

Company no. 10575209

**Private company limited by shares**  
**Written resolutions**  
**of**  
**An.Insurtech Business Ltd**

Passed on 02 March 2017

The following resolutions were duly passed as (in respect of resolution 1) an ordinary resolution and (in respect of resolutions 2 and 3) special resolutions on 02 March 2017 by way of written resolution of the Company's members under Chapter 2 of Part 13 of the Companies Act 2006:

**ORDINARY RESOLUTION**

1. **That**, subject to the passing of resolution 2, in accordance with Section 551, Companies Act 2006, the directors of the Company be generally and unconditionally authorised to allot 6,383 ordinary shares of £0.0001 each in the Company up to an aggregate nominal amount of £0.64 provided that this authority shall, unless renewed, varied or revoked by the Company, expire on the date 5 years after the passing of this resolution save that the Company may, before such expiry, make an offer or agreement which would or might require shares to be allocated and the directors may allot shares in pursuance of such offer or agreement notwithstanding that the authority conferred by this resolution has expired.

This authority is in substitution for all previous authorities conferred on the directors in accordance with section 551 of the Companies Act 2006 or otherwise.

**Special Resolutions:**

2. **That** the draft articles of association attached to this resolution (the "New Articles") be and are hereby adopted by the Company in substitution for, and to the exclusion of, its existing articles of association.
3. **That**, subject to the passing of resolution 2, the directors be empowered to allot the shares pursuant to authority conferred by resolution 1 as if any pre-emption rights on allotment arising under article 58 of the New Articles or otherwise did not apply to such allotment.

Signed: ..... 

Director

**An.Insurtech Business Ltd**



---

**Company no. 10575209**

**THE COMPANIES ACT 2006**

**PRIVATE COMPANY LIMITED BY SHARES**

---

**ARTICLES OF ASSOCIATION  
of  
AN.INSURTECH BUSINESS LTD**

---

**(Adopted by a special resolution passed on 02 March 2017)**

**MJ HUDSON**  
The Alternative Asset Law Firm

## Table of Contents

INTERPRETATION AND LIMITATION OF LIABILITY	5
1. Defined terms and interpretation .....	5
2. Liability of Shareholders.....	11
PART 2 DIRECTORS	11
GENERAL	11
3. Number of Directors.....	11
DIRECTORS' POWERS AND RESPONSIBILITIES	11
4. Directors' general authority .....	11
5. Power to change the Company's name .....	11
6. Shareholders' reserve power .....	11
7. Directors may delegate.....	12
8. Committees .....	12
DECISION-MAKING BY DIRECTORS	12
9. Directors to take decisions collectively .....	12
10. Unanimous decisions.....	12
11. Calling a Directors' meeting .....	13
12. Participation in Directors' meetings.....	13
13. Quorum for Directors' meetings .....	13
14. Casting vote.....	14
15. Directors' interests .....	14
16. Directors' conflicts of interest.....	14
17. Records of decisions to be kept.....	16
18. Directors' discretion to make further rules.....	16
APPOINTMENT OF DIRECTORS	16
19. Methods of appointing and removing Directors. ....	16
20. Chairman .....	17
21. Termination of Director's appointment .....	17
22. Directors' remuneration .....	17
23. Directors' expenses .....	18
ALTERNATE DIRECTORS	18
24. Appointment and removal of alternate Directors .....	18
25. Rights and responsibilities of alternate Directors.....	18
26. Termination of alternate directorship .....	19
PART 3 SHARES AND DISTRIBUTIONS SHARES	19
27. Powers to issue different classes of share .....	19
28. Payment of commissions on subscription for Shares.....	19

29.	Company not bound by less than absolute interests.....	20
30.	Exclusion of statutory pre-emption provisions .....	20
31	Fractional entitlements .....	20
<b>LIEN AND FORFEITURE</b>		<b>20</b>
32.	Company's Lien over Shares .....	20
33.	Call Notices. ....	22
34.	Liability to pay calls.....	22
35.	When Call notice need not be issued.....	22
36.	Failure to comply with Call notice: automatic consequences .....	23
37.	Notice of intended forfeiture.....	23
38	Directors' power to forfeit Shares.....	24
39.	Effect of forfeiture.....	24
40.	Procedure following forfeiture.....	24
41.	Surrender of Shares .....	25
42.	Share certificates .....	25
43	Replacement Share certificates .....	26
44.	Share transfers.....	26
45.	Transmission of Shares .....	26
46.	Exercise of Transmittees' rights.....	27
<b>DIVIDENDS AND OTHER DISTRIBUTIONS</b>		<b>27</b>
47	Procedure for declaring dividends .....	27
48	Calculation of dividends.....	28
49.	Payment of dividends and other distributions .....	28
50.	Deductions from distributions in respect of sums owed to the Company.....	29
51.	No interest on distributions .....	29
52.	Unclaimed distributions .....	29
53.	Non-cash distributions. ....	30
54.	Waiver of distributions.....	30
55	Liquidation Preference.....	30
56.	Exit Provisions .....	30
57.	Variation Of Class Rights ...	31
58.	Pre-emption rights on the issue of further Shares .....	31
59.	Transfers of Shares: general .....	32
60.	Permitted transfers of Shares.....	33
61.	Pre-emption rights on the transfer of Shares .....	34
62.	Valuation.....	36
63	Compulsory transfers .....	37
64	Mandatory offer on change of control.....	38
65.	Drag along.....	39
66.	Departing Employees .....	40
<b>CAPITALISATION OF PROFITS</b>		<b>42</b>
67.	Authority to capitalise and appropriation of capitalised sums ..	42

PART 4 DECISION-MAKING BY SHAREHOLDERS	43
ORGANISATION OF GENERAL MEETINGS	43
68. Attendance and speaking at general meetings.....	43
69. Quorum for general meetings.....	43
70. Chairing general meetings.....	43
71. Attendance and speaking by Directors and non-members .....	43
72. Adjournment .....	44
VOTING AT GENERAL MEETINGS	44
73. Voting general.. .....	44
74. Errors and disputes... .....	45
75. Poll votes.....	45
76. Content of Proxy Notices .....	45
77. Delivery of Proxy Notices.. .....	46
78. Amendments to resolutions .. .....	46
79. No voting of Shares on which money owed to Company .....	47
APPLICATION OF RULES TO CLASS MEETINGS	47
80. Class meetings.....	47
PART 5 ADMINISTRATIVE ARRANGEMENTS	47
81. Means of communication to be used.. .....	47
82. When information sent by the Company deemed to have been received .....	48
83. Company seals .....	48
84. No right to inspect accounts and other records .....	49
85. Provision for employees on cessation of business .....	49
DIRECTORS' INDEMNITY AND INSURANCE	49
86. Indemnity .....	49
87. Insurance .....	50

**The Companies Act 2006**  
**Private Company Limited by Shares**

**ARTICLES OF ASSOCIATION**

**of**

**AN.INSURTECH BUSINESS LIMITED**

(Adopted by a special resolution passed on 02 March 2017)

**PART 1**

**INTERPRETATION AND LIMITATION OF LIABILITY**

**1. Defined terms and interpretation**

**1.1** In the Articles, unless the context requires otherwise:

“**Act**”: the Companies Act 2006;

“**Accepting Offeree**”: has the meaning given in Article 64.4,

“**acting in concert**”: has the meaning given to it in the City Code on Takeovers and Mergers published by the Panel on Takeovers and Mergers (as amended);

“**address**” has the meaning given in section 1148 of the Companies Act 2006;

“**Adoption Date**”: the date of adoption of these Articles;

“**Allocation Notice**”: has the meaning given in Article 61.9;

“**Applicant**”: has the meaning given in Article 61.9;

“**Articles**”: the Company's articles of association for the time being in force;

“**Bad Leaver**” means a person who ceases to be an Employee as a consequence of that person’s dismissal as an Employee for cause, where “**cause**” shall mean:

- (a) any act which brings or is likely to bring the Company into disrepute;
- (b) any fraudulent or materially dishonest act committed against the Company or client or customer thereof (whether a current or prospective customer);
- (c) disclosing or misusing any confidential information relating to the Company or existing clients or customers to any outside third party except where so authorised to do so by the Board;
- (d) working for any competitor of the Company directly or indirectly without the permission of the Board, whilst being an Employee;
- (e) flagrant or persistent refusal to obey lawful and reasonable instructions of the Company;

- (f) gross negligence, gross incompetence or gross dereliction of duty;
- (g) any other act pursuant to which the Company would be entitled to summarily dismiss the Employee under their employment agreement, service agreement or similar.

**“bankruptcy”** includes individual insolvency proceedings in a jurisdiction other than England and Wales or Northern Ireland which have an effect similar to that of bankruptcy;

**“Business Day”**: any day (other than a Saturday, Sunday or public holiday in the United Kingdom) on which clearing banks in the City of London are generally open for business;

**“Call”** has the meaning given in Article 33,

**“Called Shareholders”** has the meaning given in Article 65.1;

**“Called Shares”** has the meaning given in Article 65.2,

**“Call Notice”** has the meaning given in Article 33;

**“capitalised sum”**: has the meaning given in Article 67.1,

**“Chairman”** has the meaning given in Article 20;

**“Chairman of the Meeting”** has the meaning given in Article 70;

**“clear days”** in relation to a notice, excludes the day the notice is deemed under the Articles to be given and the day on which the specified period expires;

**“Commencement Date”** means the date on which the employment or consultancy of the relevant Employee with the Company or any member of the Group commences and in the case of Ben Allen, Jens Hartwig and Tobias Taupitz shall mean 20 January 2017;

**“Companies Acts”** means the Companies Acts (as defined in section 2 of the Companies Act 2006), in so far as they apply to the Company;

**“Company”**: means An.Insurtech Business Ltd (Company number 10575209);

**“Company’s Lien”** has the meaning given in Article 32;

**“connected”**: has the meaning given in section 252 of the Act;

**“Controlling Interest”**: an interest in Shares conferring on the Shareholder or Shareholders control of the Company within the meaning of section 1124 of the Corporation Tax Act 2010;

**“Deemed Transfer Notice”**: a Transfer Notice which is deemed to have been served by any of the provisions of these Articles;

**“Director”** means a director of the Company, and includes any person occupying the position of director, by whatever name called;

**“Distribution Recipient”** has the meaning given in Article 49;

**“Disposal”**: the disposal by the Company of all, or a substantial part of, its business and assets;

**“document”** includes, unless otherwise specified, any document sent or supplied in electronic form;

**“Drag Along Option”**: has the meaning given in Article 65 1;



-

-

-

-

-

-

-

-

-

-

-

-

-

-

-

-

-

-

-

-

-

-

-

-

-



**“Drag Along Notice”**: has the meaning given in Article 65 2;

**“Effective Termination Date”** means the date on which the Employee’s employment or consultancy terminates;

**“electronic form”** has the meaning given in section 1168 of the Companies Act 2006;

**“electronic means”** has the meaning given in section 1168 of the Companies Act 2006;

**“Eligible Director”** has the meaning given in Article 10;

**“Employee”**: an individual who is, or has been, a Director and/or an employee of, or who provides or has provided consultancy services to, any Group Company;

**“Employee Shares”** in relation to an Employee means all shares held by:

- (a) the Employee in question; and
- (b) any Permitted Transferee of that Employee other than those Shares held by those persons that the Investor declares itself

**“Employee Trust”**: a trust, the terms of which are approved by the Investor, whose beneficiaries are the bona fide employees of the Group;

**“Excess Securities”**: has the meaning given in Article 58.4;

**“Exit”**: a Share Sale, a Disposal or a Listing;

**“Fair Value”**: has the meaning given in Article 62.2,

**“Family Trust”**: as regards any particular Shareholder who is an individual (or deceased or former Shareholder who is an individual) any trust (whether arising under a settlement, declaration of trust or other instrument by whomsoever or wheresoever made, or under a testamentary disposition or on an intestacy) under which no immediate beneficial interest in any of the Shares in question is for the time being vested in any person other than the particular Shareholder and/or any of the Privileged Relations of that Shareholder (and so that for this purpose a person shall be considered to be beneficially interested in a Share if such Share or the income thereof is liable to be transferred or paid or applied or appointed to or for the benefit of any such person or any voting or other rights attaching thereto are exercisable by or as directed by any such person pursuant to the terms of the relevant trusts or in consequence of an exercise of a power or discretion conferred thereby on any person or persons);

**“fully paid”**: in relation to a Share means that the nominal value and any premium to be paid to the Company in respect of that Share have been paid to the Company;

**“Good Leaver”** means a person who ceases to be an Employee and who is not a Bad Leaver and shall include, without limitation, when the Board determines that a person is not a Bad Leaver;

**“Fund Manager”**: a person whose principal business is to make, manage or advise upon investments in securities;

**“Group”**: the Company and its subsidiaries (if any) from time to time and **Group Company** shall be construed accordingly;

**“hard copy form”**: has the meaning given in section 1168 of the Companies Act 2006;



**“Independent Expert”**: the auditors for the time being of the Company or, if they decline the instruction, an independent firm of accountants jointly appointed by the Company and the Seller or, in the absence of agreement between the Company and the Seller on the identity of the expert within 20 Business Days of the expiry of the 20 Business Day period referred to in Article 62.1, an independent firm of accountants appointed by the President, for the time being, of the Institute of Chartered Accountants of England and Wales (in each case acting as an expert and not as an arbitrator);

**“instrument”** means a document in hard copy form;

**“Investment Agreement”**: any investment agreement relating to the Company which may be entered into by the Company on or around the Adoption Date (as the same may have been varied, supplemented, adhered to or superseded in accordance with its terms for the time being);

**“Investor”**: SBC INS Ltd;

**“Investor Consent”**: the prior consent in writing of the Investor;

**“Issue Price”**: in respect of any Share, the subscription price paid (or agreed to be paid) in respect of that Share, including any share premium;

**“Leaver’s Percentage”** means , in relation to and for the purposes of determining the number of Employee Shares that are required (pursuant to Article 66) to be transferred as a result of an Employee ceasing to be an Employee within the period commencing on the Commencement Date and ending on the Effective Termination Date, the percentage (rounded to the nearest two decimal places) as calculated using the formula below:

$$100 - ((1/36 \times 100) \times NM),$$

where NM = number of full calendar months from the first anniversary of the Commencement Date to the Effective Termination Date such that the Leaver’s Percentage shall be one hundred on the last day of the 12th month after the Commencement Date and zero on the first day of the 49th month after the Commencement Date and thereafter;

**“lien enforcement notice”** has the meaning given in Article 32.2;

**“Listing”**: the successful application and admission of all or any of the Shares, or securities representing such Shares (including American depositary receipts, American depositary Shares and/or other instruments) to the Official List of the Financial Conduct Authority or on the AIM market operated by the London Stock Exchange plc, or the Nasdaq National Stock Market of the Nasdaq Stock Market Inc., or to any recognised investment exchange (as defined in section 285 of the Financial Services and Markets Act 2000);

**“Member of the Same Group”**: as regards any company, a company which is from time to time a shareholder, a holding company or a subsidiary of that company or a subsidiary of any such shareholder or holding company and, in the case of the Investor, any shareholders of the Investor;

**“Member of the Same Fund Group”**: if the Shareholder is a fund, partnership, company, syndicate or other entity whose business is managed by a Fund Manager (an **Investment Fund**) or a nominee of that person.

