

**PRIVATE COMPANY LIMITED BY SHARES
INCORPORATED UNDER THE COMPANIES ACT 2006**

**ARTICLES OF ASSOCIATION
OF
ASHMAN FINANCE LIMITED**

(adopted by written resolution passed on 10 March 2022)



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INCORPORATED UNDER THE COMPANIES ACT 2006

ARTICLES OF ASSOCIATION

OF

ASHMAN FINANCE LIMITED

A PRIVATE COMPANY LIMITED BY SHARES

(Company No 10907522)

(adopted by written resolution passed on 10 March 2022)

PRELIMINARY

1. MODEL ARTICLES

- 1.1 The Model Articles for Private Companies Limited by Shares contained in Schedule 1 of the Companies (Model Articles) Regulations 2008 (SI 2008 No.3229) (the "**Model Articles**") shall apply to the Company except in so far as they are excluded or varied hereby. None of the regulations in Table A in the Schedule to the Companies (Tables A to F) Regulations 1985, as amended, shall apply to the Company.
- 1.2 Model Articles 13, 22 and 26(5) do not apply to the Company.

INTERPRETATION AND LIMITATION OF LIABILITY

2. DEFINED TERMS

- 2.1 In the Articles, unless the context requires otherwise:

"**2006 Act**": the Companies Act 2006, in force before the adoption of these Articles;

"**Allocation Notice**": has the meaning given in Article 28.9;

"**Alternate Director**": has the meaning given in Article 16;

"**Articles**": the Company's articles of association, as from time to time amended;

"**Asset Sale**": the sale or distribution, by liquidation, capital reduction or otherwise, by any one or more Group Companies, to entities outside of the Group or to the Shareholders in the case of liquidation, capital reduction or similar, of assets (whether together with associated liabilities or otherwise and as part of an undertaking or otherwise) which represent 75% or more (by book value) of the consolidated gross tangible assets of the Group at that time;

"**Available Profits**": the profits available for distribution as defined in the 2006 Act;

"**Auditors**": the auditors of the Company from time to time;

"**Bad Leaver**": an Employee or Director who becomes a Departing Employee and who is a not a Good Leaver;

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

"**Business Day**": a day (other than a Saturday, Sunday or public holiday) when clearing banks in the City of London are open for the transaction of normal banking business;

"**Civil Partner**": in relation to an individual Shareholder, a civil partner as defined in the Civil Partnerships Act 2004;

"**Company**": ASHMAN FINANCE LIMITED¹ (Company No. 10907522);

¹ On 11 July 2022 the name of the Company was changed from AM-MN Holdings Limited to Ashman Bank Limited

On 16 October 2023 the name of the Company was changed from Ashman Bank Limited to Ashman Finance Limited

"Company's Lien": has the meaning given in Article 25.1;

"Deemed Transfer Notice": has the meaning given in Article 29.1;

"Departing Date": the date on which the relevant Employee or Director becomes a Departing Employee, provided always that:

- (a) where a payment is made in lieu of notice the Departing Date shall be deemed to be the date on which payment is made;
- (b) in circumstances other than under (a), where he has served notice on a Group Company or a Group Company has served notice on him terminating his employment or office, then, if directed by the Board to such effect, the Departing Date shall be deemed to be the date of service of such notice; and
- (c) if directed by the Board to such effect, the Departing Date shall be deemed to be the commencement by the Employee or Director of any period of garden leave under his service agreement with the relevant Group Company,

and in each of the circumstances specified in paragraphs (a) – (c) of this definition, the relevant person shall be deemed a Departing Employee from such deemed Departing Date;

"Departing Employee": an Employee or Director who ceases to be a director, or Employee of any Group Company and who does not continue as or become, a director or Employee of any Group Company;

"Director": a director of the Company from time to time;

"Employee": an individual who is employed by, or who provides consultancy services to, the Company or any other Group Company, from time to time;

"Encumbrance": any mortgage, charge, security, interest, lien, pledge, assignment by way of security, equity, claim, right of pre-emption, option, covenant, restriction, reservation, lease, trust, order, decree, judgment, title defect (including, without limitation, any retention of title claim), conflicting claim of ownership or any other encumbrance of any nature whatsoever (whether or not perfected other than liens arising by operation of law);

"Eligible Director": a director who is entitled to vote on the relevant matter at a directors' meeting but excluding any director whose vote is not to be counted in respect of the relevant matter;

"Excess Securities": has the meaning given in Article 24.3(b);

"Exit": an Asset Sale, a Share Sale, or a Listing;

"Fair Value": has the meaning given in Article 29.2;

"Family": the spouse, child or remoter issue (including any step or adopted children);

"Family Trust": a trust (whether arising under a settlement, declaration of trust, will or on an intestacy) established by a shareholder who is a Director or Employee of which any such person and/or members of his Family are capable of being a beneficiary or beneficiaries under the trust;

"Founders" means each of Ashkin Mittal and Manhad Narula and **"Founder"** shall mean either of them;

"Good Leaver": an Employee or Director who becomes a Departing Employee in any of the following circumstances:

- (a) by reason of death;
- (b) by reason of injury, ill-health, or disability, which shall be proved to the satisfaction of the Board on production of such evidence as it may reasonably require that the individual has ceased to exercise and by the relevant reason is incapable of exercising

their employment or office and that the individual is likely to remain so incapable for the foreseeable future;

- (c) by retirement at normal retirement age;
- (d) by redundancy;
- (e) on or in direct connection with the occurrence of an Exit;
- (f) by voluntary resignation on a date falling more than 36 months after the later of: (i) the date on which that Departing Employee commenced employment or engagement with the Company or another Group Company and (ii) the Submission Date; or
- (g) by any other reason, if any, as determined by the Board in its absolute discretion;

provided that such Departing Employee shall not be treated as a Good Leaver (whether or not the provisions of Article 35 were previously exercised in respect of him and whether or not he has previously been treated as a Good Leaver) in circumstances where such Departing Employee:

- (i) subject to limb (ii) below of this definition, commits a material breach of any post-termination confidentiality restrictions on him under the terms of any contract of employment, engagement or consultancy or any settlement or compromise agreement between him and any Group Company; or
- (ii) breaches any post-termination restrictions on him (other than those referred to in limb (i) above of this definition) under the terms of any contract of employment, engagement or consultancy or any settlement or compromise agreement between him and any Group Company;

"Group": the Company and each of its Subsidiaries from time to time;

"Group Company": the Company and any Subsidiary of the Company from time to time;

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

"Leaver Shares": has the meaning given in Article 35.1;

"Lien Enforcement Notice": has the meaning given in Article 25.4;

"Listing": either –

- (a) the admission by the UK Listing Authority to listing, together with admission by the London Stock Exchange to trading, on the Official List of any of the issued equity share capital of the Company, and such admission becoming effective; or
- (b) the admission by the London Stock Exchange of any of the issued equity share capital of the Company to trading on AIM, and such admission becoming effective; or
- (c) any equivalent admission to any other Recognised Investment Exchange becoming unconditionally effective in relation to any of the issued equity share capital of the Company;

"London Stock Exchange" means London Stock Exchange plc;

"Member Of The Same Group": as regards any company, a company which is from time to time a Parent Undertaking, or a Subsidiary Undertaking of any such Parent Undertaking;

"Offer Notice": has the meaning given in Article 28.5;

"Office": the registered office for the time being of the Company;

"Official List": means the Official List of the UK Listing Authority for the purposes of section 74 of the Financial Services and Markets Act 2000;

"Original Shareholder": has the meaning given in Article 31.1;

"Parent Undertaking": has the meaning given to it in the 2006 Act;

"Permitted Transfer": a transfer of Shares in accordance with Article 31;

"Permitted Transferee": in relation to a Shareholder, being:

- (a) an individual, means any of his Privileged Relations, Family Trusts, or the trustees of those Family Trusts;
- (b) a body corporate, means any Member Of The Same Group; and
- (c) a fund, means any Member Of The Same Group of funds;

"Privileged Relation": the spouse, Civil Partner, widow or widower of a Shareholder and the Shareholder's children and grandchildren (including step and adopted children), and step and adopted children of the Shareholder's children;

"Recognised Investment Exchange": shall have the meaning ascribed to it in section 285(1)(a) of the Financial Services and Markets Act 2000;

"Relevant Agreement": means an agreement relating (in whole or in part) to the management and/or affairs of the Company which is binding from time to time upon the Company and the Shareholders and which (expressly or by implication) supplements and/or prevails over any provisions of these Articles;

"Relevant Securities": any shares issued by the Company after the date on which these Articles are adopted, or other securities convertible into, or carrying the right to subscribe for, those shares, but excluding:

- (a) the grant of options to subscribe for Shares under an employee share option plan (and the issue of the shares on exercise of those options);
- (b) any shares which the Company is required to issue by reason of a right specifically attached to Shares under these Articles;

"Sale Shares": the Shares specified for sale in a Transfer Notice, or deemed to be specified for sale in a Deemed Transfer Notice including where relevant the Leaver Shares;

"Section 431 Election": a joint election by either of an Employee, Director, prospective Employee, or prospective Director and of the Company under section 431(1) of the Income Tax (Earnings and Pensions) Act 2003;

"Seller": the transferor of Shares pursuant to a Transfer Notice or a Deemed Transfer Notice;

"Share Sale": the making of one or more agreements (whether conditional or not but which agreement(s) become(s) unconditional) for the disposal, transfer, purchase, subscription or renunciation of any part of the share capital of the Company giving rise to a change of control, and for the purposes of this definition:

