

Company No. 11050534

Written Resolution of the directors of  
of  
REALLY LOCAL GROUP LIMITED (the "Company")

20 November 2019

FRIDAY



**1. BACKGROUND**

1.1 It was noted that:

- (a) certain investors ("New Investors") would subscribe for 133,750 ordinary shares of £0.01 each in the capital of the Company ("Investor Shares") in the proportions set out in the attached shareholder resolution ("Shareholder Resolution", Attachment 1);
- (b) the Company would enter into a new subscription and shareholders' agreement with the shareholders of the Company and the New Investors in the form attached ("SSA", Attachment 2);
- (c) under the terms of the SSA, one of the New Investors, Richard Olsen would be appointed as a Director of the Company; and
- (d) the Company would adopt the draft articles of association attached to this resolution ("New Articles", Attachment 3) in substitution for, and to the exclusion of, the Company's existing articles of association.

1.2 It was proposed that the Company would establish an employee share option plan ("ESOP") under which it would issue and allot up to 100,000 G shares of £0.01 each in the capital of the Company ("G Shares") to Company employees at such price and on such terms as may be determined by the directors of the Company in one or more tranches.

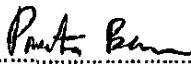
1.3 It is proposed that the Shareholder Resolution approving the matters noted above, be *considered and, if approved, circulated to the shareholders of the Company.*

**2. RESOLUTIONS**

We, the undersigned, being the directors of the Company, after due and careful consideration hereby resolve **THAT:**

- (a) the Written Resolution be approved and circulated to the shareholders of the Company;
- (b) the SSA be approved and any two directors or any director in the presence of a witness who attests their signature be authorised to execute the SSA as a deed on behalf of the Company, subject to such amendments as they think fit;
- (c) Richard Olsen, having consented to act, be appointed as a director of the Company; and
- (d) subject to the Written Resolution being passed:

- (i) the Company would issue and allot the Investor Shares in the proportions set out in the *Written Resolution on a non pre-emptive basis*;
- (ii) the ESOP be approved and the directors of the Company be authorised to do any act, matter or thing as they may deem necessary to establish the ESOP and to issue and allot G Shares to employees of the Company pursuant to the ESOP;
- (iii) the New Articles be adopted in substitution for, and to the exclusion of, the Company's existing articles of association; and
- (iv) be authorised to:
  - (A) prepare share certificates in respect of the Investor Shares and to arrange for the share certificates to be executed by the Company in accordance with section 33 of the Companies Act 2006 and delivered to the New Investors;
  - (B) update the statutory registers of the Company; and
  - (C) file the relevant documents with the Registrar of Companies.



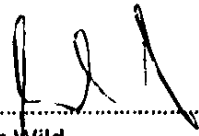
Preston Benson

20/11/19

Date

  
Anthony ~~Peck~~ Peck

20/11/19  
Date

  
Mathias Wild

20/11/19  
Date

**PRIVATE COMPANY LIMITED BY SHARES**

**ARTICLES OF ASSOCIATION**

**of**

**REALLY LOCAL GROUP LIMITED**

**(Company Number 11050534)**

**(the "Company")**

**(adopted by written resolution passed on 09 October 2019)**

**1 DEFINITIONS AND INTERPRETATION**

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

**"Act"** means the Companies Act 2006;

**"acting in concert"** has the meaning ascribed to it by the UK City Code on Takeovers and Mergers as in force and construed on the Adoption Date;

**"Additional Investors"** means any person who subscribes for Shares after the Adoption Date as envisaged by Article 3.4;

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

**"Asset Sale"** means the disposal by the Company of all or substantially all of its undertaking and assets (where disposal may include, without limitation, the grant by the Company of an exclusive licence of intellectual property not entered into in the ordinary course of business);

**"Auditors"** means the auditors for the time being of the Company";

**"Bad G Share Leaver"** means a holder of G Shares who ceases to be employed by the Group by reason of their summary dismissal for gross misconduct or dishonestly or other material breach of contract or who voluntarily resigns from his/her employment by the Group within the first three years after the date of issue to him/her of his/her G Shares;

**"Board"** means the board of directors of the Company from time to time and any duly authorised committee or other delegate thereof;

**"business day"** means a day, other than a Saturday or a Sunday, on which clearing banks are open for commercial business in London;

**"Change of Control"** means the acquisition whether by purchase, transfer, renunciation or otherwise (but excluding a transfer of Shares made in accordance with Article 6 (*Permitted Transfers*)) by any person not a Member as at the Adoption Date ("a **Third Party Purchaser**") of any interest in any Shares if, upon completion of that acquisition, the Third Party Purchaser, together with persons acting in concert or connected with him, would hold 50 per cent or more in nominal value of the Shares;

**"Company Valuation"** is as determined in accordance with Article 2.3.11;

**"Deferred Share"** means a deferred share of £0.01 in the capital of the Company from time to time;

**"Exit Event"** means the first to occur of a Sale, Listing, Asset Sale or a winding up of the Company and return of assets to Shareholders;

**"Founder Shareholder"** means Preston Benson;

**"Good G Share Leaver"** means a holder of G Shares who ceases to be employed by the Group in circumstances where he is not a Bad G Share Leaver;

