

13.2 If a matter has been authorised by the Directors in accordance with Article 13.1, then, subject in any such case to any limits or conditions attached to such authorisation by the Directors:

- (a) the authorisation shall extend to any other actual or potential conflict of interest or duty which may reasonably be expected to arise out of the matter so authorised;
- (b) the Director shall not be required to disclose to the Company, or to use or apply, in performing his duties as Director, any confidential information relating to such matter, if to do so would result in a breach of a duty or obligation of confidence owed by him in relation to that matter;
- (c) the Director may either attend or absent himself from:
 - (i) meetings of the Directors, or of any committee of the Directors, at which anything relating to that matter will or may be discussed; or
 - (ii) any discussion on such matter, at a meeting or otherwise,
 and the Directors may exclude him from any such meeting or discussion;
- (d) the Director or the Directors may make arrangements for the Company either to send and make available to him, or not to send or make available to him, any documents and information relating to that matter;
- (e) the Director shall be entitled to accept any benefit which he may derive from that matter, and he shall not be accountable to the Company for any benefit which he or a person connected with him may derive from any such matter; and
- (f) no transaction or arrangement in relation to such matter shall be liable to be avoided on the ground of the Director's interest, duty or benefit,

and the Director shall not be in breach of any of his general duties to the Company as a Director in relation to such matter, so long as he does not infringe these Articles and any terms and conditions of the authorisation in relation to such matter.

13.3 Articles 13.1 and 13.2 are without prejudice to the operation of any other provision or procedure authorising the Director's conflict of interest.

14 QUESTIONS AS TO A DIRECTOR'S RIGHTS TO PARTICIPATE

- 14.1 Subject to Article 14.2, if a question arises at a meeting of Directors or of a committee of Directors as to the right of a Director to participate in the meeting (or part of the meeting) for voting or quorum purposes, the question may, before the conclusion of the meeting, be referred to the chairman of that meeting whose ruling in relation to any Director other than the chairman is to be final and conclusive.
- 14.2 If any question as to the right to participate in the meeting (or part of the meeting) should arise in respect of the chairman of that meeting, the question is to be decided by a decision of the Directors at that meeting, for which purpose the chairman is not to be counted as participating in the meeting (or that part of the meeting) for voting or quorum purposes.

15 RECORDS OF DECISIONS TO BE KEPT

All decisions of the Directors, whether made at a meeting or otherwise, must be recorded in writing.

16 EXCLUDED MODEL ARTICLES IN RELATION TO DECISION-MAKING BY DIRECTORS

Articles 7, 8, 9, 10(2), 11, 13, 14(1), (2), (3), (4) and (5) and 15 of the Model Articles shall not apply to the Company.

APPOINTMENT OF DIRECTORS

17 NUMBER OF DIRECTORS

Unless otherwise determined by ordinary resolution, the number of the Directors (other than Alternate Directors) shall be not less than one.

18 METHODS OF APPOINTING DIRECTORS

- 18.1 Any person who is willing to act as a Director, and is permitted by law to do so, may be appointed to be a Director:

- (a) by ordinary resolution; or
- (b) by a decision of the Directors,

as long as the appointment does not cause the number of Directors (excluding Alternate Directors who are not also Directors) to exceed any maximum fixed by or otherwise determined in accordance with these Articles.

- 18.2 In any case where, as a result of death or bankruptcy, the Company has no Shareholders and no Directors, the transmittee of the last Shareholder to have died or to have a bankruptcy order made against him (as the case may be) has the right, by notice in writing, to appoint a natural person, who is willing to act and is permitted to do so, to be a Director.
- 18.3 For the purposes of Article 18.2, where two or more Shareholders die in circumstances rendering it uncertain who was the last to die, a younger Shareholder is deemed to have survived an older Shareholder.
- 18.4 Article 17 of the Model Articles shall not apply to the Company.

19 DIRECTORS' REMUNERATION

- 19.1 Directors may provide any services to the Company that the Directors decide.
- 19.2 Directors are entitled to such remuneration as determined by the Directors:
- (a) for their services to the Company as Directors; and/or

(b) for any other service which they provide to the Company.

19.3 Article 19(1) and (2) of the Model Articles shall not apply to the Company.

20 DIRECTORS' EXPENSES

Article 20 of the Model Articles shall be modified by the insertion of the words "(including Alternate Directors)" before the words "properly incur".

ALTERNATE DIRECTORS

21 APPOINTMENT AND REMOVAL OF ALTERNATES

21.1 Any Director (other than an Alternate Director) (the "**Appointor**") appoint as his alternate ("**Alternate**" or "**Alternate Director**") any other Director or any other person approved by decision of the Directors, willing to act, 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.

21.2 Any appointment of an Alternate must be effected by notice in writing to the Company, signed by the Appointor, or authenticated in any other manner approved by the Directors.

21.3 The notice of appointment must:

- (a) identify the proposed Alternate;
- (b) contain a statement signed by the proposed Alternate that he is willing to act as the Alternate of the Director giving the notice; and
- (c) specify when the appointment commences.

22 RIGHTS AND RESPONSIBILITIES OF ALTERNATE DIRECTORS

22.1 An Alternate Director has the same rights in relation to any decision of the Directors as his 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.

22.3 An Alternate Director:

- (a) may act as Alternate Director to more than one Director;
- (b) has the same rights as his Appointor to receive notice of and attend and vote at a meeting of the Directors or of a committee of the Directors;
- (c) has one vote for every Eligible Director for whom he acts as Alternate Director in addition to his own vote (if any) as an Eligible Director at such a meeting but he counts as only one for the purpose of determining whether a quorum is present; and
- (d) may participate in a unanimous decision of the Directors for each of his Appointors who is an Eligible Director in addition to his own participation (if any) as an Eligible Director.

- 22.4 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.