- (a) any participant or partner in or Shareholder of any such Investment Fund or the Shareholders of any unit trust which is a participant or partner in or Shareholder of any Investment Fund (but only in connection with the dissolution of the Investment Fund or any distribution of assets of the Investment Fund pursuant to the operation of the Investment Fund in the ordinary course of business),

- (b) any Investment Fund managed by that Fund Manager or a Fund Manager which is a Member of the Same Group as that Fund Manager;
- (c) any trustee, nominee or custodian of such Investment Fund and vice versa;
- (d) the Fund Manager of that Investment Fund or a Fund Manager of any other Investment Fund which is a Member of the Same Fund Group as that Investment Fund (or a nominee of any such Fund Manager) and vice versa; or
- (e) any Member of the Same Group as that Fund Manager;

**“Minimum Transfer Condition”** has the meaning given in Article 61.2;

**“New Shareholder”**: has the meaning given in Article 65.10;

**“Offer”**: has the meaning given in Article 64.2;

**“Offer Notice”**: has the meaning given in Article 64.3,

**“Offer Period”**. has the meaning given in Article 61.6;

**“Offer Price”**: has the meaning given in Article 64.2;

**“Offeree”**: has the meaning given in Article 58.3;

**“ordinary resolution”** has the meaning given in section 282 of the Companies Act 2006;

**“Original Shareholder”**: has the meaning given in Article 60.1;

**“paid”** means paid or credited as paid;

**“participate”** in relation to a Directors’ meeting, has the meaning given in Article 12;

**“Permitted Transfer”**: a transfer of Shares made in accordance with Article 60;

**“Permitted Transferee”**: in relation to:

(a) a Shareholder who is an individual, any of his Privileged Relations or the trustee(s) of a Family Trust;

(b) a Shareholder which is a company, a Member of the Same Group as that company; and

(c) an Investor, to (i) a Member of the Same Fund Group as that Investor, or (ii) a Member of the Same Group as that Investor, or (iii) any nominee of that Investor (or of a Member of the Same Fund Group as the Investor);

**“persons entitled”**: has the meaning given in Article 67.1;

**“Privileged Relation”**: in relation to a Shareholder who is an individual (or a deceased or former Shareholder who is an individual) means a spouse, civil partner (as defined in the Civil Partnerships Act 2004), child or grandchild (including step or adopted or illegitimate child and their issue);

**“Proposed Buyer”**: has the meaning given in Article 65.1;

**“Proposed Sale Price”**: has the meaning given in Article 61.2

**“Proxy Notice”** has the meaning given in Article 76;

**“Relevant Officer”** means any person who is or was at any time a Director, secretary or other officer (except an auditor) of the Company or of any undertaking in the same group as the Company;

**“Relevant Securities”**: means any Shares or other securities convertible into, or carrying the right to subscribe for Shares, issued by the Company after the Adoption Date, other than:

(a) any Shares or other securities issued by the Company in order for the Company to comply with its obligations under these Articles and any Investment Agreement; and

(b) any Shares or other securities issued in consideration of the acquisition by the Company of any company or business which has been approved by Investor Consent;

**“Restricted Shares”**: has the meaning given in Article 63.3;

**“Sale Date”**: has the meaning given in Article 64.3;

**“Sale Shares”**: has the meaning given in Article 61.2 1;

**“Sale Proceeds”**: has the meaning given in Article 56.1;

**“Sale Shares”**. has the meaning given in Article 61.2.1;

**“Seller”** has the meaning given in Article 61.2,

**“Sellers’ Shares”**: has the meaning given in Article 65 1;

**“Selling Shareholders”**: has the meaning given in Article 65.1,

**“Shareholder”**. means the holder of any Share or Shares from time to time,

**“Share Sale”**: means the sale of (or the grant of a right to acquire or to dispose of) any of the shares in the capital of the Company (in one transaction or as a series of transactions) which will result in the buyer of those shares (or grantee of that right) and persons acting in concert with him together acquiring a Controlling Interest in the Company, except where the Shareholders and the proportion of shares held by each of them following completion of the sale are the same as the Shareholders and their shareholdings in the Company immediately before to the sale;

**“Shares”** means the ordinary shares of £0.0001 each in the capital of the Company from time to time and **Share** shall be construed accordingly;

**“special resolution”** has the meaning given in section 283 of the Companies Act 2006;

**“subsidiary”** has the meaning given in section 1159 of the Companies Act 2006;

**“Surplus Shares”**: has the meaning given in Article 61 7;

**“Tag Offeree”**: has the meaning given in Article 64.2;

**“Tag Offer Period”**: has the meaning given in Article 64.3,

**“Transfer Notice”**. has the meaning given in Article 61 2;

**“Transfer Price”**: has the meaning given in Article 62.1;

**“Transmittee”** means a person entitled to a Share by reason of the death or bankruptcy of a Shareholder or otherwise by operation of law; and

“writing” means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise.

- 1.2 The relevant model articles (within the meaning of section 20 of the Companies Act 2006) are excluded.
- 1.3 Unless the context otherwise requires, other words or expressions contained in the Articles bear the same meaning as in the Companies Act 2006 as in force on the date when the Articles become binding on the Company.
- 1.4 Except where the contrary is stated or the context otherwise requires, any reference in the Articles to a statute or statutory provision includes any order, regulation, instrument or other subordinate legislation made under it for the time being in force, and any reference to a statute, statutory provision, order, regulation, instrument or other subordinate legislation includes any amendment, extension, consolidation, re-enactment or replacement of it for the time being in force.
- 1.5 Words importing the singular number only include the plural and vice versa. Words importing the masculine gender include the feminine and neuter gender. Words importing persons include corporations.

## **2. Liability of Shareholders**

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

## **PART 2 DIRECTORS**

### **GENERAL**

## **3. Number of Directors**

- 3.1 Unless otherwise determined by ordinary resolution, the number of Directors shall not exceed 6 but shall not be less than 2.

### **DIRECTORS' POWERS AND RESPONSIBILITIES**

## **4. Directors' general authority**

Subject to the Articles, the Directors are responsible for the management of the Company's business, for which purpose they may exercise all the powers of the Company.

## **5. Power to change the Company's name**

The Directors may from time to time change the name of the Company to any name considered by the Directors to be advantageous, expedient or otherwise desirable.

## **6. Shareholders' reserve power**

- 6.1 The Shareholders may, by special resolution, direct the Directors to take, or refrain from taking, specified action.
- 6.2 No such special resolution invalidates anything which the Directors have done before the passing of the resolution.

\_\_\_\_\_

|

|

|

|

|

|

|

|

|

|

|

|

|

|

|

## **7. Directors may delegate**

7.1 Subject to the Articles, the Directors may delegate any of the powers which are conferred on them under the Articles:

7.1.1 to such person or committee,

7.1.2 by such means (including by power of attorney);

7.1.3 to such an extent;

7.1.4 in relation to such matters or territories, and

7.1.5 on such terms and conditions

as they think fit. The power to delegate shall be effective in relation to the powers, authorities and discretions of the Directors generally and shall not be limited by the fact that in certain of the Articles, but not in others, express reference is made to particular powers, authorities or discretions being exercised by the Directors or by a committee authorised by the Directors.

7.2 If the Directors so specify, any such delegation may authorise further delegation of the Directors' powers by any person to whom they are delegated.

7.3 The Directors may revoke any delegation in whole or part, or alter its terms and conditions

## **8. Committees**

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

8.2 A member of a committee need not be a Director

8.3 The Directors may make rules of procedure for all or any committees, which prevail over rules derived from the Articles if they are not consistent with them.

## **DECISION-MAKING BY DIRECTORS**

### **9. Directors to take decisions collectively**

9.1 The general rule about decision-making by Directors is that any decision of the Directors must be either a majority decision at a meeting or a decision taken in accordance with Article 10.

9.2 If:

9.2.1 the Company only has one Director, and

9.2.2 no provision of the Articles requires it to have more than one Director,

the general rule does not apply, and the Director may take decisions without regard to any of the provisions of the Articles relating to Directors' decision-making.

### **10. Unanimous decisions**

10.1 A decision of the Directors is taken in accordance with this Article 10 when all Eligible Directors indicate to each other by any means that they share a common view on a matter.



- 10.2 Such a decision may take the form of a resolution in writing signed by each Eligible Director (whether or not each signs the same document) or to which each Eligible Director has otherwise indicated agreement in writing.
- 10.3 References in the Articles to “**Eligible Directors**” are to Directors who would have been entitled to vote on the matter had it been proposed as a resolution at a Directors’ meeting (but excluding any Director whose vote is not to be counted in respect of that particular matter)
- 10.4 A decision may not be taken in accordance with this Article 10 if the Eligible Directors would not have formed a quorum at such a meeting.
- 11. Calling a Directors’ meeting**
- 11.1 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
- 11.2 Notice of any Directors’ meeting must indicate:
- 11.2.1 its proposed date and time;
- 11.2.2 where it is to take place; and
- 11.2.3 if it is anticipated that Directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting.
- 11.3 Notice of a Directors’ meeting need not be in writing and must be given to each Director provided that, if a Director is absent (whether habitually or temporarily) from the United Kingdom, the Company has an address for sending or receiving documents or information by electronic means to or from that Director outside the United Kingdom.
- 11.4 Notice of a Directors’ meeting need not be given to Directors who waive their entitlement to notice of that meeting, by giving notice to that effect to the Company not more than seven days after the date on which the meeting is held. Where such notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it.
- 12. Participation in Directors’ meetings**
- 12.1 Subject to the Articles, Directors participate in a Directors’ meeting, or part of a Directors’ meeting, when
- 12.1.1 the meeting has been called and takes place in accordance with the Articles, and
- 12.1.2 they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.
- 12.2 In determining whether Directors are participating in a Directors’ meeting, it is irrelevant where any Director is or how they communicate with each other.
- 12.3 If all the Directors participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is.
- 13. Quorum for Directors’ meetings**
- 13.1 At a Directors’ meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.



13.2 The quorum for Directors' meetings may be fixed from time to time by a decision of the Directors and unless otherwise fixed it is two provided that:

13.2.1 if and so long as there is only one Director the quorum shall be one; and

13.2.2 for the purposes of any meeting held pursuant to Article 16 to authorise a Director's conflict, if there is only one Director besides the Director concerned and Directors with a similar interest, the quorum shall be one.

13.3 If the total number of Directors for the time being is less than the quorum required, the Directors must not take any decision other than a decision

13.3.1 to appoint further Directors, or

13.3.2 to call a general meeting so as to enable the Shareholders to appoint further Directors.

#### **14. Casting vote**

14.1 If the numbers of votes for and against a proposal are equal, the Chairman or other Director chairing the meeting has a casting vote.

14.2 But this does not apply if, in accordance with the Articles, the Chairman or other Director is not to be counted as participating in the decision-making process for quorum or voting purposes.

#### **15. Directors' interests**

Except to the extent that Article 16 applies or the terms of any authority given under that Article otherwise provide, and without prejudice to such disclosure as is required under the Companies Act 2006, a Director may be a party to, or otherwise interested in, any transaction or arrangement with the Company and shall be entitled to participate in the decision-making process for quorum and voting purposes on any resolution concerning a matter in which he has, directly or indirectly, an interest or duty that conflicts or may conflict with the interests of the Company.

#### **16. Directors' conflicts of interest**

16.1 Subject to the provisions of the Companies Act 2006 and provided that he has disclosed to the Directors the nature and extent of any material interest of his, a Director may, notwithstanding his office or that, without the authorisation conferred by this Article 16.1, he would or might be in breach of his duty under the Companies Act 2006 to avoid conflicts of interest, be a Director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any undertaking in the same group as the Company, or promoted by the Company or by any undertaking in the same group as the Company, or in which the Company or any undertaking in the same group as the Company is otherwise interested.