- (a) **"disposal"** means a sale, transfer, assignment or other disposition whereby a person ceases to be the absolute beneficial owner of the Share in question or of voting rights attached thereto; and
- (b) **"change of control"** means the acquisition whether by purchase, transfer, renunciation or otherwise of any interest in Shares by a person who is neither a Shareholder, nor connected with a Shareholder, and who upon completion of that acquisition, together with persons acting in concert or connected with him would hold more than 50% of the voting rights at a general meeting of the Company attached to the issued Shares;

"Shareholder": a holder of Shares in the Company;

"Shares": the ordinary shares of £0.001 each in the capital of the Company;

"Submission Date": 4 October 2019, being the date on which the Company submitted its authorisation application to the Bank of England Prudential Regulatory Authority with a view to being granted a banking licence;

"Subsidiary" and **"Subsidiary Undertaking"**: shall have the meanings given to them in the 2006 Act;

"Third Party": any person who is not a Shareholder or a person connected with any such party;

"Total Transfer Condition": means that a Share transfer is conditional on all (and not part only) of the Sale Shares being sold by Shareholders;

"Transfer Notice": a notice in writing given by any Shareholder to the Company where that Shareholder desires, or is required by these Articles, to transfer (or enter into an agreement to transfer) any Shares;

"Transfer Price": has the meaning given in Article 28.2(c);

"UK Listing Authority": means the financial services authority acting in its capacity as the competent authority for the purposes of Part VI of the Financial Services and Markets Act 2000 and in the exercise of its functions in respect of admission to the Official List;

"Unvested Shares": Shares allotted and issued by the Company, or transferred by a Shareholder, in each case to an Employee or Director as a result of participation in an employee incentive plan administered by the Company, which under the rules of the plan and / or the terms of subscription by the Employee or Director, have at the Departing Date not vested in accordance with the terms of that employee incentive plan; and

"Vested Shares": Shares held by a Departing Employee, other than Unvested Shares.

2.2 Unless the contrary intention appears, words importing the singular number include the plural number and vice versa, words importing one gender include all genders and words importing persons include bodies corporate and unincorporated associations.

2.3 Reference to a statutory provision includes reference to:

- (a) any order, regulation, statutory instrument or other subsidiary legislation at any time made under it for the time being in force (whenever made); and
- (b) any modification, amendment, consolidation, re-enactment or replacement of it or provision of which it is a modification, amendment consolidation, re-enactment or replacement.

2.4 Reference to an Article is to a provision of these Articles.

2.5 Headings to the Articles are inserted for convenience only and shall not affect construction.

2.6 Model Article 1 shall be amended accordingly.

3. **LIABILITY OF MEMBERS**

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

4. **UNRESTRICTED OBJECTS**

Nothing in these Articles shall constitute a restriction on the objects of the Company to do (or omit to do) any act and, in accordance with section 31(1) of the 2006 Act, the Company's objects are unrestricted.

DIRECTORS

5. **DIRECTORS' DUTIES**

The purpose of the Company:

- (a) may, if and to the extent that the directors consider it appropriate; and

- (b) shall, if directed by the holders of the majority of the Shares by notice in writing to the Company,

include promoting the success of the Group as a whole, or of any one or more Group Companies, or of any other body corporate which is the Company's holding company or Subsidiary and any other body corporate which is a Subsidiary of that holding company).

6. UNANIMOUS DECISIONS

Model Article 8 shall be amended by the deletion of paragraph (3) and the re-numbering of existing paragraph (4) as new paragraph (3).

7. DIRECTORS' MEETINGS

- 7.1 The Board shall meet as required to manage the same and in any event not less than once every month. Such meetings can either be held in person or by conference call, as determined by the Directors from time to time.

- 7.2 Unless otherwise agreed by all the Directors, at least seven clear days written notice of meetings of the Board shall be given to each Director (whether resident in the United Kingdom or not) at his last known address and each notice shall contain an agenda of the business to be discussed at such meeting together with all necessary explanatory and/or background information and no other business other than that specified in the notice shall be discussed or agreed unless otherwise agreed by a majority of the Directors present.

- 7.3 Model Article 10(3) shall be amended by inserting after the first sentence, the sentence "In the absence of such a decision, the meeting is deemed to take place at the location from where the chairman participates".

8. NUMBER OF DIRECTORS

Unless otherwise determined by ordinary resolution, the number of directors (other than Alternate Directors) shall be subject to a maximum of ten but shall not be less than two.

9. QUORUM FOR DIRECTORS' MEETINGS

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

- 9.2 The quorum for directors' meetings shall, subject to Article 9.3, be any two Directors.

- 9.3 If the total number of directors for the time being in office is less than the quorum required, the director or directors in office must not take any decision other than a decision:

- (a) to appoint further directors; or
(b) to call a general meeting so as to enable the shareholders to appoint further directors.

- 9.4 Model Article 11 shall be amended accordingly.

10. CHAIRING OF DIRECTORS' MEETINGS

- 10.1 Model Article 12(4) shall apply as if the word "may" is substituted for the word "must".

- 10.2 The chairman of the directors' meeting as appointed in accordance with the terms of any Relevant Agreement shall in the event of equality of votes not be entitled to a casting vote.

DIRECTORS' INTERESTS

11. DIRECTORS' INTERESTS IN RELATION TO TRANSACTIONS OR ARRANGEMENTS WITH THE COMPANY

The relevant provisions of the 2006 Act (including, without limitation, sections 177 and 182 of the 2006 Act) shall apply in relation to declarations of interests in proposed and existing transactions or arrangements with the Company.

12. APPOINTMENT AND TERMINATION OF APPOINTMENTS OF DIRECTORS BY SHAREHOLDERS

- 12.1 Subject to the terms of any Relevant Agreement the holders of the majority of the Shares may appoint any person as a director and may remove any director. Any such appointment or removal shall be made by notice in writing to the Company signed by the holders or on their behalf and shall take effect when it is lodged at the Office or produced at any directors' meeting.
- 12.2 Model Articles 17 and 18 shall be amended accordingly.

13. DIRECTORS' SERVICES AND REMUNERATION

- 13.1 Directors may undertake any services for the Company that the directors decide and the Company may enter into a contract of service with any director on such terms as the directors think fit.
- 13.2 Any appointment of a director to an executive office shall terminate if he ceases to be a director but without prejudice to any claim to damages for breach of contract of service between the director and the Company.
- 13.3 Directors are entitled to such remuneration as the directors determine:
- (a) for their services to the Company as directors; and
 - (b) for any other service which they undertake for the Company.
- 13.4 Subject to the Articles, a director's remuneration may take any form.
- 13.5 Unless the directors decide otherwise, directors' remuneration accrues from day to day.
- 13.6 Model Article 19 shall be amended accordingly.
- 13.7 This Article is subject to the provisions of Article 40.

14. DIRECTORS' EXPENSES

Model Article 20 shall be amended by inserting in the first line the words ", Alternate Directors and the company secretary (if any)" after the word "directors".

15. DIRECTORS' PENSIONS AND OTHER BENEFITS

- 15.1 The directors may exercise all the powers of the Company to:
- (a) pay, provide, arrange or procure the grant of pensions or other retirement benefits, death, disability or sickness benefits, health, accident and other insurances or other such benefits, allowances, gratuities or insurances, including in relation to the termination of employment, to or for the benefit of any person who is or has been at any time a director of the Company or in the employment or service of the Company or of any body corporate which is or was associated with the Company or of the predecessors in business of the Company or any such associated body corporate, or the relatives or dependants of any such person. For that purpose, the directors may procure the establishment and maintenance of, or participation in, or contribution to, any pension fund, scheme or arrangement and the payment of any insurance premiums;
 - (b) establish, maintain, adopt and enable participation in any profit sharing or incentive scheme including shares, share options or cash or any similar schemes for the benefit of any director or employee of the Company or of any associated body corporate, and to lend money to any such director or employee or to trustees on their behalf to enable any such schemes to be established, maintained or adopted; and
 - (c) support and subscribe to any institution or association which may be for the benefit of the Company or associated body corporate or any directors or employees of the Company or associated body corporate or their relatives or dependants or connected with any town or place where the Company or an associated body corporate carries

on business, and to support and subscribe to any charitable or public object whatsoever.

- 15.2 This Article is subject to the provisions of Article 40.

ALTERNATE DIRECTORS

16. APPOINTMENT AND REMOVAL OF ALTERNATES

- 16.1 Any director (other than an Alternate Director) (the "Appointor") may appoint as an alternate (the "Alternate Director") any other director, or any other person approved by a majority of the other directors and willing to act to:

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

in relation to the taking of decisions by the directors in the absence of the Alternate Director's Appointor.

- 16.2 Any appointment or removal of an Alternate Director must be effected by notice in writing to the Company signed by the Appointor, or in any other manner approved by the directors.

- 16.3 The notice must:

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

17. RIGHTS AND RESPONSIBILITIES OF ALTERNATE DIRECTORS

- 17.1 Subject to the Articles, an Alternate Director may act as an Alternate Director to more than one director and has the same rights, in relation to any decision of the directors as the Alternate Director's Appointor.

- 17.2 Except as the articles specify otherwise, Alternate Directors:

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

and, in particular, each Alternate Director shall be entitled to receive notice of all directors' meetings and of all committee meetings of directors of which his Appointor is a member.

- 17.3 Subject to the Articles, a person who is an Alternate Director but not a director:

- (a) may be counted as participating for the purposes of determining whether a quorum is present (but only if that person's Appointor is not participating); and
- (b) may otherwise participate in a unanimous decision of the directors (but only if his Appointor is an Eligible Director in relation to that decision and is not participating).

No Alternate Director may be counted as more than one director for such purposes.

- 17.4 An Alternate Director is not entitled to receive any remuneration from the Company for serving as an Alternate Director except such part of the Alternate Director's Appointor's remuneration as the Appointor may direct by notice in writing made to the Company.