23 TERMINATION OF ALTERNATE DIRECTORSHIP

- 23.1 An Alternate Director's appointment as an Alternate terminates:
- (a) when the Alternate's Appointor revokes the appointment in accordance with Article 23.2;
 - (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.
- 23.2 The revocation of the Alternate's appointment by his Appointor must be effected by notice in writing to the Company, signed by the Appointor, or authenticated in any other manner approved by the Directors.
- 23.3 The notice of revocation must:
- (a) identify the Alternate; and
 - (b) specify when the appointment terminates.

PART 3 SHARES AND DISTRIBUTIONS SHARES

24 SHARE CAPITAL

- 24.1 The share capital of the Company at the date of the adoption of these Articles is divided into Ordinary Shares of £0.10 each and Option Shares of £0.10. The Ordinary Shares and Option Shares are separate classes of Shares.
- 24.2 The Shares shall rank *pari passu* in all respects save as otherwise set out in these Articles.
- 24.3 Where and for so long as a Shareholder agrees not to exercise, or waives, or is prohibited from exercising, his voting rights in relation to any Shares held by him, he is not entitled, and has no right, to vote at meetings of Shareholders or on a written resolution in respect of those Shares and those Shares are treated as not carrying voting rights.
- 24.4 The Company has no right to attend or vote at meetings of Shareholders and it is not entitled to vote on a written resolution, in respect of any Treasury Shares.
- 24.5 The Ordinary Shares and Option Shares shall have the following rights and be subject to the following restrictions:
- (a) **Voting:**
 - (i) The Ordinary Shareholders shall have the right (in respect of such Ordinary Shares) to receive notice of and to attend and speak and vote (either on a show of hands or on a poll) at all general meetings of the Company and to receive copies of and vote on any proposed written resolution of the Company and each such Ordinary Share shall carry 1 vote;
 - (ii) The Option Shareholders shall not have the right (in respect of such Option Shares) to receive notice of or to attend and speak or vote (either on a show

of hands or on a poll) at any general meetings of the Company or to receive copies of or vote on any proposed written resolution of the Company;

(b) **Income:**

- (i) All dividends or other income distributions resolved to be distributed by the Company shall be distributed amongst the Ordinary Shareholders on a pro rata basis according to the number of such Ordinary Shares held by them;
- (ii) The Option Shareholders shall not be entitled (in respect of such Option Shares) to receive any dividends or other income distributions resolved to be distributed by the Company.

24.6 The Company may, in accordance with section 692(1ZA) of the Act, purchase its own Shares out of capital otherwise than in accordance with Chapter 5 of Part 18 of the Act, up to an aggregate purchase price in a financial year of the lower of:

- (a) £15,000; or
- (b) the nominal value of 5% of the Company's fully paid share capital as at the beginning of the financial year.

25 POWERS TO ISSUE DIFFERENT CLASSES OF SHARE

- 25.1 Subject to the Articles, but without prejudice to the rights attached to any existing Share, the Company may issue Shares with such rights or restrictions as may be determined by ordinary resolution.
- 25.2 Article 22(1) of the Model Articles shall not apply to the Company.

26 ALLOTMENT AND ISSUE OF SHARES AND SALE AND TRANSFER OF TREASURY SHARES

- 26.1 Subject to the Articles, all unissued Shares and all Treasury Shares shall be at the disposal of the Directors who may allot, grant options over, sell, transfer or otherwise dispose of them to such persons on such terms and at such times as they think fit.
- 26.2 At any time when the Company has only one class of Shares, the Directors may exercise the powers given by section 550 of the Act.
- 26.3 At any time when the Company has more than one class of Shares, in accordance with section 551 of the Act, the Directors are generally and unconditionally authorised to allot Shares (or grant rights to subscribe for or to convert any security into Shares) up to an aggregate nominal amount of £150 for a period expiring on the date which is five years after the date the resolution is passed adopting these Articles (unless previously renewed, revoked or varied). The Company may, before the expiry of the authorisation, make an offer or agreement which would or might require Shares to be allotted (or any such rights to be granted) after such expiry and the Directors may allot Shares (or grant any such rights) in pursuance of such offer or agreement as if this authority had not expired. This authority is in substitution for all subsisting authorities to the extent unused.
- 26.4 All the requirements of sections 561 and 562 of the Act (Existing shareholders' right of pre-emption) are excluded generally in relation to the allotment by the Company of equity securities (as defined in section 560 of the Act), including the sale of Shares that immediately before the sale were Treasury Shares.
- 26.5 Unless Shareholders representing not less than 75 per cent of the total voting rights in respect of the Ordinary Shares (excluding Treasury Shares) have otherwise agreed in writing, all Shares which the Directors propose to allot wholly for cash, other than Shares to be allotted on the exercise of share options granted by the Company, shall be offered on

identical terms to all the Ordinary Shareholders in proportion as nearly as may be to the number of Ordinary Shares held by them respectively.

- 26.6 Any such offer under Article 26.5 shall be made by notice in writing specifying the number and class of Shares offered, the price, and the period (being not less than 20 Business Days) within which the offer must be accepted in writing. Any such offer which is not so accepted shall be deemed to be declined.
- 26.7 Any Shares not accepted pursuant to Article 26.6, or not capable of being offered except by fractions, may be disposed of by the Directors in such manner as they think fit, as long as they are disposed of on terms that are not more favourable to their subscribers or purchasers than the terms on which they were originally offered.
- 26.8 The Company shall only be permitted to sell or transfer any Treasury Shares to any person with the prior written agreement of Shareholders representing not less than 75 per cent of the total voting rights in respect of the Ordinary Shares (excluding Treasury Shares).

27 REPLACEMENT SHARE CERTIFICATES

- 27.1 A Shareholder exercising the right to be issued with a replacement certificate must comply with such conditions as to evidence or indemnity and the payment of reasonable expenses as the Directors decide.
- 27.2 Article 25(2)(c) of the Model Articles shall not apply to the Company.