16.2 No Director shall.

16.2.1 by reason of his office, be accountable to the Company for any benefit which he derives from any office or employment, or from any transaction or arrangement, or from any interest in any undertaking, that is authorised under Article 16.1 (and no such benefit shall constitute a breach of the duty under the Companies Act 2006 not to accept benefits from third parties, and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit);

16.2.2 be in breach of his duties as a Director by reason only of his excluding himself from the receipt of information, or from participation in decision-making or discussion (whether at meetings of the Directors or otherwise), that will or may relate to any

office, employment, transaction, arrangement or interest that is authorised under Article 16.1, or

- 16.2.3 be required to disclose to the Company, or use in relation to the Company's affairs, any confidential information obtained by him in connection with any office, employment, transaction, arrangement or interest that is authorised under Article 16.1 if his doing so would result in a breach of a duty or an obligation of confidence owed by him in that connection.
- 16.3 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; and 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.
- 16.4 The Directors may, if the quorum and voting requirements set out below are satisfied, authorise any matter that would otherwise involve a Director breaching his duty under the Companies Act 2006 to avoid conflicts of interest, and any Director (including the Director concerned) may propose that the Director concerned be authorised in relation to any matter the subject of such a conflict provided that:
- 16.4.1 such proposal and any authority given by the Directors shall be effected in the same way that any other matter may be proposed to and resolved upon by the Directors under the provisions of the Articles, except that the Director concerned and any other Director with a similar interest:
- (a) shall not be counted for quorum purposes as participating in the decision-making process while the conflict is under consideration;
  - (b) may, if the other Directors so decide, be excluded from participating in the decision-making process while the conflict is under consideration; and
  - (c) shall not vote on any resolution authorising the conflict except that, if any such Director does vote, the resolution will still be valid if it would have been agreed to if his votes had not been counted, and
- 16.4.2 where the Directors give authority in relation to such a conflict:
- (a) they may (whether at the time of giving the authority or at any time or times subsequently) impose such terms upon the Director concerned and any other Director with a similar interest as they may determine, including, without limitation, the exclusion of that Director and any other Director with a similar interest from the receipt of information, or participation in any decision-making or discussion (whether at meetings of the Directors or otherwise) related to the conflict;
  - (b) the Director concerned and any other Director with a similar interest will be obliged to conduct himself in accordance with any terms imposed from time to time by the Directors in relation to the conflict but will not be in breach of his duties as a Director by reason of his doing so;
  - (c) the authority may provide that, where the Director concerned and any other Director with a similar interest obtains information that is confidential to a third party, the Director will not be obliged to disclose that information to the Company, or to use the information in relation to the Company's affairs, where to do so would amount to a breach of that confidence,

- (d) the authority may also provide that the Director concerned or any other Director with a similar interest shall not be accountable to the Company for any benefit that he receives as a result of the conflict;
  - (e) the receipt by the Director concerned or any other Director with a similar interest of any remuneration or benefit as a result of the conflict shall not constitute a breach of the duty under the Companies Act 2006 not to accept benefits from third parties;
  - (f) the terms of the authority shall be recorded in writing (but the authority shall be effective whether or not the terms are so recorded); and
  - (g) the Directors may withdraw such authority at any time.
- 16.5 Subject to Article 16.6, 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, whose ruling in relation to any Director other than the Chairman is to be final and conclusive.
- 16.6 If any question as to the right to participate in the meeting (or part of the meeting) should arise in respect of the Chairman, 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.
- 17. Records of decisions to be kept**
- The Directors must ensure that the Company keeps a record, in hard copy form, for at least 10 years from the date of the decision recorded, of every unanimous or majority decision taken by the Directors.
- 18. Directors' discretion to make further rules**
- Subject to the Articles, the Directors may make any rule which they think fit about how they take decisions, and about how such rules are to be recorded or communicated to Directors.

## **APPOINTMENT OF DIRECTORS**

### **19. Methods of appointing and removing Directors**

- 19.1 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:
- 19.1.1 by ordinary resolution, or
  - 19.1.2 by a decision of the Directors.
- 19.2 If the Company has no Directors and, by virtue of death or bankruptcy, no Shareholder is capable of acting, the Transmittree of the last Shareholder to have died or to have had a bankruptcy order made against him has the right, by notice in writing, to appoint a person to be a Director.
- 19.3 For the purposes of Article 19.2, 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.
- 19.4 Any Shareholder or Shareholders holding a majority in nominal amount of the issued share capital that confers the right to attend and vote at general meetings may at any time appoint any

person to be a Director, whether as an additional Director or to fill a vacancy, provided that the appointment does not cause the number of Directors to exceed the maximum number set out at Article 3, and may remove from office any Director howsoever appointed and any alternate Director. Any such appointment or removal shall be effected by notice in writing to the Company by the relevant Shareholder or Shareholders. Any such appointment or removal shall take effect when it is delivered to the registered office of the Company or, if it is produced at a meeting of the Directors, when it is so produced or, if sent by electronic means to an address generally used by the Company, when it is sent (and Article 81.2 shall not apply to it) Any such removal shall be without prejudice to any claim that a Director may have under any contract between him and the Company.

- 19.5 The Investor shall from time to time have the right to nominate one person to be an observer, who shall be entitled to receive notice of all meetings of Directors (and committees of the Directors) and copies of all Board papers as if he were a Director and to attend, propose resolutions and speak at, but not vote at, any meeting of the Directors (and committees of the Directors).

**20. Chairman**

The Directors may appoint any person as Chairman of the board of Directors (**Chairman**) and may remove and replace any such Chairman. If there is no Chairman in office for the time being, or the Chairman is unable to attend any meeting of the Directors, the Directors present at the meeting must appoint another Director present at the meeting to chair the meeting and the appointment of the Chairman of the Meeting must be the first business of the meeting

**21. Termination of Director's appointment**

- 21.1 A person ceases to be a Director as soon as:

- 21.1.1 that person ceases to be a Director by virtue of any provision of the Companies Act 2006 or is prohibited from being a Director by law;
- 21.1.2 a bankruptcy order is made against that person;
- 21.1.3 a composition is made with that person's creditors generally in satisfaction of that person's debts;
- 21.1.4 he becomes, in the opinion of all his co-Directors, physically or mentally incapable of discharging his duties as a Director,
- 21.1.5 notification is received by the Company from the Director that the Director is resigning from office, and such resignation has taken effect in accordance with its terms; or
- 21.1.6 he is otherwise duly removed from office.

**22. Directors' remuneration**

- 22.1 Directors may undertake any services for the Company that the Directors decide.
- 22.2 Directors are entitled, subject to Investor Consent (such consent not to be unreasonably withheld) to such remuneration as the Directors determine.
- 22.2.1 for their services to the Company as Directors, and
  - 22.2.2 for any other service which they undertake for the Company.
- 22.3 Subject to the Articles, a Director's remuneration may:

- 22.3.1 take any form, and
- 22.3 2 include any arrangements in connection with the payment of a pension, allowance or gratuity, or any death, sickness or disability benefits, to or in respect of that Director.
- 22 4 Unless the Directors decide otherwise, Directors' remuneration accrues from day to day.

**23. Directors' expenses**

The Company may pay any reasonable expenses which the Directors (and any alternate Directors or Company secretary) properly incur in connection with their attendance at:

- 23.1.1 meetings of Directors or committees of Directors,
- 23.1.2 general meetings, or
- 23.1.3 separate meetings of the holders of any class of Shares or of debentures of the Company,

or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the Company.

**ALTERNATE DIRECTORS**

**24. Appointment and removal of alternate Directors**

- 24.1 Any Director may appoint as an alternate any other Director, or any other person, to:

- 24.1 1 exercise that Director's powers; and
- 24 1.2 carry out that Director's responsibilities,

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

- 24 2 Any appointment or removal of an alternate must identify the proposed alternate and be effected by notice in writing to the Company signed by his appointor, or in any other manner approved by the Directors.

**25. Rights and responsibilities of alternate Directors**

- 25 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 Directors as the alternate's appointor.

- 25 2 Except as the Articles specify otherwise, alternate Directors:

- 25 2.1 are deemed for all purposes to be Directors;
- 25.2.2 are liable for their own acts and omissions;
- 25.2.3 are subject to the same restrictions as their appointors; and
- 25.2.4 are not deemed to be agents of or for their appointors

and, in particular (without limitation), each alternate Director shall be entitled to receive notice of all meetings of Directors and of all meetings of committees of Directors of which his appointor is a Shareholder.

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

\_\_\_\_\_

\_\_\_\_\_



- 25.3.1 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);
  - 25.3.2 may participate in a unanimous decision of the Directors (but only if his appointor is an Eligible Director in relation to that decision, but does not participate); and
  - 25.3.3 shall not be counted as more than one Director for the purposes of Articles 22.3.1 and 22.3.2.
- 25.4 A Director who is also an alternate Director is entitled, in the absence of his appointor, to a separate vote on behalf of his appointor, in addition to his own vote on any decision of the Directors (provided that his appointor is an Eligible Director in relation to that decision), but shall not count as more than one Director for the purposes of determining whether a quorum is present.
- 25.5 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.
- 26. Termination of alternate directorship**
- An alternate Director's appointment as an alternate terminates:
- 26.1.1 when the alternate's appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate;
  - 26.1.2 on the occurrence, in relation to the alternate, of any event which, if it occurred in relation to the alternate's appointor, would result in the termination of the appointor's appointment as a Director;
  - 26.1.3 on the death of the alternate's appointor,
  - 26.1.4 when the alternate's appointor's appointment as a Director terminates; or
  - 26.1.5 when the alternate is removed in accordance with the Articles.

## PART 3 SHARES AND DISTRIBUTIONS

### SHARES

- 27. Powers to issue different classes of share**
- 27.1 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.
- 27.2 The Company may issue shares which are to be redeemed, or are liable to be redeemed at the option of the Company or the holder, and the Directors may determine the terms, conditions and manner of redemption of any such shares.
- 28. Payment of commissions on subscription for Shares**
- 28.1 The Company may pay any person a commission in consideration for that person:

- 28.1.1 subscribing, or agreeing to subscribe, for Shares; or
- 28.1.2 procuring, or agreeing to procure, subscription for Shares
- 28.2 Any such commission may be paid·
  - 28.2.1 in cash, or in fully paid or partly paid Shares or other securities, or partly in one way and partly in the other; and
  - 28.2.2 in respect of a conditional or an absolute subscription.
- 29. Company not bound by less than absolute interests**

Except as required by law, no person is to be recognised by the Company as holding any Share upon any trust, and except as otherwise required by law or the Articles, the Company is not in any way to be bound by or recognise any interest in a Share other than the holder's absolute ownership of it and all the rights attaching to it
- 30. Exclusion of statutory pre-emption provisions**

Sections 561 and 562 of the Companies Act 2006 shall not apply to an allotment of equity securities made by the Company.
- 31. Fractional entitlements**
  - 31.1 Where there has been a consolidation or division of Shares and, as a result, Shareholders are entitled to fractions of Shares, the Directors may:
    - 31.1.1 sell the Shares representing the fractions to any person including the Company for the best price reasonably obtainable;
    - 31.1.2 authorise any person to execute an instrument of transfer of the Shares to the purchaser or a person nominated by the purchaser; and
    - 31.1.3 distribute the net proceeds of sale in due proportion among the Shareholders of the Shares.
  - 31.2 Where any Shareholder's entitlement to a portion of the proceeds of sale under Article 31.1 amounts to less than a minimum figure determined by the Directors, that Shareholder's portion may be retained for the benefit of the Company.
  - 31.3 The person to whom the Shares are transferred pursuant to Article 31.1 is not obliged to ensure that any purchase money is received by the person entitled to the relevant fractions. The transferee's title to the Shares is not affected by any irregularity in or invalidity of the process leading to their sale.

## **LIEN AND FORFEITURE**

- 32. Company's Lien over Shares**
  - 32.1 The Company has a lien (the "**Company's Lien**") over every Share, whether or not fully paid, which is registered in the name of any person indebted or under any liability to the Company, whether he is the sole registered holder of the Share or one of several joint holders, for all

monies payable by him (either alone or jointly with any other person) to the Company, whether payable immediately or at some time in the future

## 32.2 Enforcement of the Company's Lien

32.2.1 Subject to the provisions of this Article 32, 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,

32.2.2 the Company may sell that Share in such manner as the Directors decide.

32.2.3 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 within 14 clear days of the notice;
- (d) must be addressed either to the holder of the Share or to a Transmittree of that holder; and
- (e) must state the Company's intention to sell the Share if the notice is not complied with.

32.2.4 Where Shares are sold under this Article 32:

- (a) 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
- (b) 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

32.2.5 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; and
- (b) 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 (whether immediately or at some time in the future) after the date of the lien enforcement notice.

32.2.6 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.