18. ALTERNATE DIRECTORS VOTING AT DIRECTORS' MEETINGS

Subject to the Articles, a director who is also an Alternate Director has an additional vote at a directors' meeting on behalf of each Appointor who is:

- (a) not participating in the directors' meeting; and
- (b) would have been an Eligible Director if he were participating in it.

No Alternate Director may be counted as more than one director for the purpose of determining whether a quorum is present.

19. **TERMINATION OF ALTERNATE DIRECTORSHIP**

An Alternate Director's appointment as an Alternate Director terminates:

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

SHARES AND DISTRIBUTIONS

20. **SHARE CAPITAL**

- 20.1 The rights and restrictions attaching to the Shares, including voting rights, rights to appoint and remove directors, rights to receive dividends and other distributions and rights to capital, are set out in full in these Articles. The Shares shall rank *pari passu* in all respects.
- 20.2 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.
- 20.3 In these Articles, unless the context requires otherwise, references to Shares shall include Shares created and/or issued after the date of adoption of these Articles and ranking *pari passu* in all respects (or in all respects except only as to the date from which those Shares rank for dividend) with the Shares then in issue.
- 20.4 Shareholders may not create or permit to subsist or purport to create or permit to subsist any pledge lien or charge over or grant any option or other rights or dispose of any interest in all or any of the Shares held by them otherwise than by a transfer of Shares in accordance with the provisions of these Articles.
- 20.5 Subject to the 2006 Act but without prejudice to any other provision of these Articles, the Company may purchase its Shares in accordance with Chapter 4 of Part 18 of the 2006 Act, including (without limitation) out of capital up to any amount in a financial year not exceeding the lower of:
 - (a) £15,000; and
 - (b) the nominal value of 5% of the Company's fully paid share capital at the beginning of each financial year of the Company.

21. **ALL SHARES TO BE FULLY PAID UP**

No share is to be issued for less than the aggregate of its nominal value and any premium to be paid to the Company in consideration for its issue.

22. **SHARE ALLOTMENTS - POWER**

- 22.1 Save to the extent authorised by these Articles, or authorised from time to time by an ordinary resolution of the shareholders, the directors shall not at any time exercise any power of the Company to allot Shares or grant rights to subscribe for or convert any security into shares.

- 22.2 Subject to the Articles but without prejudice to the rights attached to any existing Share, the Company may issue further classes of Shares with such rights or restrictions as may be determined by special resolution.
- 22.3 Subject to the Articles, 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.
- 22.4 In the event that rights and restrictions attaching to shares are determined by ordinary resolution or by the directors pursuant to this Article, those rights and restrictions shall apply, in particular in place of any rights or restrictions that would otherwise apply by virtue of the 2006 Act in the absence of any provisions in the articles of a company, as if those rights and restrictions were set out in the Articles.

23. **SHARE ALLOTMENTS**

- 23.1 Subject to the remaining provisions of this Article 23, the Directors are generally and unconditionally authorised, for the purpose of section 551 of the 2006 Act to exercise any power of the Company to:
- (a) offer, allot or grant rights to subscribe for; or
 - (b) convert securities into; or
 - (c) otherwise deal in, or dispose of,
- any Shares, or other Relevant Securities, to any person, at any time and subject to any terms and conditions as the Directors think proper.
- 23.2 The authority referred to in Article 23.1:
- (a) shall only apply insofar as the Company in general meeting has not renewed, waived or revoked it; and
 - (b) may only be exercised for a period of five years commencing on the date on which these Articles are adopted, save that the Directors may make an offer or agreement which would, or might, require Relevant Securities to be allotted after the expiry of such authority (and the Directors may allot Relevant Securities in pursuance of an offer or agreement as if such authority had not expired).

24. **SHARE ALLOTMENTS - PRE-EMPTION RIGHTS**

- 24.1 In accordance with section 568 of the 2006 Act, sections 561 and 562 of the 2006 Act shall not apply to an allotment of Relevant Securities made by the Company.
- 24.2 Except as otherwise expressly stated in these Articles, if at any time 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 same terms, and at the same price, as those Relevant Securities are being offered to other persons on a pari passu and pro rata basis to the number of Shares held by those holders (as nearly as possible without involving fractions).
- 24.3 The offer under Article 24.2:
- (a) shall be in writing, and give details of the number, class and subscription price of the Relevant Securities; and
 - (b) may stipulate that any Shareholder who wishes to subscribe for a number of Relevant Securities in excess of the proportion to which each is entitled shall, in its acceptance, state the number of excess Relevant Securities for which they wish to subscribe (the "Excess Securities").
- 24.4 Any Relevant Securities not accepted by Shareholders pursuant to the offer made to them in accordance with Article 24.2 shall be used for satisfying any requests for Excess Securities

made pursuant to Article 24.2. If there are insufficient Excess Securities to satisfy such requests, the Excess Securities shall be allotted to the applicants pro rata to the number of Shares held by the applicants immediately before the offer was made to Shareholders in accordance with Article 24.2 (as nearly as possible without involving fractions or increasing the number of Excess Securities allotted to any Shareholder beyond that applied for by him). After that allotment, any Excess Securities remaining shall be offered, subject to Article 24 to any other person as the Directors may determine, at the same price and on the same terms as the offer to the Shareholders.

- 24.5 If, after the allotments have been made pursuant to Articles 24.2 to 24.4, all of the Relevant Securities have not been allotted, the Board shall offer the unallotted Relevant Securities to the Shareholders pro rata, inviting them to apply in writing within the period from the date of the offer to the date 20 Business Days after the date of the offer (inclusive) for the maximum number of Relevant Securities for which they wish to subscribe and that offer shall be made mutatis mutandis the provisions in Article 24.2 to and including Article 24.4. After that allotment, any Excess Securities remaining shall be offered, subject to Article 35, to any other person as the Directors may determine at the same price and on the same terms as the offer to the Shareholders.
- 24.6 Subject to Articles 24.2 to and including 24.5 and to sections 549 to 551 of the 2006 Act, any Relevant Securities shall be at the disposal of the Board who may allot, grant options over or otherwise dispose of them to any persons at those times and generally on the terms and conditions they think proper.
- 24.7 The pre-emption process detailed in Articles 24.2 to and including 24.5 shall not apply to the allotment of Shares to new or existing Employees or Directors (other than the Founders) under any incentive plan, which shall be at the discretion of the Board.
- 24.8 No Shares shall be allotted to any Employee, Director, prospective or existing, unless such person has entered into a Section 431 Election.

25. LIEN

- 25.1 The Company shall have a first and paramount lien (the "**Company's Lien**") over every Share (not being a fully paid share) for all moneys (whether presently payable or not) payable at a fixed time or called in respect of that Share.
- 25.2 The Company's Lien over a Share:
- (a) shall take priority over any third party's interest in that Share; and
 - (b) extends to any dividend or other money payable by the Company in respect of that Share and (if the lien is enforced and the Share is sold by the Company) the proceeds of sale of that Share.

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

- 25.3 Subject to the provisions of this Article 25, if:
- (a) a notice given in accordance with Article 25.4 (a "**Lien Enforcement Notice**") has been given by the Company in respect of a Share; and
 - (b) the person to whom the notice was given has failed to comply with it,
- the Company shall be entitled to sell that Share in such manner as the Directors decide.
- 25.4 A Lien Enforcement Notice:
- (a) may only be given by the Company in respect of a Share which is subject to the Company's Lien, in respect of which a sum is payable and the due date for payment of that sum has passed;

- (b) must specify the Share concerned;
 - (c) must require payment of the sum payable within 14 days of the notice;
 - (d) must be addressed either to the holder of the Share or to a person entitled to it by reason of the holder's death, bankruptcy or otherwise; and
 - (e) must state the Company's intention to sell the Share if the notice is not complied with.
- 25.5 Where any Share is sold pursuant to this Article 25:
- (a) the Directors may authorise any person to execute an instrument of transfer of the Share to the purchaser or a person nominated by the purchaser; and
 - (b) the transferee shall not be bound to see to the application of the consideration, and the transferee's title shall not be affected by any irregularity in or invalidity of the process leading to the sale.
- 25.6 The net proceeds of any such sale (after payment of the costs of sale and any other costs of enforcing the lien) must be applied:
- (a) first, in payment of so much of the sum for which the lien exists as was payable at the date of the Lien Enforcement Notice;
 - (b) secondly, to the person entitled to the Share at the date of the sale, but only after the certificate for the Share sold has been surrendered to the Company for cancellation or an indemnity for lost certificate in a form acceptable to the Board has been given for any lost certificate, and subject to a lien equivalent to the Company's Lien for any money payable (whether or not it is presently payable) as existing upon the Share before the sale in respect of all Shares registered in the name of that person (whether as the sole registered holder or as one of several joint holders) after the date of the Lien Enforcement Notice.
- 25.7 A statutory declaration by a Director or the company secretary that the declarant is a Director or the company secretary and that a Share has been sold to satisfy the Company's Lien on a specified date:
- (a) shall be conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the Share; and
 - (b) subject to compliance with any other formalities of transfer required by these Articles or by law, shall constitute a good title to the Share.
26. **SHARE CERTIFICATES**
- Model Article 24(5)(a) shall be amended by the insertion of the following words: "or official seal and in the case of an official seal, unless otherwise determined by the directors, the certificate does not need to be signed" after the words "common seal".
27. **SHARE TRANSFERS - GENERAL**
- 27.1 In Articles 27 to 35 (inclusive), reference to the transfer of a Share includes the transfer or assignment of a beneficial, or other interest in that Share, or the creation of a trust, or Encumbrance over that Share and reference to a Share includes a beneficial or other interest in a Share.
- 27.2 Save in the event of an Exit, no Share may be transferred unless the transfer is made in accordance with and in the circumstances specified in any of the following Articles:
- (a) Article 27.3
 - (b) Article 28 (Share Transfers – Pre-emption Rights)
 - (c) Article 30 (Compulsory Transfers);