COMPANY'S LIEN

28 COMPANY'S LIEN OVER SHARES

- 28.1 The Company has a lien (the "**Company's Lien**") over every Share for all monies presently payable by a Shareholder or his estate to the Company either alone or jointly with any other person. This lien shall attach to all Shares registered in the name of any person indebted or under liability to the Company whether he be the sole registered holder of those Shares or one of two or more joint holders.
- 28.2 The Company's Lien over a Share:
- (a) takes 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.
- 28.3 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.

29 ENFORCEMENT OF THE COMPANY'S LIEN

- 29.1 Subject to the provisions of this Article 29 if:
- (a) a lien enforcement notice has been given in respect of a Share; and
 - (b) the person to whom the notice was given has failed to comply with it,
- the Company may sell that Share in such manner and to such person as the Directors decide.
- 29.2 A lien enforcement notice:
- (a) 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;

- (b) must specify the Share concerned;
- (c) must require payment of the sum payable within 14 clear days of the notice;
- (d) must be addressed either to the holder of the Share or to any transmittee of the Share or to any other person otherwise entitled to it; and
- (e) must state the Company's intention to sell the Share if the notice is not complied with.

29.3 Where any Share is sold under this Article 29:

- (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 of the Share shall be registered as the holder of the Share notwithstanding that he may not be able to produce the Share certificate, he 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 or relating to the sale.

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

- (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) second, 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 Directors has been given to the Company for any lost certificate, and subject to a lien (equivalent to the Company's Lien over the Share before the sale) for any other monies payable by him or his estate to the Company after the date of the lien enforcement notice.

29.5 A statutory declaration by a Director or the Company secretary (if any) 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) is 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.

ALTERATION OF SHARE CAPITAL

30 SUB-DIVISION OR CONSOLIDATION OF SHARES

- 30.1** An ordinary resolution authorising a sub-division, consolidation or division of Shares may determine that, as between the resulting Shares, any of them may have any preference, deference or advantage or be subject to any restriction as compared with the others.
- 30.2** Whenever as a result of a sub-division, consolidation or division of Shares any difficulty arises, the Directors may settle it as they think fit, including as to fractions of a Share.

APPLICATION OF ARTICLES TO CLASS MEETINGS

31 CLASS MEETINGS

The provisions of the Act and these Articles relating to general meetings, and of the Act relating to separate general meetings of the holders of a class of Shares, of the Company apply, with necessary modifications, to meetings of the holders of any class of Shares.

VARIATION OF RIGHTS

32 VARIATION OF RIGHTS

Whenever the capital of the Company is divided into different classes of Shares, the rights attached to any class of Shares may only be varied or abrogated (either whilst the Company is a going concern or during or in contemplation of a winding up) in accordance with the Act, and in particular section 630 of the Act.

33 RIGHTS DEEMED VARIED AND NOT VARIED

Unless otherwise expressly provided by the rights attached to any class of Shares, those rights:

- (a) shall be deemed to be varied by:
 - (i) the reduction of the capital paid up (as to nominal value) on those Shares; and
 - (ii) the allotment or issue of further Shares ranking in priority for payment of a dividend or in respect of capital or which otherwise carry more favourable rights than the first-mentioned Shares; and
- (b) shall be deemed not to be varied by:
 - (i) the purchase or acquisition by the Company of any of its own Shares; and
 - (ii) the allotment or issue of further Shares having the same rights as, ranking *pari passu* with, subordinate to, or carrying less favourable rights than the first-mentioned Shares.

TRANSFER OF SHARES

34 SHARE TRANSFERS

- 34.1 Notwithstanding any other provision of these Articles, no transfer of any Share shall be registered if it is to a minor.
- 34.2 The Directors must refuse to register the transfer of a Share which is not permitted by these Articles. The Directors may also refuse to register the transfer of a Share on which the Company has a lien and/or unless the certificate for the Share (or an indemnity for lost certificate in a form acceptable to the Directors) and other evidence satisfactory to the Directors of the right to make the transfer is produced to them and/or unless the transfer is duly stamped or certified (if appropriate). Subject to this or as required by law, the Directors must register the transfer of a Share made in accordance with these Articles.
- 34.3 If the Directors refuse to register the transfer of a Share, the instrument of transfer must be returned to the transferee with the notice of refusal, unless the Directors suspect that the proposed transfer may be fraudulent.
- 34.4 Article 26(5) of the Model Articles shall not apply to the Company.

35 RESTRICTIONS ON TRANSFERS OF SHARES

- 35.1 No person shall be entitled to transfer any Share unless the transfer is made:
 - (a) pursuant to:
 - (i) Article 36 (Transfers subject to pre-emption);
 - (ii) Article 37 (Compulsory transfers);
 - (iii) Article 38 (Tag along);

- (iv) Article 39 (Drag along); or
- (v) Article 29 (Enforcement of the Company's Lien), or
- (b) with the prior written agreement of all the Ordinary Shareholders (excluding the holders of Treasury Shares),

provided that those restrictions on transfer provisions do not apply to the sale or transfer by the Company of Treasury Shares.

Information request

- 35.2 To enable the Directors to determine that these Articles have been complied with, the Directors may require:
- (a) any Shareholder;
 - (b) the legal personal representatives of any deceased Shareholder;
 - (c) any person entitled to any Shares in consequence of the bankruptcy or insolvency of a Shareholder;
 - (d) any person named as transferee in any transfer lodged for registration; or
 - (e) any other person whom the Directors reasonably believe to have relevant information, to provide the Company with any information that they may require for this purpose.
- 35.3 If the information requested under Article 35.2 is not provided in writing, within such period as the Directors may reasonably allow, to enable the Directors to determine to their reasonable satisfaction that no breach of these Articles has occurred, or if as a result of the information provided the Directors are reasonably satisfied that a breach has occurred, the Directors may immediately notify the holder of the Shares in question in writing of that fact and a Transfer Notice is deemed to have been given in respect of the Shares at a time determined by the Directors, which time shall be on or after the date of the Directors' determination.