### **33. Call Notices**

- 33.1 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 in respect of his Shares at the date when the Directors decide to send the Call notice
- 33.2 A Call notice:
  - 33.2.1 may not require a Shareholder to pay a Call which exceeds the total sum unpaid on the Shares (whether as to nominal value or any amount payable to the Company by way of premium);
  - 33.2.2 must state when and how any Call to which it relates is to be paid; and
  - 33.2.3 may permit or require the Call to be made in instalments.
- 33.3 A Shareholder must comply with the requirements of a Call notice, but no Shareholder is obliged to pay any Call before 14 clear days have passed since the notice was sent.
- 33.4 Before the Company has received any Call due under a Call notice the Directors may:
  - 33.4 1 revoke it wholly or in part; or
  - 33.4 2 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.
- 33.5 The Directors may, if they think fit, receive from any Shareholder willing to advance them all or any part of the monies unpaid and uncalled upon the Shares held by him and may pay interest upon the monies so advanced (to the extent such monies exceed the amount of the calls due and payable upon the Shares in respect of which they have been advanced) at such rate (not exceeding 15 per cent. per annum unless the Company by ordinary resolution otherwise directs) as the Directors may determine. A payment in advance of calls shall extinguish, to the extent of it, the liability upon the Shares in respect of which it is advanced

### **34. Liability to pay calls**

- 34.1 Liability to pay a Call is not extinguished or transferred by transferring the Shares in respect of which it is required to be paid.
- 34.2 Joint holders of a Share are jointly and severally liable to pay all calls in respect of that Share.
- 34.3 Subject to the terms on which Shares are allotted, the Directors may, when issuing Shares, provide that Call notices sent to the holders of those Shares may require them:
  - 34.3.1 to pay calls which are not the same; or
  - 34.3.2 to pay calls at different times

### **35. When Call notice need not be issued**

- 35.1 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:

- 35.1.1 on allotment;
  - 35.1.2 on the occurrence of a particular event; or
  - 35.1.3 on a date fixed by or in accordance with the terms of issue
- 35.2 But if the due date for payment of such a sum has passed and it has not been paid, the holder of the Share concerned is treated in all respects as having failed to comply with a Call notice in respect of that sum, and is liable to the same consequences as regards the payment of interest and forfeiture.
- 36. Failure to comply with Call notice: automatic consequences**
- 36.1 If a person is liable to pay a Call and fails to do so by the Call payment date:
- 36.1.1 the Directors may issue a notice of intended forfeiture to that person; and
  - 36.1.2 until the Call is paid, that person must pay the Company interest on the Call from the Call payment date at the relevant rate.
- 36.2 For the purposes of this Article 36.
- 36.2.1 the “**Call payment date**” is the time when the Call notice states that a Call is payable, unless the Directors give a notice specifying a later date, in which case it is that later date; and
  - 36.2.2 the “**relevant rate**” is
    - (a) the rate fixed by the terms on which the Share in respect of which the Call is due was allotted;
    - (b) such other rate as was fixed in the Call notice which required payment of the call, or has otherwise been determined by the Directors; or
    - (c) if no rate is fixed in either of these ways, 5 per cent per annum.
- 36.3 The relevant rate must not exceed by more than 5 percentage points the base lending rate most recently set by the Monetary Policy Committee of the Bank of England in connection with its responsibilities under Part 2 of the Bank of England Act 1998.
- 36.4 The Directors may waive any obligation to pay interest on a Call wholly or in part.
- 37. Notice of intended forfeiture**
- A notice of intended forfeiture.
- 37.1.1 may be sent in respect of any Share in respect of which a Call has not been paid as required by a Call notice;
  - 37.1.2 must be sent to the holder of that Share (or all the joint holders of that Share) or to a Transmittree of that holder;
  - 37.1.3 must require payment of the Call and any accrued interest and all expenses that may have been incurred by the Company by reason of such non-payment by a date which is not less than 14 clear days after the date of the notice;
  - 37.1.4 must state how the payment is to be made; and

- 37.1.5 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.

**38. Directors' power to forfeit Shares**

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

**39. Effect of forfeiture**

**39.1 Subject to the Articles, the forfeiture of a Share extinguishes:**

- 39.1.1 all interests in that Share, and all claims and demands against the Company in respect of it; and
- 39.1.2 all other rights and liabilities incidental to the Share as between the person whose Share it was prior to the forfeiture and the Company.

**39.2 Any Share which is forfeited in accordance with the Articles:**

- 39.2.1 is deemed to have been forfeited when the Directors decide that it is forfeited;
- 39.2.2 is deemed to be the property of the Company; and
- 39.2.3 may be sold, re-allotted or otherwise disposed of as the Directors think fit.

**39.3 If a person's Shares have been forfeited:**

- 39.3.1 the Company must send that person notice that forfeiture has occurred and record it in the register of members;
- 39.3.2 that person ceases to be a Shareholder in respect of those Shares;
- 39.3.3 that person must surrender the certificate for the Shares forfeited to the Company for cancellation;
- 39.3.4 that person remains liable to the Company for all sums payable by that person under the Articles at the date of forfeiture in respect of those Shares, including any interest (whether accrued before or after the date of forfeiture); and
- 39.3.5 the Directors may waive payment of such sums wholly or in part or enforce payment without any allowance for the value of the Shares at the time of forfeiture or for any consideration received on their disposal.

**39.4 At any time before the Company disposes of a forfeited Share, the Directors may decide to cancel the forfeiture on payment of all calls, interest and expenses due in respect of it and on such other terms as they think fit**

**40. Procedure following forfeiture**

**40.1 If a forfeited Share is to be disposed of by being transferred, the Company may receive the consideration for the transfer and the Directors may authorise any person to execute the instrument of transfer**

**40.2 A statutory declaration by a Director or the Company secretary that the declarant is a Director or the Company secretary and that a Share has been forfeited on a specified date:**

- 40.2 1 is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the Share; and
- 40.2 2 subject to compliance with any other formalities of transfer required by the Articles or by law, constitutes a good title to the Share
- 40.3 A person to whom a forfeited Share is transferred is not bound to see to the application of the consideration (if any) nor is that person's title to the Share affected by any irregularity in or invalidity of the process leading to the forfeiture or transfer of the Share.
- 40.4 If the Company sells a forfeited Share, the person who held it prior to its forfeiture is entitled to receive from the Company the proceeds of such sale, net of any commission, and excluding any amount which.
  - 40.4.1 was, or would have become, payable; and
  - 40.4.2 had not, when that Share was forfeited, been paid by that person in respect of that Share,

but no interest is payable to such a person in respect of such proceeds and the Company is not required to account for any money earned on them.
- 41. Surrender of Shares**
  - 41.1 A Shareholder may surrender any Share:
    - 41.1.1 in respect of which the Directors may issue a notice of intended forfeiture;
    - 41.1.2 which the Directors may forfeit; or
    - 41.1.3 which has been forfeited.
  - 41.2 The Directors may accept the surrender of any such Share.
  - 41.3 The effect of surrender on a Share is the same as the effect of forfeiture on that Share.
  - 41.4 A Share which has been surrendered may be dealt with in the same way as a Share which has been forfeited.
- 42. Share certificates**
  - 42.1 The Company must issue each Shareholder, free of charge, with one or more certificates in respect of the Shares which that Shareholder holds.
  - 42.2 Every certificate must specify:
    - 42.2.1 in respect of how many Shares, of what class, it is issued;
    - 42.2.2 the nominal value of those Shares,
    - 42.2.3 the amount paid up on them; and
    - 42.2.4 any distinguishing numbers assigned to them.
  - 42.3 No certificate may be issued in respect of Shares of more than one class.
  - 42.4 If more than one person holds a Share, only one certificate may be issued in respect of it.

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_



- 42.5 Certificates must.
- 42.5.1 have affixed to them the Company's common seal; or
- 42.5.2 be otherwise executed in accordance with the Companies Acts
- 42.6 The Directors may determine, either generally or in relation to any particular case, that any signature on any certificate need not be autographic but may be applied by some mechanical or other means, or printed on the certificate, or that certificates need not be signed.
- 43. Replacement Share certificates**
- 43.1 If a certificate issued in respect of a Shareholder's Shares is:
- 43.1.1 damaged or defaced, or
- 43.1.2 said to be lost, stolen or destroyed,
- that Shareholder is entitled to be issued with a replacement certificate in respect of the same Shares
- 43.2 A Shareholder exercising the right to be issued with such a replacement certificate:
- 43.2.1 may at the same time exercise the right to be issued with a single certificate or separate certificates;
- 43.2.2 must return the certificate which is to be replaced to the Company if it is damaged or defaced, and
- 43.2.3 must comply with such conditions as to evidence, indemnity and the payment of a reasonable fee as the Directors decide.
- 44. Share transfers**
- 44.1 Shares may be transferred by means of an instrument of transfer in any usual form or any other form approved by the Directors, which is executed by or on behalf of the transferor and, if the Shares are not fully paid, the transferee.
- 44.2 No fee may be charged for registering any instrument of transfer or other document relating to or affecting the title to any Share
- 44.3 The Company may retain any instrument of transfer which is registered.
- 44.4 The transferor remains the holder of a Share until the transferee's name is entered in the register of members as holder of it.
- 44.5 The Directors, in their absolute discretion, may refuse to register the transfer of a Share, whether or not it is fully paid, and if they do so, they shall within two months after the date on which the transfer was lodged send the transferee the notice of refusal together with their reasons for refusal and, unless they suspect that the proposed transfer may be fraudulent, the instrument of transfer.
- 45. Transmission of Shares**
- 45.1 If title to a share passes to a Transmitttee, the Company may only recognise the Transmitttee as having any title to that Share.



1

2

3

4

- 45.2 Nothing in these Articles releases the estate of a deceased Shareholder from any liability in respect of a Share solely or jointly held by that Shareholder.
- 45.3 A Transmittree who produces such evidence of entitlement to Shares as the Directors may properly require:
- 45.3.1 may, subject to the Articles, choose either to become the holder of those Shares or to have them transferred to another person, and
- 45.3.2 subject to the Articles, and pending any transfer of the Shares to another person, has the same rights as the Shareholder had.
- 45.4 But Transmittrees do not have the right to attend or vote at a general meeting, or agree to a proposed written resolution, in respect of Shares to which they are entitled by reason of the Shareholder's death or bankruptcy or otherwise unless they become the Shareholders.
- 46. Exercise of Transmittrees' rights**
- 46.1 Transmittrees who wish to become the Shareholders must notify the Company in writing of that wish.
- 46.2 If the Transmittree wishes to have a Share transferred to another person, the Transmittree must execute an instrument of transfer in respect of it.
- 46.3 Any notice or transfer given or executed under this Article 46 is to be treated as if it were made or executed by the person from whom the Transmittree has derived rights in respect of the Share, and as if the event which gave rise to the transmission had not occurred, and so that the notice or transfer is treated in the same way under the Articles as a transfer executed by that person.
- 46.4 The Directors may at any time give notice to the Transmittree requiring him to elect either to become a holder of the Shares or to transfer the Shares to another person, and if the notice is not complied with within 60 days from the date of the notice, the Directors may withhold payment of all dividends and other monies payable in respect of the Shares until he complies with the notice.

## **DIVIDENDS AND OTHER DISTRIBUTIONS**

### **47. Procedure for declaring dividends**

- 47.1 The Company may by ordinary resolution declare dividends, and the Directors may decide to pay interim dividends.
- 47.2 A dividend must not be declared unless the Directors have made a recommendation as to its amount. Such a dividend must not exceed the amount recommended by the Directors.
- 47.3 No dividend may be declared or paid unless it is in accordance with Shareholders' respective rights.
- 47.4 Unless the Shareholders' resolution to declare or Directors' decision to pay a dividend, or the terms on which Shares are issued, specify otherwise, it must be paid by reference to each Shareholder's holding of Shares on the date of the resolution or decision to declare or pay it
- 47.5 The Directors may pay at intervals any dividend payable at a fixed rate if it appears to them that the profits available for distribution justify the payment.