- (d) Article 31 (Transfers to Permitted Transferees);
 - (e) Article 32 (Board Approved Transfers - Exit);
 - (f) Article 33 (Drag Along Rights); or
 - (g) Article 34 (Tag Along Rights).
- 27.3 Notwithstanding any other provision of these Articles, other than in relation to an Exit and to a transfer to a Permitted Transferee, no Shareholder who is an Employee or a Director (and who is not a Founder) may transfer any Shares registered in its name and shall procure that none of its Permitted Transferees transfers any Shares registered in their name without in each case the prior written consent of the Founders.
- 27.4 If a Shareholder transfers (or purports to transfer) a Share other than in accordance with these Articles, such Shareholder shall be deemed to have served a Transfer Notice immediately in respect of all Shares held by him.
- 27.5 Any transfer of a Share by way of sale that is required to be made under Articles 28, 30, 33, 34 and 35 shall be deemed to include a warranty that the transferor sells the Share with full title guarantee.
- 27.6 The Directors may refuse to register a transfer if:
- (a) it is a transfer of a Share to a bankrupt, a minor or a person of unsound mind;
 - (b) the transfer is to an Employee, Director or prospective Employee or prospective Director and that person has not entered into a Section 431 Election with the Company;
 - (c) it is a transfer not in accordance with these Articles;
 - (d) it is a transfer of a Share which is not fully paid:
 - (i) to a person of whom the Directors do not approve; or
 - (ii) on which Share the Company has a lien;
 - (e) the transfer is not lodged at the registered office or at such other place as the Directors may appoint;
 - (f) the transfer is not accompanied by the certificate for the Shares to which it relates (or an indemnity for lost certificate in a form acceptable to the Board) and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer;
 - (g) the transfer is in favour of more than four transferees; or
 - (h) these Articles otherwise provide that such transfer shall not be registered.
- If the Directors refuse to register a transfer, the instrument of transfer must be returned to the transferee with the notice of refusal unless they suspect that the proposed transfer may be fraudulent.
- 27.7 The Directors may, as a condition to the registration of any transfer of Shares in the Company, require the transferee to execute and deliver to the Company a deed agreeing to be bound by the terms of any Relevant Agreement in force between any of the Shareholders and the Company in such form as the Directors may reasonably require (but not so as to oblige the transferee to have any obligations or liabilities greater than those of the proposed transferor under any such agreement or other document). If any condition is imposed in accordance with this Article 27.7, the transfer may not be registered unless that deed has been executed and delivered to the Office by the transferee.
- 27.8 To enable the Directors to determine whether or not there has been any disposal of Shares in the capital of the Company (or any interest in Shares in the capital of the Company) in breach of these Articles, the Directors may require any holder, or the legal personal representatives of

any deceased holder, or any person named as transferee in any transfer lodged for registration or any other person who the Directors may reasonably believe to have information relevant to that purpose, to provide to the Company with any information and evidence that the Directors request regarding any matter which they deem relevant to that purpose. If the information or evidence is not provided to enable the Directors to determine to their reasonable satisfaction that no breach has occurred, or that as a result of the information and evidence the Directors are reasonably satisfied that a breach has occurred, the Directors shall immediately notify the holder of such Shares in the capital of the Company in writing of that fact and the following shall occur:

- (a) the relevant Shares shall cease to confer on the holder of them (or any proxy) any rights:
 - (i) to vote, whether on a show of hands or on a poll, at a general meeting of the Company; or
 - (ii) to receive dividends or other distributions otherwise attaching to those Shares or to any further Shares in the capital of the Company issued in respect of those Shares, or in pursuance of an offer made to the relevant holder; and
- (b) the holder may be required, at any time following receipt of the notice, to transfer some or all of its Shares to any person(s) at the price that the Directors may require by notice in writing to that holder.

The rights referred to in Article 27.8(a) may be reinstated by the Board or, if earlier, shall be reinstated on the completion of any transfer referred to in Article 27.8(b).

27.9 Upon a transfer by a Shareholder of all his Shares under this Article 27 otherwise than pursuant to the operation of Article 30, then unless otherwise agreed in writing:

- (a) the selling Shareholder shall repay all loans, loan capital, borrowings and indebtedness in the nature of borrowings outstanding to the Company from the selling Shareholder (or from any person controlled by or connected with him) together with accrued interest;
- (b) the Company shall repay all loans, loan capital, borrowings and indebtedness in the nature of borrowings outstanding to the selling Shareholder (or from any person controlled by or connected with him) together with any accrued interest; and
- (c) the Company shall procure the release of any guarantees or indemnities given by the selling Shareholder (or by any person controlled by or connected with him) in respect of the obligations of the Company and shall meet all costs of procuring such release.

27.10 Where the Board requires a Transfer Notice to be given in respect of any Shares, if a Transfer Notice is not duly given within 20 Business Days of demand being made a Transfer Notice shall be deemed to have been given at the end of that period. If a Transfer Notice is required to be given or deemed to have been given under these Articles, the Transfer Notice shall be treated as having specified:

- (a) that the Transfer Price for the Sale Shares shall be as agreed between the Seller and the Board (any director with whom the Seller is connected (within the meaning of section 252 of the 2006 Act) not voting) or, failing agreement within 15 Business Days after the date on which the Board becomes aware that a Transfer Notice has been given or deemed given, the Transfer Price shall be determined in accordance with Article 29;
- (b) whether there is a Total Transfer Condition; and
- (c) that the Seller wishes to transfer all of the Shares held by it.

28. SHARE TRANSFERS - PRE-EMPTION RIGHTS

28.1 Subject to the terms of any Relevant Agreement and to the provisions of Article 27.2, and save for those Share transfers effected pursuant to the operation of Articles 30 to 35, any transfer of Shares by a Shareholder shall be subject to the pre-emption rights in this Article 28.

- 28.2 A Seller shall, before transferring or agreeing to transfer any Shares, give a Transfer Notice to the Company specifying:
- (a) the number of Sale Shares;
 - (b) the name of the proposed transferee, if he is a Third Party;
 - (c) the price (in cash) at which he wishes to transfer the Sale Shares (the "**Transfer Price**"); and
 - (d) whether the Transfer Notice is subject to the Total Transfer Condition.
- 28.3 Each Transfer Notice shall:
- (a) constitute the Company as the agent of the Seller for the sale of the Sale Shares on the terms of this Article 28; and
 - (b) be irrevocable.
- 28.4 The Sale Shares shall be offered for purchase in accordance with this Article 28 at the Transfer Price.
- 28.5 The Board shall in the period between 10 and 20 Business Days after the Transfer Notice is served, give an offer notice (the "**Offer Notice**") to all Shareholders (other than the Seller and any other Shareholder who is then bound to give, or has given or is deemed to have given a Transfer Notice in respect of any of the Shares registered in his name) ("**Relevant Shareholders**").
- 28.6 An Offer Notice shall:
- (a) specify the price per Sale Share;
 - (b) contain the other relevant details included in the Transfer Notice;
 - (c) invite the Relevant Shareholders to respond in writing, before expiry of the Offer Notice, to purchase the numbers of Sale Shares specified by them in their application; and
 - (d) expire 35 Business Days after its service.
- 28.7 Sale Shares shall be offered to all Relevant Shareholders on a pro rata basis.
- 28.8 After the expiry date of the Offer Notice, the Board shall allocate the Sale Shares in accordance with the valid applications received, save that:
- (a) if it is not possible to allocate any of the Sale Shares without involving fractions, they shall be allocated amongst the applicants in such manner as the Board shall think fit but so as to give the applicants, so far as possible, the number of Sale Shares applied for; and
 - (b) if the Transfer Notice contained a valid Total Transfer Condition, no allocation of Sale Shares shall be made unless all the Sale Shares are allocated.
- 28.9 The Board shall, within 5 Business Days of the expiry date of the Offer Notice, give notice in writing (an "**Allocation Notice**") to the Seller and to each person to whom Sale Shares have been allocated (each a "**Buyer**") specifying the name and address of each Buyer, the number of Sale Shares agreed to be purchased by him and the aggregate price payable by him for them and the date for completion (being no earlier than 5 nor later than 15 Business Days after the date of service of the Allocation Notice).
- 28.10 Completion of a sale and purchase of Sale Shares pursuant to an Allocation Notice shall take place at the registered office of the Company at the time specified in the Allocation Notice when the Seller shall, upon payment to him by a Buyer of the Transfer Price in respect of the Sale Shares allocated to that Buyer, transfer those Sale Shares and deliver the relative share certificate(s) to that Buyer.

- 28.11 If a Seller fails for any reason (including death) to transfer any Sale Shares when required pursuant to these Articles, the Board may authorise any director of the Company (who shall be deemed to be irrevocably appointed as the attorney of the Seller for the purpose) to execute each necessary transfer of such Sale Shares and deliver it on the Seller's behalf. The Company may receive the purchase money for such Sale Shares from the Buyer and shall upon receipt (subject, if necessary, to the transfer being duly stamped) register the Buyer as the holder of such Sale Shares. The Company shall hold such purchase money in a separate bank account on trust for the Seller but shall not be bound to earn or pay interest on any money so held. The Company's receipt for such purchase money shall be a good discharge to the Buyer who shall not be bound to see to the application of it, and after the name of the Buyer has been entered in the register of Members in purported exercise of the power conferred by this Article 28.11 the validity of the proceedings shall not be questioned by any person.
- 28.12 If an Allocation Notice does not relate to all the Sale Shares then, subject to Article 28.13 and within 26 weeks following service of the Allocation Notice, the Seller may transfer any unallocated Shares to any person at a price at least equal to the Transfer Price. The sale of the unallocated Shares in accordance with this Article 28.12 shall continue to be subject to any Total Transfer Condition.
- 28.13 The Seller's right to transfer Shares under Article 28.12 does not apply if the Board reasonably considers that:
- (a) the transferee is a person (or a nominee for a person) who the Board determines, in their absolute discretion, is a competitor (or an associate of a competitor) with the business of a Group Company; or
 - (b) 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
 - (c) the Seller has failed or refused to provide promptly information available to it or him and reasonably requested by the Board to enable it to form the opinion mentioned above.
- 28.14 For the purpose of ensuring that a particular transfer of Shares is permitted under the provisions of these Articles, or any Relevant Agreement, the Directors may require the transferor or the person named as transferee in any transfer lodged for registration to furnish the Company with such information and evidence as the Directors may think necessary or relevant.