36 TRANSFERS SUBJECT TO PRE-EMPTION

- 36.1 Save where the provisions of Articles 29 (Enforcement of the Company's lien), 35.1(b) (prior written agreement), 37 (Compulsory transfers), 38 (Tag along) or 39 (Drag along) apply, any transfer of Shares by a Shareholder shall be subject to the pre-emption rights contained in this Article 36.

Service of Transfer Notice

- 36.2 Any person wishing to transfer any of his Shares (a **"Selling Shareholder"**) must first give a notice in writing (a **"Transfer Notice"**) to the Company, specifying:
- (a) the number and class of Shares that he wishes to transfer (the **"Sale Shares"**);
 - (b) the price in cash for which he wishes to transfer each of the Sale Shares;
 - (c) the name of the third party (if any) to whom he proposes to transfer the Sale Shares; and
 - (d) whether the notice is conditional upon all, or a specified number of, the Sale Shares being sold to other Shareholders or the Company (the **"Minimum Transfer Condition"**).
- 36.3 Each Transfer Notice must be in respect of one class of Shares only.
- 36.4 A Transfer Notice appoints the Company the agent of the Selling Shareholder for the sale of the Whole Interest in the Sale Shares at the Fair Value, subject if applicable to the Minimum Transfer Condition.

Offer of Shares to Company

- 36.5 As soon as practicable and in any event within 15 Business Days following the determination of the Fair Value pursuant to Article 40, and after expiry of any right of the Selling Shareholder to revoke his Transfer Notice under Article 36.13 (after Expert's certificate), the Directors shall first decide whether the Company wishes to purchase all or some of the Sale Shares (subject to the Act). If the Directors do so decide, subject always to the Act, the Company may purchase all or some of the Sale Shares at the Fair Value as soon as practicable thereafter, subject to the Minimum Transfer Condition being satisfied or waived.

Completion of sale to Company

- 36.6 If the Company is willing to purchase all or some of the Sale Shares and has satisfied the legal requirements to enable it to do so, the Directors shall give notice in writing to the Selling Shareholder of the place and time at which the sale of those Sale Shares to the Company is to be completed. The Selling Shareholder shall then be bound, upon the payment of the Fair Value, to deliver the relevant share certificates (or an indemnity for lost certificate in a form acceptable to the Directors) and transfer the Whole Interest in such Sale Shares to the Company at that place and time.

Offer of Shares to Ordinary Shareholders

- 36.7 As soon as it is apparent that the Company does not wish to, or is unable to, purchase all or some of the Sale Shares, the Company shall give notice in writing to all the Ordinary Shareholders (other than the Selling Shareholder) offering the Sale Shares, or remaining Sale Shares, for sale at the Fair Value.
- 36.8 The offer to each Ordinary Shareholder made pursuant to Article 36.7 shall:
- (a) state the total number and class of Sale Shares offered and the Fair Value per Sale Share;
 - (b) invite the Ordinary Shareholder to apply in writing within 10 Business Days of the date of the offer ("**Offer Period**") and specify the maximum number of the Sale Shares he is willing to purchase; and
 - (c) state the Minimum Transfer Condition, if any.

Allocation to Ordinary Shareholders

- 36.9 At the end of the Offer Period the Directors shall in respect of each class of Sale Shares offered to the Ordinary Shareholders allocate the Sale Shares, or remaining Sale Shares, among the Ordinary Shareholders in accordance with the applications received, save that:
- (a) if there are applications for more than the number of Sale Shares offered to the Ordinary Shareholders:
 - (i) they shall be allocated to those applicants in proportion (as nearly as possible but without allocating to any Ordinary Shareholder more Sale Shares than the maximum number of applied for by him) to the number of Ordinary Shares of the class then held by them respectively;
 - (ii) if it is not possible to allocate any of the Sale Shares without involving fractions, or if there remain unallocated Sale Shares, they shall be allocated amongst the applicants with unsatisfied applications, in such manner as the Directors shall think fit (but in respect of each such applicant, not exceeding the maximum number specified in his application); and
 - (b) if there is a Minimum Transfer Condition, no allocation of Sale Shares shall be made unless the Minimum Transfer Condition has been satisfied or waived.

Completion of sale to Ordinary Shareholders

- 36.10 The Directors shall, within 10 Business Days after the expiry date of the Offer Period, give notice to all the purchasing Ordinary Shareholders and the Selling Shareholder of their allocation of Sale Shares in accordance with Article 36.9 (an "**Allocation Notice**"). The Allocation Notice shall be in writing and shall specify the name and address of each purchasing Ordinary Shareholder, the number of Sale Shares to be purchased by each of them and the place and time (being not earlier than five Business Days and not later than 10 Business Days after the date of the Allocation Notice) at which the sale of those Sale Shares to purchasing Ordinary Shareholders is to be completed (the "**Completion Date**").
- 36.11 The Selling Shareholder shall be bound, upon the payment of the Fair Value, to deliver the relevant Share certificates (or an indemnity for lost certificate in a form acceptable to the Directors) and transfer the Whole Interest in the Sale Shares as specified in the Allocation Notice on the Completion Date.