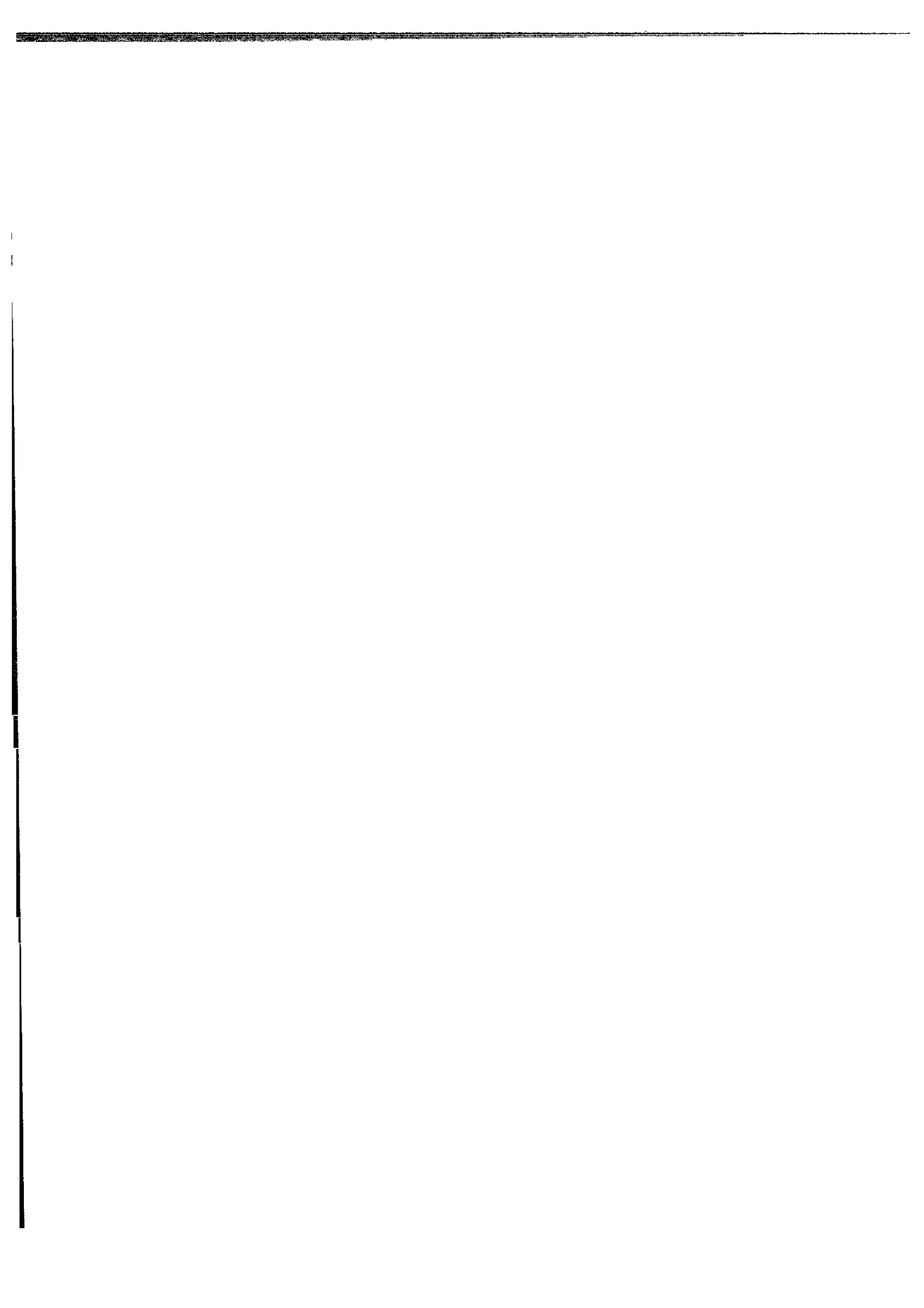


**48. Calculation of dividends**

- 48.1 Except as otherwise provided by the Articles or the rights attached to Shares, all dividends must be:
- 48.1.1 declared and paid according to the amounts paid up on the Shares on which the dividend is paid; and
  - 48.1.2 apportioned and paid proportionately to the amounts paid up on the Shares during any portion or portions of the period in respect of which the dividend is paid.
- 48.2 If any Share is issued on terms providing that it ranks for dividend as from a particular date, that Share ranks for dividend accordingly.
- 48.3 For the purposes of calculating dividends, no account is to be taken of any amount which has been paid up on a Share in advance of the due date for payment of that amount.

**49. Payment of dividends and other distributions**

- 49.1 Where a dividend or other sum which is a distribution is payable in respect of a Share, it must be paid by one or more of the following means:
- 49.1.1 transfer to a bank or building society account specified by the Distribution Recipient either in writing or as the Directors may otherwise decide;
  - 49.1.2 sending a cheque made payable to the Distribution Recipient by post to the Distribution Recipient at the Distribution Recipient's registered address (if the Distribution Recipient is a holder of the Share), or (in any other case) to an address specified by the Distribution Recipient either in writing or as the Directors may otherwise decide;
  - 49.1.3 sending a cheque made payable to such person by post to such person at such address as the Distribution Recipient has specified either in writing or as the Directors may otherwise decide; or
  - 49.1.4 any other means of payment as the Directors agree with the Distribution Recipient either in writing or by such other means as the Directors decide.
- 49.2 Dividends may be declared or paid in any currency and the Directors may agree with any Distribution Recipient that dividends which may at any time or from time to time be declared or become due on his Shares in one currency shall be paid or satisfied in another, and may agree the basis of conversion to be applied and how and when the amount to be paid in the other currency shall be calculated and paid and for the Company or any other person to bear the costs involved
- 49.3 In the Articles, **"the Distribution Recipient"** means, in respect of a Share in respect of which a dividend or other sum is payable:
- 49.3.1 the holder of the Share; or
  - 49.3.2 if the Share has two or more joint Shareholders, whichever of them is named first in the register of members; or
  - 49.3.3 if the Shareholder is no longer entitled to the Share by reason of death or bankruptcy, or otherwise by operation of law, the Transmittree.



**50. Deductions from distributions in respect of sums owed to the Company**

**50.1 If:**

50.1.1 a Share is subject to the Company's Lien; and

50.1.2 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.

50.2 Money so deducted must be used to pay any of the sums payable in respect of that Share

50.3 The Company must notify the Distribution Recipient in writing of:

50.3.1 the fact and amount of any such deduction;

50.3.2 any non-payment of a dividend or other sum payable in respect of a Share resulting from any such deduction; and

50.3.3 how the money deducted has been applied.

**51. No interest on distributions**

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

51.1.1 the terms on which the Share was issued, or

51.1.2 the provisions of another agreement between the holder of that Share and the Company.

**52. Unclaimed distributions**

52.1 All dividends or other sums which are,

52.1.1 payable in respect of Shares, and

52.1.2 unclaimed after having been declared or become payable,

may be invested or otherwise made use of by the Directors for the benefit of the Company until claimed.

52.2 The payment of any such dividend or other sum into a separate account does not make the Company a trustee in respect of it.

52.3 If:

52.3.1 12 years have passed from the date on which a dividend or other sum became due for payment, and

52.3.2 the Distribution Recipient has not claimed it,

the Distribution Recipient is no longer entitled to that dividend or other sum and it ceases to remain owing by the Company.

**53. Non-cash distributions**

53.1 Subject to the terms of issue of the Share in question, the Company may, by ordinary resolution on the recommendation of the Directors, decide to pay all or part of a dividend or other distribution payable in respect of a Share by transferring non-cash assets of equivalent value (including, without limitation, Shares or other securities in any company).

53.2 For the purposes of paying a non-cash distribution, the Directors may make whatever arrangements they think fit, including, where any difficulty arises regarding the distribution:

53.2.1 fixing the value of any assets;

53.2.2 paying cash to any Distribution Recipient on the basis of that value in order to adjust the rights of recipients; and

53.2.3 vesting any assets in trustees.

**54. Waiver of distributions**

Distribution Recipients may waive their entitlement to a dividend or other distribution payable in respect of a Share by giving the Company notice in writing to that effect, but if:

54.1.1 the Share has more than one Shareholder, or

54.1.2 more than one person is entitled to the Share, whether by reason of the death or bankruptcy of one or more joint Shareholders, or otherwise,

the notice is not effective unless it is expressed to be given, and signed, by all the Shareholders or persons otherwise entitled to the Share.

**55. Liquidation Preference**

On a return of assets on liquidation, capital reduction or otherwise (other than a conversion or purchase of Shares), the assets of the Company remaining after the payment of its liabilities shall be (to the extent that the Company is lawfully able to do so) in distributing to the Shareholders pro rata to the number of Shares held.

**56. Exit Provisions**

56.1 The proceeds of a Share Sale shall be distributed in accordance with Article 55. The Directors shall not register any transfer of Shares if the consideration payable (including any deferred consideration) whether in cash or otherwise to those Shareholders selling Shares under a Share Sale (**Sale Proceeds**) is not distributed in that manner provided that, if the Sale Proceeds are not settled in their entirety upon completion of the Share Sale:

56.1.1 the Directors may register the transfer of the relevant Shares, provided that the Sale Proceeds due on the date of completion of the Share Sale have been distributed in accordance with Article 55; and

56.1.2 each Shareholder shall take any reasonable action (to the extent lawful and within its control) required by the Board to ensure that the balance of the Sale Proceeds are distributed in accordance with Article 55.

56.2 On a Disposal, the surplus assets of the Company remaining after payment of its liabilities shall be distributed (to the extent that the Company is lawfully permitted to do so) in accordance with Article 55, provided always that if it is not lawful for the Company to distribute its surplus assets in accordance with the provisions of these Articles, each Shareholder shall (to the extent lawful and within its control) take any reasonable action required by the Investor (including, but



without prejudice to the generality of this Article 56.2, such action as may be necessary to put the Company into voluntary liquidation so that Article 55 applies)

56.3 In the event of an Exit approved by the Directors (acting with Investor Consent) (**Proposed Exit**), all Shareholders shall consent to, vote for, raise no objections to and waive any applicable rights in connection with the Proposed Exit. The Shareholders shall be required to take all lawful actions with respect to the Proposed Exit as are required by the Directors to facilitate the Proposed Exit. If any Shareholder fails to comply with the provisions of this Article 56 3:

56.3.1 the Company shall be constituted the agent and attorney of each defaulting Shareholder for taking such actions as are necessary to effect the Proposed Exit;

56.3.2 the Directors may authorise an officer of the Company or a Shareholder to execute and deliver on behalf of such defaulting Shareholder all or any necessary documents; and

56.3.3 the Company may receive any purchase money due to the defaulting Shareholder in trust for each of the defaulting Shareholders (without any obligation to pay interest)

## **57. Variation Of Class Rights**

57.1 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) with the consent in writing of the holders of at least 75% in nominal value of the issued Shares of that class (excluding any holder(s) of Restricted Shares).

57.2 The creation of a new class of Shares which has preferential rights to one or more existing classes of Shares shall not constitute a variation of the rights of those existing classes of Shares.

## **58. Pre-emption rights on the issue of further Shares**

58.1 Subject to the remaining provisions of this Article 58, the Directors are generally and unconditionally authorised, for the purposes of section 551 of the Act, to exercise any power of the Company to:

58.1.1 offer or allot;

58.1.2 grant rights to subscribe for or to convert any security into; and

58 1.3 otherwise deal in, or dispose of,

any Shares (or any options, warrants, conversion rights and all other rights to acquire or subscribe for Shares) to any person, at any time and subject to any terms and conditions as the Directors think proper.

58.2 In accordance with section 567(1) of the Act, sections 561 and 562 of the Act shall not apply to an allotment of equity securities (as defined in section 560(1) of the Act) made by the Company

58.3 Unless otherwise agreed by special resolution, if the Company proposes to allot any Relevant Securities, those Relevant Securities shall not be allotted to any person unless the Company has first offered them to the Shareholders (on the date of the offer) of the Shares (each an **Offeree**) on a pari passu basis (as if they constituted Shares of the same class) and in the respective proportions that the number of Shares held by each such Shareholder bears to the total number of Shares held by all such Shareholders (as nearly as possible without involving fractions) and on the same terms, and at the same price, as those Relevant Securities are being, or are to be, offered to any other person.

58.4 An offer made under Article 58.3 shall:

- 58.4.1 be in writing and give details of the number, class and subscription price (including any share premium) of the Relevant Securities being offered;
  - 58.4.2 remain open for a period of at least 30 Business Days from the date of service of the offer; and
  - 58.4.3 stipulate that any Offeree who wishes to subscribe for a number of Relevant Securities in excess of the number to which he is entitled under Article 58.3 shall, in his acceptance, state the number of excess Relevant Securities (**Excess Securities**) for which he wishes to subscribe.
- 58.5 If, on the expiry of an offer made in accordance with Article 58.3, the total number of Relevant Securities applied for is less than the total number of Relevant Securities so offered, the Directors shall allot the Relevant Securities to the Offerees in accordance with their applications, subject to a maximum of each Offeree's proportionate entitlement.
- 58.6 Any Relevant Securities not accepted by Offerees pursuant to an offer made in accordance with Article 58.3 shall be used to satisfy any requests for Excess Securities made pursuant to Article 58.4.3. If there are insufficient Excess Securities to satisfy such requests, the Excess Securities shall be allotted to the applicants in the respective proportions that the number of Shares held by each such applicant bears to the total number of such Shares held by all applicants (as nearly as possible without involving fractions or increasing the number of Excess Securities allotted to any Shareholder beyond that applied for by him).
- 58.7 If, after completion of the allotments referred to in Articles 58.5 and 58.6, not all of the Relevant Securities have been allotted, the balance of such Relevant Securities shall, subject to Article 58.8 be offered to any other person(s) as the Directors may determine, at the same price and on the same terms as the offer to the Shareholders.
- 58.8 No Shares shall be allotted to any current or prospective employee or Director of any Group Company unless such person shall first have entered into a joint election with the relevant Group Company under section 431 of the Income Tax (Earnings and Pensions) Act 2003.
- 59. Transfers of Shares: general**
- 59.1 In these Articles, reference to the transfer of a Share includes the transfer, assignment or other disposal of a beneficial or other interest in that Share, or the creation of a trust or encumbrance over that Share, and reference to a Share includes a beneficial or other interest in a Share.
- 59.2 No Share shall be transferred to any person and the Directors shall refuse to register a transfer of any Share, unless it is made in accordance with these Articles. Subject to Article 59.5, the Directors shall register any duly stamped transfer made in accordance with these Articles, unless they suspect that the proposed transfer may be fraudulent.
- 59.3 If a Shareholder transfers (or purports to transfer) a Share other than in accordance with these Articles, he shall, save with the approval of the Board to the contrary, be deemed to have immediately served a Transfer Notice in respect of all Shares held by him.
- 59.4 Unless expressly provided otherwise in these Articles, if a Transfer Notice is deemed to have been given under these Articles, the Deemed Transfer Notice shall be treated as having specified that:
- 59.4.1 it does not contain a Minimum Transfer Condition; and
  - 59.4.2 the Seller wishes to transfer all the Shares held by him (including any Shares acquired after the date the relevant Transfer Notice is deemed given but before completion of the transfer of Shares pursuant to the relevant Transfer Notice)

59 5 Any Transfer Notice (but not an Offer Notice (as defined in Article 64) or a Drag Along Notice (as defined in Article 64)) served in respect of the transfer of any Share which has not completed before the date of service of a Deemed Transfer Notice shall (save with Board approval to the contrary) automatically be revoked by the service of a Deemed Transfer Notice.