29. VALUATION

- 29.1 If no Transfer Price is specified in a Transfer Notice, or the price specified is not agreed by the Board, or if a Transfer Notice is deemed served under any provision of these Articles ("**Deemed Transfer Notice**"), then, on service of the Transfer Notice or, on the date the Deemed Transfer Notice is deemed to have been served in accordance with these Articles, the Board shall either:
- (a) appoint an Independent Expert to determine the Fair Value as defined in Article 29.2 below of the Sale Shares in accordance with Article 29.2; or
 - (b) if the Fair Value has been determined by an Independent Expert within the preceding 12 weeks, itself calculate the Fair Value of the Sale Shares by dividing that value by the number of Shares to which it related and multiplying the value by the number of Sale Shares being the subject of the Transfer Notice or Deemed Transfer Notice.
- 29.2 The "**Fair Value**" of the Sale Shares shall be determined by the Independent Expert on the following assumptions and bases:
- (a) unless otherwise specified in these Articles, as at the date of the Transfer Notice or Deemed Transfer Notice;
 - (b) valuing the Sale Shares as on an arm's-length sale between a willing seller and a willing buyer;

- (c) if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so;
 - (d) that the Sale Shares are capable of being transferred without restriction; and
 - (e) reflecting any other factors which the Independent Expert reasonably believes should be taken into account.
- 29.3 If any difficulty arises in applying any of these assumptions or bases then the Independent Expert shall resolve that difficulty in whatever manner they shall in their absolute discretion think fit.
- 29.4 The Independent Expert shall be requested to determine the Fair Value within 20 Business Days of their appointment and notify the Board of their determination.
- 29.5 Subject to any confidentiality provisions, the Independent Expert may have access to all accounting records or other relevant documents of the Company.
- 29.6 The Independent Expert's determination shall be final and binding on the parties (in the absence of fraud or manifest error).
- 29.7 The Independent Expert shall deliver their certificate to the Company. As soon as the Company receives the certificate it shall deliver a copy of it to the Seller. Unless the Sale Shares are to be sold under a Deemed Transfer Notice, the Seller may by notice in writing to the Company within 5 Business Days of the service on him of the copy certificate, cancel the Company's authority to sell the Sale Shares.
- 29.8 The cost of obtaining the certificate shall be paid by the Company unless:
- (a) the Seller cancels the Company's authority to sell; or
 - (b) the Sale Price certified by the Independent Expert is materially less than the price (if any) offered by the directors to the Seller for the Sale Share before Independent Expert was instructed,

in which case the Seller shall bear the reasonable costs.

30. COMPULSORY TRANSFERS

- 30.1 A person entitled to a Share in consequence of the bankruptcy of a Shareholder shall be deemed to have given a Transfer Notice in respect of that Share at a time determined by the Directors.
- 30.2 If a Share remains registered in the name of a deceased Shareholder for longer than one year after the date of his death, the Directors may require the legal personal representatives of that deceased Shareholder either:
- (a) to effect a Permitted Transfer of such Shares (including for this purpose an election to be registered in respect of the Permitted Transfer); or
 - (b) to show to the satisfaction of the Directors that a Permitted Transfer will be effected before or promptly upon the completion of the administration of the estate of the deceased Shareholder.

If either requirement in this Article 30.2 shall not be fulfilled to the satisfaction of the Directors a Transfer Notice shall be deemed to have been given in respect of each such Share save to the extent that the Directors may otherwise determine.

- 30.3 If a Shareholder which is a company either suffers or resolves for the appointment of a liquidator, administrator or administrative receiver over it or any material part of its assets (other than as part of a bona fide restructuring or reorganisation), the relevant Shareholder (and all its Permitted Transferees) shall be deemed to have given a Transfer Notice in respect of all the Shares held by the relevant Shareholder and its Permitted Transferees save to the extent that, and at a time, the Directors may determine.

- 30.4 If there is a change in control (as control is defined in section 1124 of the Corporation Tax Act 2010) of any Shareholder which is a company, it shall be bound at any time, if and when required in writing by the Directors to do so, to give (or procure the giving in the case of a nominee) a Transfer Notice in respect of all the Shares registered in its and their names and their respective nominees' names save that, in the case of the Permitted Transferee, it shall first be permitted to transfer those Shares back to the Original Shareholder from whom it received its Shares or to any other Permitted Transferee before being required to serve a Transfer Notice.
31. **TRANSFERS TO PERMITTED TRANSFEREES**
- 31.1 A Shareholder (the "**Original Shareholder**") may transfer all or any of its Shares to a Permitted Transferee.
- 31.2 If the Original Shareholder is a company, and a Permitted Transfer has been made, the Permitted Transferee shall, within 15 Business Days of ceasing to be a Member Of The Same Group as the Original Shareholder, transfer the Shares it holds to:
- (a) the Original Shareholder; or
 - (b) a Member Of The Same Group as the Original Shareholder,
- which in either case is not in liquidation without any price or other restriction.
- 31.3 If the Permitted Transferee fails to make a transfer in accordance with Article 31.2, a Transfer Notice shall be deemed to have been given in respect of such Shares.
- 31.4 Where Shares are held by the trustees of a Family Trust, the trustees may transfer Shares to:
- (a) the Original Shareholder;
 - (b) another Privileged Relation of the Original Shareholder;
 - (c) another Family Trust of which the Original Shareholder is the Settlor; or
 - (d) to the new (or remaining) trustees upon a change of trustees of a Family Trust without any price or other restriction.
- 31.5 A transfer of Shares may only be made to a Family Trust if the Board is satisfied:
- (a) with the terms of the trust instrument and, in particular, with the powers of the trustees;
 - (b) with the identity of the proposed trustees;
 - (c) 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
 - (d) that no costs incurred in connection with the setting up or administration of that Family Trust are to be paid by the Company.
- 31.6 If a Permitted Transfer is made to the spouse or Civil Partner of the Original Shareholder, the Permitted Transferee shall within 15 Business Days of ceasing to be the spouse or Civil Partner of the Original Shareholder (whether by reason of divorce or otherwise) either:
- (a) 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
 - (b) give a Transfer Notice to the Company in accordance with Article 30.1,
- failing which a Transfer Notice shall be deemed to have been given in respect of the relevant Shares.
- 31.7 Where, under a deceased Shareholder's will (or the laws as to intestacy), the persons legally or beneficially entitled to any Shares (whether immediately or contingently) are Privileged Relations of the deceased Shareholder, the legal representative of the deceased Shareholder may transfer any Shares to those Privileged Relations who are Permitted Transferees, in each

case without restriction as to price or otherwise. Shares previously transferred as permitted by this Article 31.7 may be transferred by the transferee to any other Permitted Transferee of the Original Shareholder without any price or other restriction.

- 31.8 Subject to Article 31.7, on the death, bankruptcy or liquidation of a Permitted Transferee (other than a joint holder), his personal representatives, trustee in bankruptcy or its liquidator shall execute and deliver to the Company a transfer of the Shares held by the Permitted Transferee (without any price or other restriction) within 15 Business Days after the date of the grant of probate, the making of the bankruptcy order or the passing of a resolution or making of an order for winding up. The transfer shall be to the Original Shareholder, if still living (and not bankrupt or in liquidation) or, if so directed by the Original Shareholder, to any Permitted Transferee of the Original Shareholder. If the transfer is not executed and delivered within 15 Business Days of that period, or if the Original Shareholder has died or is bankrupt or is in liquidation, the personal representative or trustee in bankruptcy or liquidator shall be deemed to give a Transfer Notice.

32. **BOARD APPROVED TRANSFERS - EXIT**

- 32.1 Notwithstanding any other provision in these Articles, a transfer of any Shares approved by the Board may be made on the terms approved by the Board and any such transfer shall be registered by the Directors.
- 32.2 In the event the Directors approve an Exit, all Shareholders shall consent to, vote for, raise no objections to and waive any applicable rights in connection with the Exit. The Shareholders shall be required to take all lawful actions with respect to the Exit as are reasonably required by the Directors to facilitate the Exit. If any Shareholder fails to comply with the provisions of this Article 32.2:
- (a) the Company shall be constituted the agent and attorney of each defaulting Shareholder for taking such actions as are necessary to effect the Exit and to this end may require prospective Shareholders to subscribe by executing deeds including provisions granting to the Company powers to this effect;
 - (b) 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
 - (c) 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).