Selling Shareholder's right to sell Sale Shares to third party

- 36.12 In the event that any Sale Shares are not, through no default of the Selling Shareholder, sold in accordance with the preceding provisions of this Article 36, the Selling Shareholder may, within 40 Business Days after receiving written notice from the Company of that event, transfer the Whole Interest in any such unsold Sale Shares, at a price at least equal to the Fair Value, to any person, whose identity the Directors have approved (such approval not to be unreasonably withheld or delayed). It will be reasonable for the Directors to withhold such approval if they are reasonably of the opinion that:
- (a) the proposed transferee is a person (or a nominee for a person) who is a competitor with (or associated with or interested in a competitor with) the business of the Company; or
 - (b) such a transfer of the Sale Shares would be detrimental to the business of the Company; or
 - (c) the sale of the Sale Shares is not bona fide or the price is subject to a deduction, rebate or allowance to the proposed transferee; or
 - (d) the Selling Shareholder has failed or refused to provide promptly information available to the Selling Shareholder and reasonably requested by the Directors to enable them to form this opinion.

Revocation of Transfer Notice

- 36.13 In the event that the Fair Value specified in any Expert's certificate obtained in accordance with Article 40 is less than 90 per cent of the proposed price specified by the Selling Shareholder in his Transfer Notice pursuant to Article 36.2, the Selling Shareholder shall, subject to Article 36.16, have the right, by notice in writing to the Company given within five Business Days after the copy of the Expert's certificate is sent to him in accordance with Article 40.5, to revoke his Transfer Notice.
- 36.14 A Selling Shareholder may revoke his Transfer Notice at any other time with the unanimous written consent of the Directors who may impose such conditions on any such consent as they see fit, including a condition that the Selling Shareholder bear all the related costs.
- 36.15 Upon revocation by the Selling Shareholder of a Transfer Notice the Company shall return to the Selling Shareholder the original Transfer Notice in respect of the Sale Shares.
- 36.16 If the Selling Shareholder within 12 months of revoking a Transfer Notice pursuant to Articles 36.13 or 36.14 serves a further Transfer Notice, the right of revocation contained in that Article shall not apply in respect of such further Transfer Notice.

Failure by Selling Shareholder to transfer Sale Shares

36.17 If the Selling Shareholder fails to transfer (or complete the transfer of) any of the Sale Shares in accordance with Article 36.6 or 36.11:

- (a) one of the Directors, nominated by a resolution of the Directors for the purpose, shall be deemed to be duly appointed as the agent of the Selling Shareholder, with full power to execute, complete and deliver, in the name and on behalf of the Selling Shareholder, the agreement or transfer necessary to transfer the relevant Shares to the purchasing Ordinary Shareholder and/or the Company (as the case may be);
- (b) the appointment referred to in Article 36.17(a) is irrevocable and is given to secure the performance of the obligations of the Selling Shareholder under these Articles;
- (c) the Directors may receive and give a good discharge for the purchase money on behalf of the Selling Shareholder and (subject to the transfer or Companies House return being duly stamped, or as appropriate certified, if necessary) enter the name of the purchasing Ordinary Shareholder in the register of members as the holder by transfer of the Shares so purchased by him and/or register the Shares as Treasury Shares or cancel those Shares, or treat them as cancelled, in accordance with sections 729 or 706 of the Act (as the case may be) notwithstanding (if such is the case) that the Selling Shareholder has failed to deliver up the certificate for the relevant Sale Shares (or an indemnity for lost certificate);
- (d) the purchasing Ordinary Shareholder or the Company shall then become indefeasibly entitled to the Whole Interest in those Shares on such a purchase and if, on a purchase by the Company, those Shares are cancelled or treated as cancelled, they shall not be available for reissue;
- (e) the Directors shall then pay the purchase money into a separate bank account in the name of the Company on trust (but without interest), or otherwise hold the purchase money on trust, for the Selling Shareholder until he has sent his certificate for the relevant Shares (or an indemnity for lost certificate in a form acceptable to the Directors) to the Company at which point he shall be paid the purchase money without interest and less any sums owed to the Company by him; and
- (f) the transfer shall constitute a good title to the relevant Shares and the purchasing Ordinary Shareholder's and/or the Company's title to the relevant Shares shall not be affected by any irregularity in or invalidity of the proceedings relating to their transfer under this Article 36.17.

37 COMPULSORY TRANSFERS

Deemed Transfer Notice

37.1 Whenever a person is deemed to have given a Transfer Notice under these Articles, the provisions of Article 36 apply, with appropriate modifications, including the following, but subject to any other modifications as described in these Articles:

- (a) the deemed Transfer Notice concerns all the Shares held by that person, or in which that person is interested, or to which that person is entitled;
- (b) there is no Minimum Transfer Condition;
- (c) the right of revocation in Article 36.13 does not apply;
- (d) if that person subsequently acquires, or becomes entitled to, further Shares, or an interest in them, then he is deemed to have given another Transfer Notice in respect of those further Shares, on the terms of this Article 37.1, on the date of that event.

Disenfranchisement of Shares

- 37.2 As from the date on which a Transfer Notice is deemed to have been given and until completion of the transfer of the relevant Shares, the holder of the Shares in respect of which the Transfer Notice is deemed given, or any further Shares derived from any of those Shares, shall not be entitled to:
- (a) receive notice of, attend or speak at, any general meeting of the Company or of a separate meeting of any class of those Shares; or
 - (b) exercise any voting or other rights attaching to such Shares.

Death or bankruptcy of individual Option Shareholder

- 37.3 If an Option Shareholder, being an individual, dies or becomes bankrupt, the transmittee that is the current holder of the Option Shares originally held by the Option Shareholder and any other Shares derived from any of those Option Shares is deemed to have given a Transfer Notice in respect of all those Option Shares at a time determined by the Directors which time shall be on or after the date of the Directors' determination.