**60. Permitted transfers of Shares**

60.1 A Shareholder (the **Original Shareholder**) may transfer all or any of his or its Shares to a Permitted Transferee.

60 2 Where Shares are held by the trustee(s) of a Family Trust, the trustee(s) may transfer Shares to:

60 2.1 the Original Shareholder;

60.2.2 any Privileged Relation(s) of the Original Shareholder;

60.2.3 subject to Article 60.3, the trustee(s) of another Family Trust of which the Original Shareholder is the Settlor; or

60.2.4 subject to Article 60.3, to the new (or remaining) trustee(s) upon a change of trustee(s) of a Family Trust,

without any price or other restriction.

60.3 A transfer of Shares may only be made to the trustee(s) of a Family Trust if the Board is satisfied:

60.3 1 with the terms of the trust instrument and, in particular, with the powers of the trustee(s);

60.3.2 with the identity of the proposed trustee(s);

60.3.3 that the proposed transfer will not result in 50% or more of the aggregate of the Company's equity share capital being held by trustees of that and any other trusts; and

60.3.4 that no costs incurred in connection with the setting up or administration of that Family Trust are to be paid by the Company.

60.4 If the Original Shareholder is a company, and a Permitted Transfer has been made, the Permitted Transferee shall, within 10 Business Days of ceasing to be a Member of the Same Group as the Original Shareholder, transfer the Shares held by it to.

60.4.1 the Original Shareholder; or

60.4.2 a Member of the Same Group as the Original Shareholder,

(which in either case is not in liquidation), without any price or other restriction. If the Permitted Transferee fails to make a transfer in accordance with this Article 60.4, a Transfer Notice shall be deemed to have been given in respect of such Shares on the expiry of the period set out in this Article 60.4.

60.5 If the Original Shareholder is an Investment Fund (or nominee of such person) and a Permitted Transfer has been made, the Permitted Transferee shall, within 10 Business Days of ceasing to be a Member of the Same Fund Group as the Original Shareholder, transfer the Shares held by it to:

60.5 1 the Original Shareholder; or

60.5.2 a Member of the Same Fund Group as the Original Shareholder,

(which in either case is not in liquidation), without any price or other restriction. If the Permitted Transferee fails to make a transfer in accordance with this Article 60.5, a Transfer Notice shall be deemed to have been given in respect of such Shares on the expiry of the period set out in this Article 60.5.

60.6 If the Original Shareholder is an individual and a Permitted Transfer has been made to a Privileged Relation of the Original Shareholder, the Permitted Transferee (or the Transmittée(s) of any such person), shall within 10 Business Days of ceasing to be a Privileged Relation of the Original Shareholder (whether by reason of death, divorce or otherwise) either.

60 6.1 execute and deliver to the Company a transfer of the Shares held by him to the Original Shareholder (or to any Permitted Transferee of the Original Shareholder) for such consideration as may be agreed between them; or

60 6 2 give a Transfer Notice to the Company in accordance with Article 61,

failing which a Transfer Notice shall be deemed to have been given in respect of such Shares on the expiry of the period set out in this Article 60.6. This Article 60 6 shall not apply to a Transmittée of a Permitted Transferee if that Transmittée is also a Permitted Transferee of the Original Shareholder, to the extent that such Transmittée is legally or beneficially entitled to those Shares.

60.7 Notwithstanding any other provision of this Article 60, a transfer of any Shares approved by the Investor may be made without any price or other restriction and any such transfer shall be registered by the Directors.

## **61. Pre-emption rights on the transfer of Shares**

61.1 Except where the provisions of Article 60 or Article 65 apply, any transfer of Shares by a Shareholder shall be subject to the pre-emption rights in this Article 61.

61.2 A Shareholder who wishes to transfer Shares (a **Seller**) shall, before transferring or agreeing to transfer any Shares, give notice in writing (a **Transfer Notice**) to the Company specifying.

61.2.1 subject to Article 59.4 2, the number of Shares he wishes to transfer (**Sale Shares**);

61.2.2 the name of the proposed transferee, if any;

61.2.3 the price per Sale Share (in cash), if any, at which he wishes to transfer the Sale Shares (**the Proposed Sale Price**); and

61.2.4 subject to Article 59.4.1, whether the Transfer Notice is conditional on all or a specific number of the Sale Shares being sold (**a Minimum Transfer Condition**).

61.3 Once given, a Transfer Notice may only be withdrawn with approval of the Board.

61.4 A Transfer Notice (or Deemed Transfer Notice) constitutes the Company the agent of the Seller for the sale of the Sale Shares at the Transfer Price.

61.5 As soon as practicable following the later of:

61.5.1 receipt of a Transfer Notice (or in the case of a Deemed Transfer Notice, the date such notice is deemed to be served); and

61.5.2 the determination of the Transfer Price,



the Directors shall (unless the Transfer Notice is withdrawn in accordance with Article 61.3) offer the Sale Shares for sale in the manner set out in the remaining provisions of this Article 61 at the Transfer Price. Each offer shall be in writing and shall give details of the number and Transfer Price of the Sale Shares offered.

61.6 The Directors shall offer the Sale Shares to the Shareholders (save that the Investor may in its sole discretion elect for such offer to be made to one or more of its Permitted Transferees, other than the Seller), inviting them to apply in writing within the period from the date of the offer to the date 20 Business Days after the offer (both dates inclusive) (the **Offer Period**) for the maximum number of Sale Shares they wish to buy.

61.7 If:

61.7.1 at the end of the Offer Period, the number of Sale Shares applied for is equal to or exceeds the number of Sale Shares, the Directors shall allocate the Sale Shares to each Shareholder who has applied for Sale Shares in the proportion which his existing holding of Shares bears to the total number of Shares of the class being offered held by all Shareholders (other than the Seller). Fractional entitlements shall be rounded down to the nearest whole number (save where such rounding would result in not all Sale Shares being allocated, in which case, the allocation of any such fractional entitlements shall be determined by the Directors). No allocation shall be made to a holder of more than the maximum number of Sale Shares which he has stated he is willing to buy;

61.7.2 not all Sale Shares are allocated following allocations in accordance with Article 61.7.1, but there are applications for Sale Shares that have not been satisfied, the Directors shall allocate the remaining Sale Shares to such applicants in accordance with the procedure set out in Article 61.7.1. The procedure set out in this Article 61.7.2 shall apply on any number of consecutive occasions until either all Sale Shares have been allocated or all applications for Sale Shares have been satisfied; and

61.7.3 at the end of the Offer Period, the total number of Sale Shares applied for is less than the number of Sale Shares, the Directors shall allocate the Sale Shares to the Shareholders in accordance with their applications. The balance (the **Surplus Shares**) shall, subject to 61.8 be offered to any other person in accordance with 61.12.

61.8 Where the Transfer Notice contains a Minimum Transfer Condition:

61.8.1 any allocation made under Articles 61.6 and 61.7 shall be conditional on the fulfilment of the Minimum Transfer Condition; and

61.8.2 if the total number of Sale Shares applied for under Articles 61.6 and 61.7 is less than the number of Sale Shares, the Board shall notify the Seller and all those Shareholders to whom Sale Shares have been conditionally allocated stating that the condition has not been met and that the relevant Transfer Notice has lapsed with immediate effect.

61.9 Where either:

61.9.1 the Transfer Notice does not contain a Minimum Transfer Condition; or

61.9.2 allocations have been made in respect of all the Sale Shares,

the Directors shall, when no further offers or allocations are required to be made under Articles 61.6 and 61.7, give notice in writing of the allocations of Sale Shares (an **Allocation Notice**) to the Seller and each Shareholder to whom Sale Shares have been allocated (each an **Applicant**). The Allocation Notice shall specify the number of Sale Shares allocated to each Applicant and

\_\_\_\_\_

1

2

3

4

5

6

7

8

9

10

11

12

13

14

the place and time for completion of the transfer of the Sale Shares (which shall be at least 10 Business Days, but not more than 20 Business Days, after the date of the Allocation Notice).

61.10 On the date specified for completion in the Allocation Notice, the Seller shall, against payment from an Applicant, transfer the Sale Shares allocated to such Applicant, in accordance with any requirements specified in the Allocation Notice.

61.11 If the Seller fails to comply with Article 61.10:

61.11.1 the Chairman (or, failing him, any other Director or some other person nominated by a resolution of the Directors) may, as agent and attorney on behalf of the Seller:

- (a) complete, execute and deliver in his name all documents necessary to give effect to the transfer of the relevant Sale Shares to the Applicants;
- (b) receive the Transfer Price and give a good discharge for it (and no Applicant shall be obliged to see to the distribution of the Transfer Price); and
- (c) (subject to the transfer being duly stamped) enter the Applicants in the register of members as the holders of the Shares purchased by them; and

61.11.2 the Company shall pay the Transfer Price into a separate bank account in the Company's name on trust (but without interest) for the Seller until he has delivered his certificate(s) for the relevant Shares (or an indemnity, in a form reasonably satisfactory to the Directors, 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.

61.12 Where a Transfer Notice lapses pursuant to Article 61.8.2 or an Allocation Notice does not relate to all the Sale Shares, then, subject to Article 61.13, the Seller may, at any time during the 20 Business Days following the date of lapse of the Transfer Notice, or the date of service of the Allocation Notice as the case may be, transfer the Sale Shares (in the case of a lapsed offer) or the Surplus Shares (as the case may be) to any person at a price at least equal to the Transfer Price. The sale of the Sale Shares (following the lapse of a Transfer Notice) in accordance with this Article 61.12 shall continue to be subject to any Minimum Transfer Condition.

61.13 The Seller's right to transfer Shares under Article 61.12 does not apply if the Directors reasonably consider that:

61.13.1 the transferee is a person (or a nominee for a person) whom the Board determines to be a competitor (or a Member of the Same Group as a competitor) of the business of any Group Company;

61.13.2 the sale of the Sale Shares is not bona fide or the price is subject to a deduction, rebate or allowance to the transferee; or

61.13.3 the Seller has failed or refused to promptly provide information available to him and reasonably requested to enable it to form the opinion referred to in Article 61.13.2

## **62. Valuation**

62.1 The **Transfer Price** for each Sale Share the subject of a Transfer Notice (or Deemed Transfer Notice) shall, save where expressly provided otherwise in these Articles, be the price per Sale Share (in cash) agreed between the Directors (any Director with whom the Seller is connected not voting), and the Seller or, in default of agreement within 20 Business Days of the date of service of the Transfer Notice (or, in the case of a Deemed Transfer Notice, the date on which the board of Directors first has actual knowledge of the facts giving rise to such deemed service), the Fair Value of each Sale Share.



\_\_\_\_\_

1

2

3

4

5

6

- 62.2 The Fair Value shall be the price per Sale Share determined by the Independent Expert on the following bases and assumptions.
- 62.2.1 valuing the Sale Shares as on an arm's-length sale between a willing seller and a willing buyer as at the date the Transfer Notice was served (or deemed served);
  - 62.2.2 if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so;
  - 62.2.3 that the Sale Shares are capable of being transferred without restriction;
  - 62.2.4 valuing the Sale Shares as a rateable proportion of the total value of all the issued Shares without any premium or discount being attributable to the percentage of the issued Share capital of the Company which they represent; and
  - 62.2.5 reflecting any other factors which the Independent Expert reasonably believes should be taken into account.
- 62.3 If any difficulty arises in applying any of these assumptions or bases then the Independent Expert shall resolve that difficulty in whatever manner it shall in its absolute discretion think fit
- 62.4 The Directors will give the Independent Expert access to all accounting records or other relevant documents of the Group, subject to it agreeing such confidentiality provisions as the Directors may reasonably impose.
- 62.5 The parties are entitled to make submissions to the Independent Expert and shall provide (or procure that others provide) the Independent Expert with such assistance and documents as the Independent Expert may reasonably require for the purpose of reaching a decision.
- 62.6 The Independent Expert shall act as expert and not as arbitrator and its determination shall be final and binding on the parties (in the absence of fraud or manifest error).
- 62.7 The Independent Expert shall be requested to determine the Fair Value within 15 Business Days of its appointment and to deliver its certificate to the Company. Forthwith upon receipt, the Company shall deliver a copy of the certificate to the Seller.
- 62.8 The cost of obtaining the Independent Expert's certificate shall be borne by the parties equally or in such other proportions as the Independent Expert directs unless:
- 62.8.1 the Seller withdraws the relevant Transfer Notice in accordance with Article 61.3; or
  - 62.8.2 in respect of a Deemed Transfer Notice, the Fair Value is less than the price per Sale Share offered to the Seller by the Directors before the appointment of the Independent Expert,
- in which case the Seller shall bear the cost.

### **63. Compulsory transfers**

- 63.1 A person entitled to a Share in consequence of the bankruptcy of a Shareholder (or equivalent procedure in any jurisdiction outside England and Wales) shall be deemed to have given a Transfer Notice in respect of that Share at such time as the Directors (acting with Investor Consent) may determine.
- 63.2 If a Shareholder which is a body corporate either suffers or resolves to appoint a liquidator, administrator or administrative receiver over it, or any material part of its assets (other than a voluntary liquidation for the purpose of a bona fide scheme of solvent amalgamation or reconstruction) or suffers or takes any equivalent action in any jurisdiction outside England and

\_\_\_\_\_

|

\_\_\_\_\_

|

\_\_\_\_\_

|

\_\_\_\_\_

|

\_\_\_\_\_

|

\_\_\_\_\_

|

Wales, that Shareholder shall be deemed to have given a Transfer Notice in respect of all Shares held by it at such time as the Directors (acting with Investor Consent) may determine.