33. **DRAG ALONG RIGHTS**

- 33.1 The provisions of this Article 33 or Article 34 shall apply, notwithstanding any other provision in these Articles, if any Shareholder (on his own or acting in concert with one or more other Shareholders) (each a "**Selling Shareholder**") proposes to sell or transfer Shares that in aggregate constitute at least 50.1% of the Shares in issue at the time of the proposed sale or transfer (the "**Sale Shares**") as part of a bona fide arm's length commercial transaction for fair market value (a "**Proposed Transfer**") to any person other than another Shareholder or a Permitted Transferee pursuant to Article 31 (the "**Proposed Buyer**").
- 33.2 In circumstances where the Proposed Buyer of the Sale Shares wishes to acquire all of the issued Shares of the Company, the Selling Shareholder may give to the Company not less than 30 days' prior written notice of that proposed sale or transfer (the "**Sale Notice**"). The Sale Notice will include details of the Sale Shares and the proposed price per Sale Share (the "**Proposed Price**") to be paid by the Proposed Buyer which must attribute an equal value per share to all Shares, and where known, the place, date and time of completion of the proposed purchase which shall be the same date in respect of all Shares to be sold pursuant to this Article 33 and being a date not less than 30 days from service of the Sale Notice (the "**Drag Along Completion Date**") and, save where the Selling Shareholder is restricted from disclosing the same due to the Buyer's regulatory requirements, details of the Proposed Buyer. Any Sale

Notice received by the Company less than 30 days before the Drag Along Completion Date shall be ineffective.

- 33.3 Immediately upon receipt of a Sale Notice, the Company shall give notice in writing (the "**Drag Along Notice**") to each of the Shareholders (other than the Selling Shareholder) giving the details contained in the Sale Notice including, without limitation, details of the Proposed Price, and requiring each of them to sell to the Proposed Buyer on the Drag Along Completion Date at the Proposed Price all Shares held by them and by any of their Permitted Transferees to which Shares have been transferred pursuant to Article 31.
- 33.4 The Shareholders receiving the Drag Along Notice shall not be permitted to approach or correspond directly with the Proposed Buyer for the period of the Sale Notice. The Selling Shareholder may withdraw a Sale Notice at any time prior to the Drag Along Completion Date by written notice to the Company to that effect and, on service of that notice, each Drag Along Notice shall no longer be binding and shall cease to have any effect and the Company will communicate the withdrawal to the Shareholders..
- 33.5 Each Shareholder who is given a Drag Along Notice shall, in the event of the proposed sale or transfer proceeding, sell (or procure the sale of) all the Shares referred to in his Drag Along Notice to the Proposed Buyer on the Drag Along Completion Date at the Proposed Price.
- 33.6 If any of the Shareholders or their Permitted Transferees pursuant to Article 31 (each a "**Defaulting Shareholder**") shall fail to comply with the terms of Article 33.5 in any respect:
- (a) the Company shall be constituted the agent of each Defaulting Shareholder for the sale of his Shares (together with all rights then attached to those Shares) referred to in his Drag Along Notice in accordance with that notice;
 - (b) the Board may authorise a Director to execute and deliver on behalf of each Defaulting Shareholder the necessary transfers;
 - (c) the Company may receive the purchase money in trust for each Defaulting Shareholder and cause the Proposed Buyer to be registered as the holder of such Shares;
 - (d) the receipt by the Company of the purchase money pursuant to those transfers shall constitute a good and valid discharge to the Proposed Buyer (who shall not be bound to see to the application of those monies);
 - (e) after the Proposed Buyer has been registered in purported exercise of the powers in this Article 33.6, the validity of the proceedings shall not be questioned by any person; and
 - (f) the Company shall not pay the purchase monies to a Defaulting Shareholder until he shall, in respect of the Shares subject to the Drag Along Notice, have delivered a share certificate or a suitable indemnity and the necessary transfers to the Company.
- 33.7 The Proposed Price shall include an amount equal to the relevant proportions of any other consideration (in cash or otherwise) received or receivable by the holders of the Sale Shares in question which, having regard to the substance of the transaction as a whole, can reasonably be regarded as an addition to the price paid or payable for the specified Sale Shares, and in the event of disagreement, the calculation of the Proposed Price shall be referred to the Independent Expert (acting as expert and not as arbitrator) whose decision shall, in the absence of fraud or manifest error, be final and binding.
- 33.8 Notwithstanding anything to the contrary set forth herein, a Shareholder will not be required to comply with Article 33.5 above in connection with any Proposed Transfer, unless:
- (a) any representations and warranties to be made by such Shareholder in connection with the Proposed Transfer are limited to representations and warranties related to authority, ownership and the ability to convey title to such Shares, including, but not limited to, representations and warranties that

- (i) the Shareholder holds all right, title and interest in and to the Shares such Shareholder purports to hold, free and clear of all liens and encumbrances,
 - (ii) the obligations of the Shareholder in connection with the transaction have been duly authorized, if applicable,
 - (iii) the documents to be entered into by the Shareholder have been duly executed by the Shareholder and delivered to the acquirer and are enforceable (subject to customary limitations) against the Shareholder in accordance with their respective terms; and
 - (iv) neither the execution and delivery of documents to be entered into by the Shareholder in connection with the transaction, nor the performance of the Shareholder's obligations thereunder, will cause a breach or violation of the terms of any agreement to which the Shareholder is a party, or any law or judgment, order or decree of any court or governmental agency that applies to the Shareholder;
- (b) such Shareholder is not required to agree (unless such Shareholder is a Company officer or employee) to any restrictive covenant in connection with the Proposed Transfer (including, without limitation, any covenant not to compete or covenant not to solicit customers, employees or suppliers of any party to the Proposed Transfer) or any release of claims other than a release in customary form of claims arising solely in such Shareholder's capacity as a shareholder of the Company;
 - (c) such Shareholder and its affiliates are not required to amend, extend or terminate any contractual or other relationship with the Company, the acquirer or their respective affiliates, except that the Shareholder may be required to agree to terminate the investment-related documents between or among such Shareholder, the Company and/or other stockholders of the Company;
 - (d) the Shareholder is not liable for the breach of any representation, warranty or covenant made by any other person or entity in connection with the Proposed Transfer, other than the Company (except to the extent that funds may be paid out of an escrow established to cover breach of representations, warranties and covenants of the Company as well as breach by any shareholder of any of identical representations, warranties and covenants provided by all shareholders);
 - (e) liability shall be limited to such Shareholder's applicable share (determined based on the respective proceeds payable to each Shareholder in connection with such Proposed Transfer in accordance with the provisions of the Articles) of a negotiated aggregate indemnification amount that applies equally to all Shareholders but that in no event exceeds the amount of consideration otherwise payable to such Shareholder in connection with such Proposed Transfer, except with respect to claims related to fraud by such Shareholder, the liability for which need not be limited as to such Shareholder;
 - (f) upon the consummation of the Proposed Transfer each Shareholder will receive the same amount of consideration per Ordinary Share as is received by other Shareholders in respect of their Ordinary Shares;
 - (g) if any holders of any capital stock of the Company are given an option as to the form and amount of consideration to be received as a result of the Proposed Transfer, all holders of such capital stock will be given the same option; provided, however, that nothing in this Article 33.8(g) shall entitle any holder to receive any form of consideration that such holder would be ineligible to receive as a result of such holder's failure to satisfy any condition, requirement or limitation that is generally applicable to the Shareholders.

34. **TAG ALONG RIGHTS**

34.1 Save where a Drag Along Notice has been served in accordance with Article 33.3, the Selling Shareholder(s) may not complete a Proposed Transfer unless they have procured that, the Proposed Buyer offers to buy (the "**Tag Along Offer**") from each Shareholder (other than the Selling Shareholder(s)) (each a "**Tag Along Shareholder**") all of the Shares held by each such Tag Along Shareholder on the same terms as apply to the Proposed Transfer (including a consideration in cash per Share (the "**Tag Along Price**") which is equal to the highest price per Share offered, paid, or to be paid, by the Proposed Buyer, or any person acting in concert with the Proposed Buyer, for any Shares in connection with the Proposed Transfer) and otherwise in accordance with this Article 34.

34.2 The Tag Along Offer shall be made by notice in writing (an "**Tag Along Notice**") addressed to each Tag Along Shareholder at least 30 days before the date fixed for completion of the Proposed Transfer (the "**Tag Along Completion Date**"). The Tag Along Notice shall be irrevocable and unconditional (save for any conditions which are agreed between the Proposed Buyer and the Selling Shareholder(s) which apply to the Proposed Transfer) and shall:

- (a) specify the identity of the Proposed Buyer (and any person(s) acting in concert with the Proposed Buyer);
- (b) fully describe the Tag Along Price and all other terms and conditions as agreed between the Selling Shareholder(s) and the Proposed Buyer in connection with the Proposed Transfer including the Tag Along Completion Date and providing copies of documentation which each Tag Along Shareholder will need to execute;
- (c) be governed by the laws of England and Wales; and
- (d) specify that the Tag Along Offer is open for acceptance by each Tag Along Shareholder for a period of not less than ten Business Days after receipt of the Tag Along Notice and the mechanics for and requirements in connection with acceptance of such Tag Along Offer.

34.3 No Proposed Transfer may be completed unless:

- (a) a Tag Along Offer has been made in accordance with this Article 34; and
- (b) the Shares held by any Tag Along Shareholder who accepts the Tag Along Offer in accordance with this Article 34 are acquired by the Proposed Buyer at the same time as the Shares are acquired from the Selling Shareholder(s),

and the Directors shall refuse to register any Proposed Transfer made in breach of this Article 34.

35. **DEPARTING EMPLOYEES**

35.1 Unless the Board determines that this Article 35.1 shall not apply, if at any time an Employee or a Director (other than a Founder), becomes a Departing Employee, then at any time after the Departing Date, the Board may direct the Company to immediately serve a notice on (and following such a direction the Company shall immediately serve notice on) the Departing Employee (a "**Leaver Sale Notice**") notifying him that he is, with immediate effect, deemed to have offered to sell such number of his Shares (including any additional Shares acquired by him after the Departing Date and whether or not such Shares were in issue at the Departing Date and any Shares held by any of his Permitted Transferees) as is specified by the Board (which may be all his Shares) (the "**Leaver Shares**") to such person or persons as the Board may direct (which may, subject to applicable law and regulatory approvals, include the Company) and upon receipt of such Leaver Sale Notice, the Departing Employee shall be obliged to transfer at the Transfer Price (as set out in Article 35.2) with full title guarantee and free from all Encumbrances and third party rights, the Leaver Shares. In this Article, where an Employee or Director becomes a Departing Employee by reason of death, the Leaver Sale Notice may be served on his legal

personal representatives and those personal representatives shall adhere to this Article as if they were the Departing Employee.