38 TAG ALONG

- 38.1 If the effect of any proposed transfer of Shares would be a Sale, the intending transferor of such Shares may not complete that transfer unless it has first procured the proposed acquirer under the Sale to make an offer (the "**Tag Offer**") to buy from all the other Shareholders all the Shares held by them, together with all their interests in such Shares, in accordance with this Article 38;
- 38.2 The Tag Offer must be in writing and specify:
- (a) that the proposed acquirer under the Sale is offering to buy from all the other Shareholders all the Shares held by them together with all their interests in such Shares, in accordance with this Article 38;
 - (b) the purchase price per Share, which must be at least equal to the highest price per Share, to be satisfied in the same form and on at least as favourable terms, as (including as to alternatives which the other Shareholder has the option to select, or the default applies) under the proposed Sale;
 - (c) that completion of the purchase will be conditional on, and will occur contemporaneously with, the completion of the proposed Sale;
 - (d) that it is open for acceptance for a period which must be not less than 10 Business Days; and
 - (e) that the offeree Shareholder shall not be required to give any warranty or indemnity in relation to the transfer other than a warranty as to capacity and the full title guarantee of the Shares held by such Shareholder; and
 - (f) no other terms or conditions that are less favourable for the offeree Shareholder than under the proposed Sale.
- 38.3 If any offeree Shareholder fails to transfer his Shares pursuant to the Tag Offer which he has accepted, the provisions of Article 36.17, with appropriate modifications, apply.
- 38.4 Neither the purchase of Shares pursuant to the Tag Offer, nor the transfer of Shares constituting a Sale in respect of which the Tag Offer is made, are subject to any of the other restrictions on transfer of Shares under these Articles
- 38.5 No Tag Offer need be made if a Drag along Notice has been served under Article 39.

39 DRAG ALONG

- 39.1 If the effect of any proposed transfer of Shares would be a Sale, the intending transferor of such Shares has the right to give notice to all the other Shareholders requiring them to transfer all the Shares held by them, together with all their interests in such Shares, to the proposed acquirer under the Sale (the "**Drag along Notice**") in accordance with this Article 39.
- 39.2 The Drag along Notice must be in writing and specify:
- (a) that those Shareholders are required to transfer all the Shares held by them, together with all their interests in such Shares, to the proposed acquirer under the Sale, in accordance with this Article 39;
 - (b) the purchase price per Share, which must be at least equal to the highest price per Share, to be satisfied in the same form and on at least as favourable terms, as (including as to alternatives which the other Shareholder has the option to select, or the default applies) under the proposed Sale;
 - (c) that completion of the purchase will be conditional on, and will occur contemporaneously with, the proposed Sale;
 - (d) that the other Shareholder shall not be required to give any warranty or indemnity in relation to the transfer other than a warranty as to capacity and the full title guarantee of the Shares held by such Shareholder; and
 - (e) no other terms or conditions that are less favourable to the other Shareholder than under the proposed Sale.
- 39.3 If any of those other Shareholders fails to transfer his Shares pursuant to the Drag along Notice, the provisions of Article 36.17, with appropriate modifications, apply.
- 39.4 Neither the purchase of Shares pursuant to the Drag along Notice, nor the transfer of shares constituting a Sale in respect of which the Drag along Notice may be served, are subject to any of the other restrictions on transfer of Shares under these Articles.

40 DETERMINING FAIR VALUE

- 40.1 The "**Fair Value**" in relation to any Sale Shares shall be such price per Share:
- (a) as agreed between the Directors and the Selling Shareholder within five Business Days after the date on which the Directors become aware that a Transfer Notice is given or deemed given; or
 - (b) failing such agreement as described in Article 40.1(a), as certified by an Expert in accordance with the following provisions of this Article.
- 40.2 If the Directors and the Selling Shareholder are unable to agree the Fair Value pursuant to Article 40.1(a), an Expert shall be appointed to certify the Fair Value of the Sale Shares.
- 40.3 For the purposes of this Article 40 the "**Expert**" is either the Company's auditors or accountants or, if they are unable or unwilling to act or if the directors or the Selling Shareholder do not wish the auditors or accountants to act, an independent firm of accountants or valuers, which is chosen and appointed as follows. The Directors and the Selling Shareholder may agree on the identity of such a firm and approve and sign its terms of engagement; but if no such firm is agreed and/or if its terms of engagement are not signed by all the parties within 15 Business Days after the date on which the Directors become aware that a Transfer Notice is given, or deemed given, the Directors or the Selling Shareholder may apply for the nomination and/or appointment of such a firm, and/or for the determination of its terms of engagement, by the President for the time being of the Institute

of Chartered Accountants in England and Wales and whichever of them does not make such application to the President may not oppose or seek to delay, in any manner whatsoever, any such nomination, appointment and determination by the President. If either the Selling Shareholder or the Directors on behalf of the Company fail to sign reasonable terms of engagement of the firm nominated by the said President within 10 Business Days after the date they are sent those reasonable terms, the nominated firm shall be deemed to have been appointed and shall be permitted to act upon such terms of engagement as if they had been signed by the Selling Shareholder and the Directors on behalf of the Company.

- 40.4 The Fair Value shall then be the value that the Expert certifies, in his opinion, to be the fair value of the Sale Shares, as at the date on which the Transfer Notice is given or deemed given.
- 40.5 On appointment, the Expert shall be requested to deliver its certificate of the Fair Value of the Sale Share in writing to the Company, so that the Company receives it within 25 Business Days of the appointment. As soon as the Company receives the certificate it shall send a copy of it to the Selling Shareholder.
- 40.6 The Expert shall act as an expert and not as an arbitrator and its determination shall be final and binding on the parties (in the absence of fraud or manifest error).
- 40.7 The Expert may have access to all accounting records or other relevant documents of the Company, subject to any confidentiality restrictions.
- 40.8 The cost of obtaining the Expert's certificate shall be borne equally by the Company and the Selling Shareholder, except that if the Selling Shareholder, within 12 months of revoking a Transfer Notice under Article 36.13, gives a further Transfer Notice, the cost of obtaining the Expert's certificate in relation to such further Transfer Notice shall be borne wholly by the Selling Shareholder.