63.3 Forthwith upon a Transfer Notice being deemed to be served under this Article 63, the Shares subject to the relevant Deemed Transfer Notice (**Restricted Shares**) shall cease to confer on the holder of them any rights:

63.3.1 to vote (whether on a show of hands, on a poll or otherwise and whether in person, by proxy or otherwise), including in respect of any resolution of any class of Shares;

63.3.2 to receive dividends or other distributions otherwise attaching to those Shares; or

63.3.3 to participate in any future issue of Shares issued in respect of those Shares.

The Directors may reinstate the rights referred to in this Article 63.3 at any time and, in any event, such rights shall be reinstated in respect of any Shares transferred pursuant to this Article 63 on completion of such transfer.

#### **64. Mandatory offer on change of control**

64.1 In the event that a proposed transfer of Shares (other than a transfer of Shares made pursuant to Article 60, or Article 63, but after the operation of the pre-emption procedure set out in Article 61), whether made as one or as a series of transactions (a **Proposed Transfer**) would, if completed, result in any person (the **Buyer**), together with any person acting in concert with the Buyer, acquiring a Controlling Interest, the remaining provisions of this Article 64 shall apply.

64.2 The Seller shall procure that, prior to the completion of the Proposed Transfer, the Buyer shall make an offer (the **Offer**) to each Shareholder (each a **Tag Offeree**) on the date of the Offer, to buy all of the Shares held by such Tag Offerees on the date of the Offer for a consideration in cash per Share (the **Offer Price**) which is equal to the highest price per Share offered, paid or to be paid by the Buyer, or any person acting in concert with the Buyer, for any Shares in connection with the Proposed Transfer or any transaction in the 12 calendar months preceding the date of completion of the Proposed Transfer.

64.3 The Offer shall be made by notice in writing (an **Offer Notice**) addressed to each Offeree on the date of the Offer at least 15 Business Days (the **Tag Offer Period**) before the date fixed for completion of the Proposed Transfer (the **Sale Date**). The Offer Notice shall specify:

64.3.1 the identity of the Buyer (and any person(s) acting in concert with the Buyer);

64.3.2 the Offer Price and any other terms and conditions of the Offer;

64.3.3 the Sale Date; and

64.3.4 the number of Shares which would be held by the Buyer (and persons acting in concert with the Buyer) on completion of the Proposed Transfer

64.4 The completion of the Proposed Transfer shall be conditional in all respects on:

64.4.1 the making of an Offer in accordance with this Article 64; and

64.4.2 the completion of the transfer of any Shares by any Tag Offeree (each an **Accepting Offeree**) who accepts the Offer within the Tag Offer Period,

and the Directors shall refuse to register any Proposed Transfer made in breach of this Article 64.4.

- 64.5 The Proposed Transfer is, but the purchase of Shares from Accepting Offerees pursuant to an Offer made under this Article 64 shall not be, subject to the pre-emption provisions of Article 61
65. **Drag along**
- 65.1 If the holder(s) for the time being of not less than 75% by nominal value of all Shares (the **Selling Shareholders**) wish to transfer all of their interest in Shares (**Sellers' Shares**) to a bona fide purchaser on arm's-length terms (**Proposed Buyer**), the Selling Shareholders shall have the option, subject to prior Board approval and Investor Consent, (**Drag Along Option**) to require all the other Shareholders of Shares on the date of the request (**Called Shareholders**) to sell and transfer all their interest in Shares with full title guarantee to the Proposed Buyer (or as the Proposed Buyer may direct) in accordance with the provisions of this Article 64.
- 65.2 Subject to Article 65.1, the Selling Shareholders may exercise the Drag Along Option by giving notice in writing to that effect (a **Drag Along Notice**), at any time before the completion of the transfer of the Sellers' Shares, to the Proposed Buyer and each Called Shareholder. A Drag Along Notice shall specify:
- 65.2.1 that the Called Shareholders are required to transfer all their Shares (**Called Shares**) pursuant to this Article 64;
  - 65.2.2 the identity of the Proposed Buyer (and, if relevant, the transferee(s) nominated by the Proposed Buyer);
  - 65.2.3 the consideration payable for the Called Shares calculated in accordance with Article 65.4;
  - 65.2.4 the proposed date of completion of transfer of the Called Shares
- 65.3 Once given, a Drag Along Notice may not be revoked save with the prior consent of the Directors, acting with Investor Consent. However, a Drag Along Notice shall lapse if, for any reason, the Selling Shareholders have not completed the transfer of all the Sellers' Shares to the Proposed Buyer (or as the Proposed Buyer may direct) within 30 Business Days of serving the Drag Along Notice. The Selling Shareholders may serve further Drag Along Notices following the lapse of any particular Drag Along Notice.
- 65.4 The consideration (in cash or otherwise) for which the Called Shareholders shall be obliged to sell each of the Called Shares shall be the same as that which the Selling Shareholders shall sell the Sellers' Shares to the Proposed Buyer.
- 65.5 No Drag Along Notice shall require a Called Shareholder to agree to any terms except those specifically set out in this Article 64
- 65.6 Completion of the sale and purchase of the Called Shares shall take place on the same date as, and conditional upon the completion of, the sale and purchase of the Sellers' Shares unless:
- 65.6.1 all of the Called Shareholders and the Selling Shareholders otherwise agree; or
  - 65.6.2 that date is less than 10 Business Days after the date of service of the Drag Along Notice, in which case completion of the sale and purchase of the Called Shares shall take place 20 Business Days after the date of service of the Drag Along Notice.
- 65.7 Within 15 Business Days of the Selling Shareholders serving a Drag Along Notice on the Called Shareholders, the Called Shareholders shall deliver stock transfer forms for their Shares in favour of the Proposed Buyer (or as the Proposed Buyer may direct), together with the Share certificate(s) in respect of those Shares (or a suitable indemnity in respect thereof) to the Company. On the expiration of that 15 Business Day period the Company shall pay the Called



Shareholders, on behalf of the Proposed Buyer, the amounts they are respectively due pursuant to Article 65.4 to the extent the Proposed Buyer has put the Company in the requisite funds. The Company's receipt for the amounts due pursuant to Article 65.4 shall be a good discharge to the Proposed Buyer. The Company shall hold the amounts due to the Called Shareholders pursuant to Article 65.4 in trust for the Called Shareholders without any obligation to pay interest.

- 65.8 To the extent that the Proposed Buyer has not, on the expiration of the 15 Business Day period, put the Company in funds to pay the amounts due pursuant to Article 65.4, the Called Shareholders shall be entitled to the return of the stock transfer forms and Share certificate(s) (or suitable indemnity) for the relevant Shares and the Called Shareholders shall have no further rights or obligations under this Article 65 in respect of their Shares.
- 65.9 If any Called Shareholder fails to deliver to the Company a duly executed stock transfer form (or forms) in respect of the Called Shares held by him (together with the Share certificate(s) in respect of those Called Shares (or a suitable indemnity in respect thereof)) the defaulting Called Shareholder shall be deemed to have appointed any person nominated for the purpose by the Selling Shareholders to be his agent and attorney to execute and deliver all necessary transfers on his behalf, against receipt by the Company (on trust for such holder) of the consideration payable for the Called Shares. After the Proposed Buyer (or person(s) nominated by the Proposed Buyer) has been registered as the holder of any such Called Shares, the validity of such proceedings shall not be questioned by any person. Failure to produce a Share certificate shall not impede the registration of any transfer of Shares under this Article 65.
- 65.10 Upon any person, following the issue of a Drag Along Notice, becoming a Shareholder (or increasing an existing shareholding) including, without limitation, pursuant to the exercise of any option, warrant or other right to acquire or subscribe for, or to convert any security into, Shares, whether or not pursuant to a share option scheme (a **New Shareholder**), a Drag Along Notice shall be deemed to have been served upon the New Shareholder, on the same terms as the previous Drag Along Notice, who shall then be bound to sell and transfer all such Shares acquired by him to the Proposed Buyer (or as the Proposed Buyer may direct) and the provisions of this Article 65 shall apply mutatis mutandis to the New Shareholder, save that completion of the sale of such Shares shall take place forthwith upon the later of the Drag Along Notice being deemed served on the New Shareholder and the date of completion of the sale of the Called Shares. References in this Article 65 10 to a person becoming a Shareholder (or increasing an existing shareholding) shall include the Company, in respect of the acquisition of any of its own Shares.
- 65.11 A transfer of Called Shares to a Proposed Buyer (or as the Proposed Buyer may direct) pursuant to a sale in respect of which a Drag Along Notice has been duly served shall not be subject to the pre-emption provisions of Article 61.
- 65.12 Any Transfer Notice or Deemed Transfer Notice served in respect of the transfer of any Share which has not completed before the date of service of a Drag Along Notice shall automatically be revoked by the service of a Drag Along Notice.

## **66. Departing Employees**

- 66.1 Unless the Board, acting with Investor Consent, determine that this Article 66.1 shall not apply, if at any time an Employee ceases to be an Employee, the relevant Employee shall be deemed to have given a Transfer Notice:

66.1.1 in the case of a Good Leaver, in respect of the Leaver's Percentage of the Employee Shares; and

66.1.2 in the case of a Bad Leaver, in respect of all the Employee Shares,

on the Effective Termination Date save that if such Employee ceases to be an Employee within 12 months from the Commencement Date a Transfer Notice shall be deemed to be given in respect of all the Employee Shares.

66.2 In such circumstances the Transfer Price shall be as follows:

66.2.1 where the relevant Employee ceases to be an Employee by reason of being a Bad Leaver, the lower of Fair Value and the nominal value of the Employee Shares;

66.2.2 where the relevant Employee ceases to be an Employee by reason of being a Good Leaver, the Fair Value.

For the purposes of this Article, Fair Value shall be as agreed between the Board (including Investor Consent) and the relevant Employee, or failing agreement within five Business Days of seeking to agree such price, shall be as determined in accordance with Article 62.

66.3 For the purposes of this Article, the Employee Shares shall be offered in the following order of priority:

66.3.1 to any person(s) approved by the Board (other than the departing Employee); and/or

66.3.2 to the Company (subject always to the provisions of the Act).

66.4 All voting rights attached to Employee Shares held by an Employee or by any Permitted Transferee of that Employee (the "**Restricted Member**"), if any, shall at the time he ceases to be an Employee be suspended unless the Board notify him otherwise.

66.5 Any Employee Shares whose voting rights are suspended pursuant to Article 66.4 ("**Restricted Shares**") shall confer on the holders of Restricted Shares the right to receive a notice of and attend all general meetings of the Company but shall have no right to vote either in person or by proxy or to vote on any proposed written resolution. Voting rights suspended pursuant to Article 66.4 shall be automatically restored immediately prior to a Listing. If a Restricted Member transfers any Restricted Shares in accordance with these Articles all voting rights attached to the Restricted Shares so transferred shall upon completion of the transfer (as evidenced by the transferee's name being entered in the Company's register of members) automatically be restored.



## CAPITALISATION OF PROFITS

### 67. Authority to capitalise and appropriation of capitalised sums

67.1 Subject to the Articles, the Directors may, if they are so authorised by an ordinary resolution:

67.1.1 decide to capitalise any profits of the Company (whether or not they are available for distribution) which are not required for paying a preferential dividend, or any sum standing to the credit of the Company's share premium account or capital redemption reserve; and

67.1.2 appropriate any sum which they so decide to capitalise (a "**capitalised sum**") to the persons who would have been entitled to it if it were distributed by way of dividend (the "**persons entitled**") and in the same proportions.

67.2 Capitalised sums must be applied:

67.2.1 on behalf of the persons entitled, and

67.2.2 in the same proportions as a dividend would have been distributed to them.

67.3 Any capitalised sum may be applied in paying up new shares of a nominal amount equal to the capitalised sum which are then allotted credited as fully paid to the persons entitled or as they may direct.

67.4 A capitalised sum which was appropriated from profits available for distribution may be applied:

67.4.1 in or towards paying up any amounts unpaid on existing Shares held by the persons entitled, or

67.4.2 in paying up new debentures of the Company which are then allotted credited as fully paid to the persons entitled or as they may direct.

67.5 Subject to the Articles the Directors may:

67.5.1 apply capitalised sums in accordance with Articles 67.3 and 67.4 partly in one way and partly in another:

67.5.2 make such arrangements as they think fit to deal with Shares or debentures becoming distributable in fractions under this Article (including the issuing of fractional certificates or the making of cash payments); and

67.5.3 authorise any person to enter into an agreement with the Company on behalf of all the persons entitled which is binding on them in respect of the allotment of Shares and debentures to them under this Article.

## **PART 4**

### **DECISION-MAKING BY SHAREHOLDERS**

#### **ORGANISATION OF GENERAL MEETINGS**

##### **68. Attendance and speaking at general meetings**

- 68.1 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.
- 68.2 A person is able to exercise the right to vote at a general meeting when:
- 68.2.1 that person is able to vote, during the meeting, on resolutions put to the vote at the meeting, and
  - 68.2.2 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
- 68.3 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.
- 68.4 In determining attendance at a general meeting, it is immaterial whether any two or more Shareholders attending it are in the same place as each other.
- 68.5 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.

##### **69. Quorum for general meetings**

No business other than the appointment of the Chairman of the Meeting is to be transacted at a general meeting if the persons attending it do not constitute a quorum.