35.2 In such circumstances the Transfer Price for the Leaver Shares shall be as follows:

- (a) where the relevant Departing Employee is a Bad Leaver, in respect of all the Leaver Shares, the lower of:
 - (i) the Fair Value as agreed between the Board and the relevant Departing Employee, or failing agreement within five Business Days of seeking to agree such Fair Value, as determined in accordance with Article 29; and
 - (ii) the original subscription price of the Leaver Shares; or
- (b) where the relevant Departing Employee is a Good Leaver:
 - (i) in respect of the Vested Shares, the Fair Value as agreed between the Board and the relevant Departing Employee, or failing agreement within five Business Days of seeking to agree such Fair Value, as determined in accordance with Article 29; and
 - (ii) in respect of the Unvested Shares the lower of:
 - (1) the Fair Value as agreed between the Board and the relevant Departing Employee, or failing agreement within five Business Days of seeking to agree such price, as determined in accordance with Article 29; and
 - (2) the original subscription price of the Leaver Shares.

35.3 If the Departing Employee was originally a Good Leaver and subsequently ceases to be in accordance with the definition of Good Leaver and the Departing Employee has already received the Transfer Price for his Leaver Shares on the basis of being a Good Leaver he shall immediately following written notice from the Company reimburse to the Company (to be received on behalf of the purchaser of the Leaver Shares) the difference between the Transfer Price he received as a Good Leaver and the Transfer Price he should have received as a Bad Leaver.

35.4 For the purposes of this Article 35, the Fair Value shall be the lower of: (i) the Fair Value as at the Departing Date and (ii) the Fair Value as at the date of the Leaver Sale Notice.

35.5 Where the Departing Employee originally acquired any Leaver Shares by way of an arms' length transfer rather than allotment, references to the original subscription price in Article 35.2 shall be deemed to be references to the amount paid by such Departing Employee on such transfer.

35.6 All rights to receive information about the Company attached to the Shares (whether under the 2006 Act or any Relevant Agreement) held by a Departing Employee, or by their Permitted Transferees if any, shall at the Departing Date be suspended unless the Board notify him otherwise.

35.7 If any of the Departing Employees or their personal representatives (each a "**Defaulting Departing Employee**") shall fail to comply with the terms of Article 35 in any respect:

- (a) the Company shall be constituted the agent of each Defaulting Departing Employee for the sale of his Leaver Shares (together with all rights then attached to those Leaver Shares) referred to in his Leaver Sale Notice in accordance with that notice;
- (b) any Director may execute and deliver on behalf of each Defaulting Departing Employee the necessary transfers, such other documents, and do all such other acts, as the Director may in their absolute discretion consider necessary or desirable to give effect to Article 35 and the Leaver Sale Notice;

- (c) the Company may receive the purchase money in trust for each Defaulting Departing Employee and cause any proposed buyer(s) to be registered as the holder of such Leaver Shares;
- (d) the receipt by the Company of the purchase money pursuant to those transfers shall constitute a good and valid discharge to the proposed buyer(s) (who shall not be bound to see to the application of those monies);
- (e) after the proposed buyer(s) are registered in purported exercise of the powers in this Article 35.7, the validity of the proceedings shall not be questioned by any person; and
- (f) the Company shall not pay the purchase monies to a Defaulting Departing Employee until he shall, in respect of the Leaver Shares, have delivered a share certificate(s) or a suitable indemnity and the necessary transfers to the Company.

DIVIDENDS AND OTHER DISTRIBUTIONS

36. DIVIDENDS

- 36.1 Subject to approval of the Board, and subject to the following provisions of this Article 36, any Available Profits that the Company determines to distribute shall, be distributed amongst the Shareholders, pro rata to their holding.
- 36.2 Subject to the 2006 Act and these Articles, the Board may pay interim dividends if the Available Profits for the relevant period justify such payment.
- 36.3 Each dividend shall accrue daily (assuming a 365-day year). All dividends shall be paid in cash.
- 36.4 The Company shall procure that the profits of any other Group Company available for distribution shall from time to time (and to the extent that it is lawful to do so), be paid by way of dividend to the Company (or, as the case may be the relevant Group Company that is its immediate holding company or Parent Undertaking) as are necessary to permit lawful and prompt payment by the Company of the Dividends by the Company.

DECISION-MAKING BY SHAREHOLDERS

37. NOTICE OF GENERAL MEETING

A member present either in person or by proxy, at any general meeting of the Company shall be deemed to have received notice of the meeting and, where requisite, of the purposes for which the meeting was convened.

38. CHAIRING GENERAL MEETINGS

Model Article 39(2) shall be amended by the insertion of the following words "(including a proxy or a corporate representative)" after the word "shareholder".

39. CONTENT OF PROXY NOTICES

Model Article 45(1)(d) shall be amended by the insertion of the words "(or adjourned meeting)" after the word "meeting".

40. VOTING RIGHTS

- 40.1 The Shareholders shall be entitled to receive notice of and to attend and speak at any general meeting of the Company and shall, on a show of hands, have one vote each and, on a poll, have one vote for each Share of which they are the holder.
- 40.2 The Shareholders who are Employees or Directors shall have the rights under Article 40.1, regardless of whether the Shares would constitute Vested Shares on such meeting date.
- 40.3 Votes may be exercised:
 - (a) on a show of hands, by every Shareholder who (being an individual) is present in person or by proxy or (being a corporation) is present by a representative or by a proxy (in which case, each Shareholder holding shares with votes shall have one vote); or

- (b) on a poll, by every Shareholder who (being an individual) is present in person or by proxy or (being a corporation) is present by a representative or by a proxy (in which case, each Shareholder holding shares with votes shall have one vote for each such share held).

41. POLL VOTES

A poll may be demanded by:

- (a) the chairman of the meeting;
- (b) the directors; or
- (c) any member present in person or by proxy and entitled to vote, and Model Article 44(2) shall be modified accordingly.

ADMINISTRATIVE ARRANGEMENTS

42. WHEN A COMMUNICATION IS DEEMED RECEIVED

- 42.1 Any document or information, if sent by first class post, shall be deemed to have been received on the day following that on which the envelope containing it is put into the post, or, if sent by second class post, shall be deemed to have been received on the second day following that on which the envelope containing it is put into the post and in proving that a document or information has been received it shall be sufficient to prove that the letter, envelope or wrapper containing the document or information was properly addressed, prepaid and put into the post.
- 42.2 Any document or information not sent by post but left at a registered address or address at which a document or information may be received shall be deemed to have been received on the day it was so left.
- 42.3 Any document or information, if sent or supplied by electronic means, shall be deemed to have been received on the day on which the document or information was sent or supplied by or on behalf of the company.
- 42.4 If the Company receives a delivery failure notification following a communication by electronic means in accordance with paragraph (3), the Company shall send or supply the document or information in hard copy or electronic form (but not by electronic means) to the member either personally or by post addressed to the shareholder at his registered address or by leaving it at that address. This shall not affect when the document or information was deemed to be received in accordance with paragraph (3).
- 42.5 Where a document or information is sent or supplied by means of a website, it shall be deemed to have been received:
 - (a) when the material was first made available on the website; or
 - (b) if later, when the recipient was deemed to have received notice of the fact that the material was available on the website.
- 42.6 Every person who becomes entitled to a share shall be bound by every notice in respect of that share which before his name is entered in the register of members was given to the person from whom he derives his title to the share.

43. NOTICES IN WRITING GIVEN TO THE COMPANY BY SHAREHOLDERS

Any notice in writing given to the Company by a member shall take effect when it is lodged at the Office or produced to any directors' meeting.

44. CONFIDENTIAL INFORMATION AND ANNOUNCEMENTS

- 44.1 The Shareholders hereby undertake to each other that they shall not, whilst they are Shareholders or at any time thereafter, use to the detriment or prejudice of the other Shareholder(s) or the Company or, except in the ordinary and proper course of the Company's business or as required by law, divulge to any person firm or company (other than their respective professional advisers) any trade secret or confidential knowledge or information, or

any financial or trading information, in each case concerning the management, operations, clients, customers, products, prospects, intellectual property rights, financial condition, financial results and/or financial projections of the Company, its business or the affairs of the other Shareholders or the Company which may have become known to them in connection with their holding of Shares, unless such information

- (a) is known or becomes known to the public in general (other than as a result of a breach of this Article 44.1 by such Shareholder), or
- (b) is or has been made known or disclosed to such Shareholder by a Third Party without a breach of any obligation of confidentiality such third party may have to the Company; provided, however, that a Shareholder may disclose such information
 - (i) to any prospective purchaser of any Shares from such Shareholder with the prior written approval of the Board to the disclosure of specified information to specified prospective purchaser such approval not to be unreasonably withheld; or
 - (ii) as may otherwise be required by law, regulation, rule, court order or subpoena.

44.2 No publicity release or public announcement concerning the Company or its business shall be made to the public or to clients of the Company or to third parties (other than the respective professional advisers of the Shareholders) unless approved by the Board and no Shareholder shall disclose the interest of the other Shareholders in the Company without that party's prior consent. A Shareholder may publicly identify itself as an investor or shareholder of the Company, whether on such Shareholder's webpage or via any other medium with the prior written approval of any the Chief Executive Officer, Chief Commercial Officer and the Chief Financial Officer of the materials, such approval not to be unreasonably withheld.