41 EXERCISE OF TRANSMITTEES' RIGHTS

Any transfer made or executed under Article 28 of the Model Articles is subject to the Articles.

42 TRANSMITTEES BOUND BY PRIOR NOTICES

- 42.1 If a notice is given to a Shareholder in respect of Shares and a transmittee is entitled to those Shares, the transmittee is bound by the notice if it was given to the Shareholder before the transmittee's name, or the name of any other person nominated under Article 27(2) of the Model Articles has been entered in the register of members.
- 42.2 Article 29 of the Model Articles shall not apply to the Company.

DIVIDENDS AND OTHER DISTRIBUTIONS

43 PAYMENT OF DIVIDENDS AND OTHER DISTRIBUTIONS

Article 31(a) to (d) (inclusive) of the Model Articles shall be modified by the deletion, in each case, of the words "either" and "as the directors may otherwise decide" or wording to similar effect.

44 DEDUCTIONS FROM DISTRIBUTIONS IN RESPECT OF SUMS OWED TO THE COMPANY

- 44.1 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 in respect of that Share to the extent that they are entitled to require payment under a lien enforcement notice.

- 44.2 Money so deducted must be used to pay any of the sums payable in respect of that Share.
- 44.3 The Company must notify the Distribution Recipient in writing of:
- (a) the fact and amount of any such deduction;
 - (b) any non-payment of a dividend or other sum payable in respect of a Share resulting from any such deduction; and
 - (c) how the money deducted has been applied.

45 CAPITALISATION OF PROFITS

- 45.1 Article 36(1) of the Model Articles shall be modified by the insertion of the following words at the end: "except that where a capitalised sum is applied in paying up in full new shares, the **"persons entitled"** are extended to include the company in respect of any Treasury Shares, in accordance with article 36(3) (as modified)".
- 45.2 Article 36(3) of the Model Articles shall be modified by the insertion of the following words at the end: ", and for this purpose the company is able to participate in the relevant allotment in relation to any Treasury Shares".

PART 4 DECISION-MAKING BY SHAREHOLDERS ORGANISATION OF GENERAL MEETINGS

46 ATTENDANCE AND SPEAKING AT GENERAL MEETINGS

- 46.1 A person is able to exercise the right to speak at a general meeting when that person is in a position to communicate to all those attending the meeting, during the meeting, any information or opinions which that person has on the business of the meeting.
- 46.2 A person is able to exercise the right to vote at a general meeting when:
- (a) that person is able to vote, during the meeting, on resolutions put to the vote at the meeting; and
 - (b) that person's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting.
- 46.3 The Directors may make whatever arrangements they consider appropriate to enable those attending a general meeting to exercise their rights to speak or vote at it.
- 46.4 In determining attendance at a general meeting, it is immaterial whether any two or more persons attending it are in the same place as each other as long as they can all hear and speak to each other.
- 46.5 Two or more persons who are not in the same place as each other attend a general meeting if their circumstances are such that if they have (or were to have) rights to speak and vote at that meeting, they are (or would be) able to exercise them.
- 46.6 Article 37 of the Model Articles shall not apply to the Company.

47 QUORUM FOR GENERAL MEETINGS

- 47.1 Subject to Article 47.2, two persons entitled to vote upon the business to be transacted, each being a Shareholder or a proxy for a Shareholder or a duly authorised representative of a corporation which is a Shareholder (but not including for this purpose proxies or corporate representatives of the same Shareholder), shall be a quorum.
- 47.2 Where there is a sole Shareholder, one person entitled to vote upon the business to be transacted, being a Shareholder or a proxy for a Shareholder or a duly authorised representative of a corporation which is a Shareholder, shall be a quorum.

48 ATTENDANCE AND SPEAKING BY DIRECTORS AND NON-SHAREHOLDERS

- 48.1 Directors may attend and speak at general meetings, whether or not they are Shareholders.
- 48.2 The chairman of the meeting may permit other persons who are not:
- (a) Shareholders; or
 - (b) otherwise entitled to exercise the rights of Shareholders in relation to general meetings,
- to attend and speak at a particular general meeting.
- 48.3 Article 40 of the Model Articles shall not apply to the Company.

VOTING AT GENERAL MEETINGS**49 POLL VOTES**

- 49.1 A poll may be demanded at any general meeting by:
- (a) the chairman of the meeting; and
 - (b) a person having the right to vote on the resolution.
- 49.2 A demand for a poll may be withdrawn if:
- (a) the poll has not yet been taken; and
 - (b) the chairman of the meeting consents to the withdrawal,
- and a demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made.
- 49.3 Articles 44(2) and (3) of the Model Articles shall not apply to the Company.

50 CONTENT AND DELIVERY OF PROXY NOTICES

- 50.1 Proxies may only validly be appointed by a notice in writing (a "**Proxy Notice**") which:
- (a) states the name and address of the Shareholder appointing the proxy;
 - (b) identifies the person appointed to be that Shareholder's proxy and the general meeting in relation to which that person is appointed;
 - (c) is signed by or on behalf of the Shareholder appointing the proxy, or is authenticated in such manner as the Directors may determine; and
 - (d) is delivered to the Company in accordance with the Articles and in accordance with any instructions contained in the notice of the general meeting (or adjourned meeting) to which they relate,
- and a Proxy Notice which is not delivered in such manner shall be invalid, unless the Directors, in their discretion, accept the Proxy Notice at any time before the meeting.