##### **70. Chairing general meetings**

- 70.1 If the Directors have appointed a Chairman, the Chairman shall chair general meetings if present and willing to do so.
- 70.2 If the Directors have not appointed a Chairman, or if the Chairman is unwilling to chair the meeting or is not present within ten minutes of the time at which a meeting was due to start:
- 70.2.1 the Directors present, or
  - 70.2.2 (if no Directors are present), the meeting,
- must appoint a Director or Shareholder to chair the meeting, and the appointment of the Chairman of the Meeting must be the first business of the meeting.
- 70.3 The person chairing a meeting in accordance with this Article 69 is referred to as "the Chairman of the Meeting".

##### **71. Attendance and speaking by Directors and non-members**

- 71.1 Directors may attend and speak at general meetings, whether or not they are Shareholders

\_\_\_\_\_

\_\_\_\_\_

- 71.2 The Chairman of the Meeting may permit other persons who are not:
- 71.2.1 Shareholders, or
  - 71.2.2 otherwise entitled to exercise the rights of Shareholders in relation to general meetings,
- to attend and speak at a general meeting.
- 72. Adjournment**
- 72.1 If the persons attending a general meeting within half an hour of the time at which the meeting was due to start do not constitute a quorum, or if during a meeting a quorum ceases to be present, if the meeting was convened by the Shareholders, the meeting shall be dissolved and, in any other case, the Chairman of the Meeting must adjourn it. If at the adjourned meeting the persons attending within half an hour of the time at which the meeting was due to start do not constitute a quorum, the Shareholders present shall constitute a quorum.
- 72.2 The Chairman of the Meeting may adjourn a general meeting at which a quorum is present if:
- 72.2.1 the meeting consents to an adjournment, or
  - 72.2.2 it appears to the Chairman of the Meeting that an adjournment is necessary to protect the safety of any person attending the meeting or ensure that the business of the meeting is conducted in an orderly manner.
- 72.3 The Chairman of the Meeting must adjourn a general meeting if directed to do so by the meeting.
- 72.4 When adjourning a general meeting, the Chairman of the Meeting must:
- 72.4.1 either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the Directors, and
  - 72.4.2 have regard to any directions as to the time and place of any adjournment which have been given by the meeting.
- 72.5 If the continuation of an adjourned meeting is to take place more than 14 days after it was adjourned, the Company must give at least seven clear days' notice of it:
- 72.5.1 to the same persons to whom notice of the Company's general meetings is required to be given, and
  - 72.5.2 containing the same information which such notice is required to contain.
- 72.6 No business may be transacted at an adjourned general meeting which could not properly have been transacted at the meeting if the adjournment had not taken place.

## **VOTING AT GENERAL MEETINGS**

### **73. Voting: general**

A resolution put to the vote of a general meeting must be decided on a show of hands unless a poll is duly demanded in accordance with the Articles.

**74. Errors and disputes**

74.1 No objection may be raised to the qualification of any person voting at a general meeting except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting is valid.

74.2 Any such objection must be referred to the Chairman of the Meeting, whose decision is final.

**75. Poll votes**

75.1 A poll on a resolution may be demanded:

75.1.1 in advance of the general meeting where it is to be put to the vote, or

75.1.2 at a general meeting, either before a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared.

75.2 A poll on a resolution may be demanded by the Chairman of the Meeting, the Directors or by any qualifying person (as defined in section 318 of the Companies Act 2006) present and entitled to vote on the resolution.

75.3 A demand for a poll may be withdrawn if:

75.3.1 the poll has not yet been taken, and

75.3.2 the Chairman of the Meeting consents to the withdrawal.

A demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made.

75.4 Polls must be taken immediately and in such manner as the Chairman of the Meeting directs.

**76. Content of Proxy Notices**

76.1 Proxies may only validly be appointed by a notice in writing (a “Proxy Notice”) which:

76.1.1 states the name and address of the Shareholder appointing the proxy;

76.1.2 identifies the person appointed to be that Shareholder’s proxy and the general meeting in relation to which that person is appointed;

76.1.3 is signed by or on behalf of the Shareholder appointing the proxy, or is authenticated in such manner as the Directors may determine; and

76.1.4 is delivered to the Company in accordance with the Articles not less than 48 hours before the time appointed for holding the general meeting in relation to which the proxy is appointed and in accordance with any instructions contained in the notice of the general meeting to which they relate (but notwithstanding this an appointment of a proxy may be accepted by the Directors at any time prior to the meeting at which the person named in the appointment proposes to vote (or, where a poll is demanded at the meeting, but not taken forthwith, at any time prior to the taking of the poll)).

76.2 The Company may require Proxy Notices to be delivered in a particular form, and may specify different forms for different purposes.

76.3 Proxy Notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions, but the Company shall not be obliged to ascertain that any proxy has complied with those or any other instructions given by the

appointor and no decision on any resolution shall be vitiated by reason only that any proxy has not done so.

- 76.4 On a vote on a resolution on a show of hands at a meeting, every proxy present who has been duly appointed by one or more Shareholders entitled to vote on the resolution has one vote, except that if the proxy has been duly appointed by more than one Shareholder entitled to vote on the resolution and:

76.4.1 has been instructed by one or more of those Shareholders to vote for the resolution and by one or more other of those Shareholders to vote against it, or

76.4.2 has been instructed to vote the same way (either for or against) on the resolution by all of those Shareholders except those who have given the proxy discretion as to how to vote on the resolution

the proxy is entitled to one vote for and one vote against the resolution.

- 76.5 Unless a Proxy Notice indicates otherwise, it must be treated as:

76.5.1 allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting, and

76.5.2 appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself.

## **77. Delivery of Proxy Notices**

- 77.1 A person who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a general meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid Proxy Notice has been delivered to the Company by or on behalf of that person.

- 77.2 An appointment under a Proxy Notice may be revoked by delivering to the Company a notice in writing given by or on behalf of the person by whom or on whose behalf the Proxy Notice was given.

- 77.3 A notice revoking a proxy appointment only takes effect if it is delivered before the start of the meeting or adjourned meeting to which it relates.

- 77.4 If a Proxy Notice is not executed by the person appointing the proxy, it must be accompanied by written evidence of the authority of the person who executed it to execute it on the appointor's behalf.

## **78. Amendments to resolutions**

- 78.1 An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if:

78.1.1 notice of the proposed amendment is given to the Company in writing by a person entitled to vote at the general meeting at which it is to be proposed not less than 48 hours before the meeting is to take place (or such later time as the Chairman of the Meeting may determine), and

78.1.2 the proposed amendment does not, in the reasonable opinion of the Chairman of the Meeting, materially alter the scope of the resolution.

- 78.2 A special resolution to be proposed at a general meeting may be amended by ordinary resolution if:

- 78.2.1 the Chairman of the Meeting proposes the amendment at the general meeting at which the resolution is to be proposed, and
- 78.2.2 the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.
- 78.3 If the Chairman of the Meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the Chairman's error does not invalidate the vote on that resolution.
- 79. No voting of Shares on which money owed to Company**
- 79.1 No voting rights attached to a Share may be exercised at any general meeting, at any adjournment of it, or on any poll called at or in relation to it, or in relation to any written resolution of the Company unless all amounts payable to the Company in respect of that Share have been paid.

#### **APPLICATION OF RULES TO CLASS MEETINGS**

- 80. Class meetings**
- 80.1 The provisions of the Articles relating to general meetings apply, with any necessary modifications, to meetings of the holders of any class of Shares.

### **PART 5 ADMINISTRATIVE ARRANGEMENTS**

- 81. Means of communication to be used**
- 81.1 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 Companies Act 2006 provides for documents or information which are authorised or required by any provision of that Act to be sent or supplied by or to the Company.
- 81.2 The Company shall accept any notice, document or other information sent or supplied to the Company in electronic form save that the Company shall be entitled to require any such notice, document or information to be sent or supplied in hard copy form instead
- 81.3 In the case of joint Shareholders of a Share, except insofar as the Articles otherwise provide, all notices, documents or other information shall be given to the joint Shareholder whose name stands first in the register of members in respect of the joint holding and shall be deemed to have been given to all the joint Shareholders. For all purposes, including the execution of any appointment of proxy, resolution in writing, notice or other document (including anything sent or supplied in electronic form) executed or approved pursuant to any provision of the Articles, execution by any one of such joint Shareholders shall be deemed to be and shall be accepted as execution by all the joint Shareholders.
- 81.4 In the case of a Shareholder that is a corporation, for all purposes, including the execution of any appointment of proxy, resolution in writing, notice or other document (including anything sent or supplied in electronic form) executed or approved pursuant to any provision of the Articles, execution by any Director or the secretary of that corporation or any other person who appears to any officer of the Company (acting reasonably and in good faith) to have been duly authorised to execute shall be deemed to be and shall be accepted as execution by that corporation
- 81.5 A Shareholder whose registered address is not within the United Kingdom and who notifies the Company of an address within the United Kingdom at which notices, documents or other information may be served on or delivered to him shall be entitled to have such things served on

or delivered to him at that address (in the manner referred to above). If the address is that Shareholder's address for sending or receiving documents or information by electronic means, that Shareholder shall be entitled to receive all documents or information by electronic means.

- 81.6 Subject to the Articles, any notice or document 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 for the time being.
- 81.7 A Director may agree with the Company that notices or documents 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.
- 81.8 Every person who becomes entitled to a Share shall be bound by any notice in respect of that Share which, before his name is entered in the register of members, has been given to the person from whom he derives his title.

## **82. When information sent by the Company deemed to have been received**

- 82.1 Any document or information sent or supplied by the Company shall be deemed to have been received by the intended recipient.
  - 82.1.1 where the document or information is properly addressed and sent by first class post or other delivery service to an address in the United Kingdom, on the day (whether or not it is a working day) following the day (whether or not it is a working day) on which it was put in the post or given to the delivery agent and, in proving that it was duly sent, it shall be sufficient to prove that the document or information was properly addressed, prepaid and put in the post or duly given to the delivery agent;
  - 82.1.2 where (without prejudice to Article 81.5) the document or information is properly addressed and sent by post or other delivery service to an address outside the United Kingdom, five working days after it was put in the post or given to the delivery agent and, in proving that it was duly sent, it shall be sufficient to prove that the document or information was properly addressed, prepaid and put in the post or duly given to the delivery agent,
  - 82.1.3 where the document or information is not sent by post or other delivery service but delivered personally or left at the intended recipient's address, on the day (whether or not a working day) and time that it was sent;
  - 82.1.4 where the document or information is properly addressed and sent or supplied by electronic means, on the day (whether or not a working day) and time that it was sent and proof that it was sent in accordance with guidance issued by the Institute of Chartered Secretaries and Administrators shall be conclusive evidence that it was sent;
  - 82.1.5 where the document or information is sent or supplied by means of a website, when the material was first made available on the website or (if later) when the intended recipient received (or is deemed to have received) notice of the fact that the material was available on the website.

## **83. Company seals**

- 83.1 Any common seal may only be used by the authority of the Directors.
- 83.2 The Directors may decide by what means and in what form any common seal is to be used.
- 83.3 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 by at least one authorised person in the presence of a witness who attests the signature.



- 83.4 For the purposes of this Article 82, an authorised person is.
- 83.4.1 any Director of the Company;
  - 83.4.2 the Company secretary (if any); or
  - 83.4.3 any person authorised by the Directors for the purpose of signing documents to which the common seal is applied.
84. **No right to inspect accounts and other records**
- Except as provided by law or authorised by the Directors or an ordinary resolution of the Company, no person is entitled to inspect any of the Company's accounting or other records or documents merely by virtue of being a Shareholder.
85. **Provision for employees on cessation of business**
- The Directors may decide to make provision for the benefit of persons employed or formerly employed by the Company or any of its subsidiaries (other than a Director or former director or shadow director) in connection with the cessation or transfer to any person of the whole or part of the undertaking of the Company or that subsidiary

## **DIRECTORS' INDEMNITY AND INSURANCE**

**86. Indemnity**

- 86.1 Subject to Article 86.2 (but without prejudice to any indemnity to which a Relevant Officer is otherwise entitled):
- 86.1.1 a Relevant Officer may be indemnified out of the Company's assets to whatever extent the Directors may determine against:
    - (a) any liability incurred by that officer in connection with any negligence, default, breach of duty or breach of trust in relation to the Company or any undertaking in the same group as the Company;
    - (b) any liability incurred by that officer in connection with the activities of the Company, or any undertaking in the same group as the Company, in its capacity as a trustee of an occupational pension scheme (as defined in section 235(6) of the Companies Act 2006);
    - (c) any other liability incurred by that officer as an officer of the Company or of any undertaking in the same group as the Company; and
  - 86.1.2 the Company may, to whatever extent the Directors may determine, provide funds to meet expenditure incurred or to be incurred by a Relevant Officer in defending any criminal or civil proceedings in connection with any alleged negligence, default, breach of duty or breach of trust by him in relation to the Company or any undertaking in the same group as the Company, or any investigation, or action proposed to be taken, by a regulatory authority in that connection, or for the purposes of an application for relief, or in order to enable the Relevant Officer to avoid incurring such expenditure.
- 86.2 This Article 85 does not authorise any indemnity that would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law.

**87. Insurance**

87.1 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

87.2 In this Article 87, a “**relevant loss**” means any loss or liability which has been or may be incurred by a Relevant Officer in connection with that officer’s duties or powers in relation to the Company, any undertaking in the same group as the Company or any pension fund or employees’ share scheme of the Company or of any undertaking in the same group as the Company.

4847-1025-4148, v. 2