45. **CALL NOTICES**

45.1 Subject to these Articles and the terms on which Shares are allotted, the Directors may send a notice (a "**Call Notice**") to a Shareholder who has not fully paid for that Shareholder's Share(s) requiring the Shareholder to pay the Company a specified sum of money (a "**Call**") which is payable to the Company by that Shareholder when the Directors decide to send the Call Notice.

45.2 A Call Notice:

- (a) may not require a Shareholder to pay a call which exceeds the total sum unpaid on that Shareholder's Shares (whether as to the Share's nominal value or any sum payable to the Company by way of premium);
- (b) shall state when and how any call to which it relates it is to be paid; and
- (c) may permit or require the call to be paid by instalments.

45.3 A Shareholder shall comply with the requirements of a Call Notice, but no Shareholder shall be obliged to pay any call before 14 days have passed since the notice was sent.

45.4 Before the Company has received any call due under a Call Notice the Directors may:

- (a) revoke it wholly or in part; or
- (b) specify a later time for payment than is specified in the Call Notice, by a further notice in writing to the Shareholder in respect of whose Shares the call is made.

45.5 Liability to pay a call shall not be extinguished or transferred by transferring the Shares in respect of which it is required to be paid. Joint holders of a Share shall be jointly and severally liable to pay all calls in respect of that Share.

45.6 Subject to the terms on which Shares are allotted, the Directors may, when issuing Shares, provide that Call Notices sent to the holders of those Shares may require them to:

- (a) pay calls which are not the same; or

- (b) pay calls at different times.
- 45.7 A Call Notice need not be issued in respect of sums which are specified, in the terms on which a Share is issued, as being payable to the Company in respect of that Share (whether in respect of nominal value or premium):
 - (a) on allotment;
 - (b) on the occurrence of a particular event; or
 - (c) on a date fixed by or in accordance with the terms of issue.
- 45.8 If the due date for payment of such a sum as referred to in Article 45.7 has passed and it has not been paid, the holder of the Share concerned shall be treated in all respects as having failed to comply with a Call Notice in respect of that sum, and shall be liable to the same consequences as regards the payment of interest and forfeiture.
- 45.9 If a person is liable to pay a call and fails to do so by the Call Payment Date (as defined below):
 - (a) the Directors may issue a notice of intended forfeiture to that person; and
 - (b) until the call is paid, that person shall be required to pay the Company interest on the call from the Call Payment Date at the Relevant Rate (as defined below).
- 45.10 For the purposes of Article 45.9:
 - (a) the "Call Payment Date" shall be the time when the call notice states that a call is payable, unless the Directors give a notice specifying a later date, in which case the "Call Payment Date" is that later date;
 - (b) the "Relevant Rate" shall be:
 - (i) the rate fixed by the terms on which the Share in respect of which the call is due was allotted;
 - (ii) such other rate as was fixed in the Call Notice which required payment of the call, or has otherwise been determined by the Directors; or
 - (iii) if no rate is fixed in either of these ways, five per cent. a year,provided that the Relevant Rate shall not exceed by more than five percentage points the base lending rate most recently set by the Monetary Policy Committee of the Bank of England in connection with its responsibilities under Part 2 of the Bank of England Act 1998.
- 45.11 The Directors may waive any obligation to pay interest on a call wholly or in part.
- 45.12 The Directors may accept full payment of any unpaid sum in respect of a Share despite payment not being called under a Call Notice.

46. **FORFEITURE OF SHARES**

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

- 46.2 If a notice of intended forfeiture is not complied with before the date by which payment of the call is required in the notice of intended forfeiture, then the Directors may decide that any Share in respect of which it was given is forfeited, and the forfeiture is to include all dividends or other moneys payable in respect of the forfeited Shares and not paid before the forfeiture.
- 46.3 Subject to these Articles, the forfeiture of a Share extinguishes:
- (a) all interests in that Share, and all claims and demands against the Company in respect of it; and
 - (b) all other rights and liabilities incidental to the Share as between the person whose Share it was prior to the forfeiture and the Company.
- 46.4 Any Share which is forfeited in accordance with these Articles:
- (a) shall be deemed to have been forfeited when the Directors decide that it is forfeited;
 - (b) shall be deemed to be the property of the Company; and
 - (c) may be sold, re-allotted or otherwise disposed of as the Directors think fit.
- 46.5 If a person's Shares have been forfeited then:
- (a) the Company shall send that person notice that forfeiture has occurred and record it in the register of members;
 - (b) that person shall cease to be a Shareholder in respect of those Shares;
 - (c) that person shall surrender the certificate for the Shares forfeited to the Company for cancellation;
 - (d) that person shall remain liable to the Company for all sums payable by that person under the Articles at the date of forfeiture in respect of those Shares, including any interest (whether accrued before or after the date of forfeiture); and
 - (e) the Directors shall be entitled to waive payment of such sums wholly or in part or enforce payment without any allowance for the value of the Shares at the time of forfeiture or for any consideration received on their disposal.
- 46.6 At any time before the Company disposes of a forfeited Share, the Directors shall be entitled to decide to cancel the forfeiture on payment of all calls and interest and expenses due in respect of it and on such other terms as they think fit.
- 46.7 If a forfeited Share is to be disposed of by being transferred, the Company shall be entitled to receive the consideration for the transfer and the Directors shall be entitled to authorise any person to execute the instrument of transfer.
- 46.8 A statutory declaration by a Director or the company secretary that the declarant is a Director or the company secretary and that a Share has been forfeited on a specified date:
- (a) shall be conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the Share; and
 - (b) subject to compliance with any other formalities of transfer required by the Articles or by law, constitutes a good title to the Share.
- 46.9 A person to whom a forfeited Share is transferred shall not be bound to see to the application of the consideration (if any) nor shall that person's title to the Share be affected by any irregularity in or invalidity of the process leading to the forfeiture or transfer of the Share.
- 46.10 If the Company sells a forfeited Share, the person who held it prior to its forfeiture shall be entitled to receive the proceeds of such sale from the Company, net of any commission, and excluding any sum which:
- (a) was, or would have become, payable; and

- (b) had not, when that Share was forfeited, been paid by that person in respect of that Share,

but no interest shall be payable to such a person in respect of such proceeds and the Company shall not be required to account for any money earned on such proceeds.

47. SURRENDER OF SHARES

47.1 A Shareholder shall be entitled to surrender any Share:

- (a) in respect of which the Directors issue a notice of intended forfeiture;
- (b) which the Directors forfeit; or
- (c) which has been forfeited.

47.2 The Directors shall be entitled to accept the surrender of any such Share.

47.3 The effect of surrender on a Share shall be the same as the effect of forfeiture on that Share.

47.4 The Company shall be entitled to deal with a Share which has been surrendered in the same way as a Share which has been forfeited.

48. COMPANY SEALS

Model Article 49 shall be amended by the insertion of the following words at the end of paragraph (1) "**or of a committee of the directors**" and the insertion of the following new paragraph (5):

"(5) The company may exercise the powers conferred by the Companies Act with regard to having official seals and those powers shall be vested in the directors. Subject to the Companies Act, any instrument to which an official seal is affixed shall be signed by such persons, if any, and affixed in such manner as the directors may from time to time determine."

WINDING UP

49. WINDING UP

If the Company is wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the 2006 Act and by Article 40 of these Articles, divide among the Shareholders in specie the whole or any part of the assets of the Company and may, for that purpose, value any assets and determine how the division shall be carried out as between the Shareholders. The liquidator may, with the like sanction, vest the whole or any part of the assets in trustees upon such trusts for the benefit of the Shareholders as he with like sanction determines, but no Shareholder shall be compelled to accept any assets upon which there is liability.

INSPECTION OF DOCUMENTS

50. INSPECTION OF DOCUMENTS

Any member shall be entitled to inspect the accounting records and other books and papers of the Company. Model Article 50 shall not apply.

DIRECTORS' INDEMNITY

51. INDEMNITY

51.1 Subject to paragraph (5), a relevant director of the Company or of an associated company may be indemnified out of the Company's assets against:

- (a) any liability incurred by that director in connection with any negligence, default, breach of duty or breach of trust in relation to the Company or an associated company;
- (b) any liability incurred by that director in connection with the activities of the Company or an associated company in its capacity as a trustee of an occupational pension scheme (as defined in section 235(6) of the 2006 Act);

- (c) any other liability incurred by that director as an officer of the Company or an associated company.
- 51.2 The Company may fund the expenditure of a relevant director of the Company or of any associated company for the purposes permitted under the 2006 Act and may do anything to enable such relevant director to avoid incurring such expenditure as provided in the 2006 Act.
- 51.3 No relevant director of the Company or of any associated company shall be accountable to the Company or the shareholders for any benefit provided pursuant to this Article and the receipt of any such benefit shall not disqualify any person from being or becoming a director of the Company.
- 51.4 The powers given by this Article shall not limit any general powers of the Company to grant indemnities, purchase and maintain insurance or provide funds (whether by way of loan or otherwise) to any person in connection with any legal or regulatory proceedings or applications for relief.
- 51.5 This Article does not authorise any indemnity which would be prohibited or rendered void by any provision of the 2006 Act or by any other provision of law.
- 51.6 In this Article:
 - (a) companies are associated if one is a Subsidiary of the other or both are Subsidiaries of the same body corporate; and
 - (b) a relevant director means any director or former director of the Company or of an associated company.
- 51.7 Model Article 52 shall be amended accordingly.

CHANGE OF COMPANY NAME

52. CHANGE OF COMPANY NAME

Subject to section 79 of the 2006 Act, the Company shall be entitled to change its corporate name by the Shareholders passing an ordinary resolution.