- 50.2 A Proxy Notice in relation to which a right to vote is to be exercised must be delivered so that it is received by the Company:
- (a) in the case of a meeting or adjourned meeting, at any time before the time for holding the meeting or adjourned meeting, or any earlier time (but not earlier than 48 hours before the time for holding the meeting or adjourned meeting) that the Directors may specify; and
 - (b) in the case of a poll taken otherwise than at the meeting or adjourned meeting, before the poll is taken.
- 50.3 In calculating the periods mentioned in Article 50.2 no account shall be taken of any part of a day that is not a Business Day.
- 50.4 Article 45(1) of the Model Articles shall not apply to the Company.
- 50.5 A notice revoking a proxy appointment only takes effect if it is delivered before:
- (a) the start of the meeting or adjourned meeting to which it relates; or
 - (b) in the case of a poll taken otherwise than at the meeting or adjourned meeting, before the poll is taken.
- 50.6 Article 46(3) of the Model Articles shall not apply to the Company.

PART 5

ADMINISTRATIVE ARRANGEMENTS

51 MEANS OF COMMUNICATION TO BE USED

- 51.1 Subject to the Articles, anything sent or supplied by or to the Company under the Articles may be sent or supplied in any way in which the Act provides for documents or information which are authorised or required by any provision of the Act to be sent or supplied by or to the Company.
- 51.2 The Company may send or supply documents or information to Shareholders by making them available on a website.
- 51.3 Subject to the Articles, any notice or document or other information to be sent or supplied to a Director in connection with the taking of decisions by Directors may also be sent or supplied by the means by which that Director has asked to be sent or supplied with such notices or documents or other information for the time being.
- 51.4 A Director may agree with the Company that notices or documents or other information sent to that Director in a particular way are to be deemed to have been received within a specified time of their being sent, and for the specified time to be less than 48 hours.
- 51.5 Any notice, Document or other information shall be deemed served on or delivered to the intended recipient:
- (a) if properly addressed and delivered by hand, at the time the notice, document or other information is left at the address;
 - (b) if properly addressed and sent by prepaid United Kingdom first class post, or another next working day delivery service providing proof of delivery, to an address in the United Kingdom, at 9.00 am on the second Business Day after the date of posting;
 - (c) if properly addressed and sent by prepaid airmail to an address outside the country from which it is sent, at 9.00 am on the fifth Business Day after the date of posting;
 - (d) if properly addressed and sent by reputable international express courier to an address outside the country from which it is sent, on signature of a delivery receipt;

- (e) if properly addressed and sent or supplied by electronic means, one hour after the Document or information was sent or supplied;
- (f) 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; and
- (g) if deemed receipt under the previous paragraphs of this Article 51.5 would occur outside business hours (meaning 9.00 am to 5.30 pm Monday to Friday on a day that is not a public holiday in the place of deemed receipt), at 9.00 am on the day when business next starts in the place of deemed receipt. For the purposes of this article all references to time are to local time in the place of deemed receipt.

For the purposes of this Article 51.5, no account shall be taken of any part of a day that is not a Business Day.

- 51.6 Proof that an envelope containing a notice or other document was properly addressed, prepaid and posted shall be conclusive evidence that the notice or other document was sent. Proof that a notice or other document contained in an electronic communication was sent in accordance with guidance issued from time to time by the Institute of Chartered Secretaries and Administrators shall be conclusive evidence that the notice or other document was sent.
- 51.7 Article 48 of the Model Articles shall not apply to the Company.

52 COMPANY SEALS

- 52.1 Any common seal of the Company may only be used by the authority of the Directors.
- 52.2 The Directors may decide by what means and in what form any common seal is to be used.
- 52.3 Unless otherwise decided by the Directors, if the Company has a common seal and it is affixed to a Document, the Document must also be signed at least by:
- (a) two Authorised Persons; or
 - (b) one Authorised Person in the presence of a witness who attests the signature.
- 52.4 For the purposes of this Article 52, an “**Authorised Person**” is:
- (a) any Director of the Company;
 - (b) the Company secretary (if any); or
 - (c) any person authorised by the Directors for the purpose of signing Documents to which the common seal is affixed.
- 52.5 Article 49 of the Model Articles shall not apply to the Company.

53 PROVISION FOR EMPLOYEES ON CESSATION OF BUSINESS

Article 51 of the Model Articles shall not apply to the Company.

WINDING UP

54 WINDING UP

If the Company is wound up, the liquidator may, with the sanction of a special resolution and any other sanction required by the Act, divide among the Shareholders in specie the whole or any part of the assets of the Company and may, for that purpose, value any assets and determine how the division shall be carried out as between the Shareholders or different classes of Shareholders. The liquidator may, with the like sanction, vest the whole or any part of the assets in trustees upon such trusts for the benefit of the Shareholders as he with the

like sanction determines, but no Shareholder shall be compelled to accept any assets upon which there is a liability.

DIRECTORS' INDEMNITY AND INSURANCE

55 INDEMNITY

55.1 Subject to Article 55.2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled, each relevant officer may be indemnified out of the Company's assets (including by funding any expenditure incurred or to be incurred by him) against all costs, charges, losses, expenses and liabilities incurred by him as a relevant officer in connection with:

- (a) any negligence, default, breach of duty or breach of trust in relation to the company of which he is a relevant officer;
- (b) the Company's activities as trustee of an occupational pension scheme (as defined in section 235(6) of the Act); and
- (c) the actual or purported execution and/or discharge of his duties.

55.2 This Article 55 does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law.

55.3 In this Article 55 a "**relevant officer**" means any current or former director, alternate director, or other officer of the Company, but excluding any person engaged by that company as auditor.

55.4 Article 52 of the Model Articles shall not apply to the Company.

56 INSURANCE

56.1 The Directors 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.

56.2 In this Article 56:

- (a) 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, or a pension fund, employee share scheme or another trust in which current or former employees of the Company are or have been interested; and
- (b) a "**relevant officer**" means any current or former director, alternate director or other officer of the Company (but excluding any person engaged by that company as auditor) or a current or former trustee of a pension fund, employee share scheme or another trust in which current or former employees of the Company are or have been interested.

56.3 Article 53 of the Model Articles shall not apply to the Company.