**"Group"** means the Company and any subsidiary and subsidiary undertakings of the Company (direct and indirect) from time to time where a **"subsidiary"** means a subsidiary within the meaning ascribed to such expression by section 1159 of the Act and a **"subsidiary undertaking"** means a subsidiary undertaking within the meaning ascribed to such expression by section 1162 of the Act and the expressions **"Group company"** and or **"member of the Group"** or similar expression shall be read and construed accordingly;

**"G Share"** means a G Share of £0.01 in the capital of the Company from time to time (and **"G Shareholder"** shall be construed accordingly);

**"G Shares Participation Threshold"** means such threshold figure as is determined in writing by the Board in respect of any G Shares as notified in writing to the relevant subscriber of such G Shares on the issue thereof as part of the terms of such issue and as is endorsed upon the relevant share certificate for such G Share;

**"G Share Qualification Threshold"** means the Company Valuation required for a G Share to be a Qualified G Share upon and for the purposes of an Exit Event;

**"Investor Director"** means a director nominated to be appointed to the Board in accordance with Article 13.1;

**"Investors"** means an investor in the Company on or after the Adoption Date and the Additional Investors;

**"Issue Price"** means the amount paid up or credited as paid up (including any premium on issue) on the Shares concerned;

**"Listing"** means the admission of all or any of the issued equity share capital of the Company to any public exchange with prior Majority Consent;

**"Majority Consent"** means the consent of Shareholders who between them own more than 70% of the issued Shares at the relevant time;

**"Member" or "Shareholder"** means any registered holder of a Share;

**"Model Articles"** means the model articles for private companies limited by shares contained in Schedule 1 to the Companies (Model Articles) Regulations 2008 in effect as at the Adoption Date;

**"Ordinary Shares" or "Shares"** means the ordinary Shares of £0.01 each in the capital of the Company;

**"Qualified G Share"** means any Vested G Share in respect of which the relevant G Share Qualification Threshold has been satisfied (and **"Unqualified G Shares"** shall be construed accordingly);

**"Recognised Investment Exchange"** has the meaning ascribed thereto in Section 285(1) *Financial Services and Markets Act 2000*;

**"Sale"** means the making of one or more agreements (whether conditional or not) 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

"disposal" shall mean a sale, transfer, assignment or other disposition whereby a person ceases to be the absolute beneficial owner of the share in question or voting rights attached thereto or an agreement to enter into such disposal or the grant to compel entry into such an agreement;

"**Shares**" means the ordinary shares of £0.01 each in the capital of the Company;

"**Third Party Purchaser**" has the meaning ascribed to it in the definition of "**Change of Control**" and where the relevant acquisition was effected by the renunciation of a renounceable letter of allotment, shall include the relevant renouncee;

"**Valuers**" means the Auditors unless:

- (a) a report on the Market Value is to be made pursuant to a Deemed Transfer Notice and, within 21 days after the date of the Deemed Transfer Notice, the Vendor notifies the Board in writing that it objects to the Auditors making that report; or
- (b) the Auditors give notice to the Company that they decline an instruction to report on Market Value;

when in either such case the Valuers shall be an independent firm of chartered accountants agreed between the Vendor and the Board or, in default of agreement within 10 business days after the event referred to in (a) or (b) above, appointed by the President of the Institute of Chartered Accountants in England and Wales on the application of the Company; and

"**Vested G Share**" means a G Share that has vested in accordance with Article 2.3.6 (and "**Unvested G Share**" shall be read and construed accordingly). .

- 1.2 The regulations contained in the Model Articles shall be incorporated into and form part of these Articles and shall apply to the Company insofar as such regulations are not excluded, amended or modified by or otherwise inconsistent with this document (and "**Articles**" will be read and construed accordingly).
- 1.3 These Articles shall take effect subject to the requirements of the Act and of every other statute for the time being in force affecting the Company.
- 1.4 In these Articles where the context so permits:
  - (a) words importing the singular number only shall include the plural number and vice versa;
  - (b) words importing the masculine gender only shall include the feminine gender;
  - (c) words importing persons shall include bodies corporate, unincorporated associations and partnerships;
  - (d) the expression "**paid up**" shall include credited as paid up; and
  - (e) the word "**writing**" shall include using electronic communications.
- 1.5 References in these Articles to Regulations are to regulations in the Model Articles and references to an Article by number are to a particular Article of these Articles.
- 1.6 Words and expressions defined in or for the purposes of the Act or the Model Articles shall, unless these Articles provide otherwise, have the same meaning in these Articles.
- 1.7 Headings used in these Articles shall not affect their construction or interpretation.

- 1.8 References to any statute or section of any statute shall include reference to any statutory amendment, extension, modification or re-enactment thereof for the time being in force.

## 2 SHARE CAPITAL AND LIABILITY OF MEMBERS

- 2.1 The Company is a private company and accordingly any offer to the public (whether for cash or otherwise) of any shares in or debentures of the Company or any allotment of or agreement to allot (whether for cash or otherwise) any shares in or debentures of the Company with a view to all or any of these shares or debentures being offered for sale to the public shall be prohibited.
- 2.2 The liability of the members is limited.
- 2.3 **G Shares:** The rights of and other provisions relating to the G Shares are as follows:
- 2.3.1 **Issue of G Shares:** No G Share may be issued save at its then current market value at the date of issue, as determined by the Board or in default of such agreement, as determined by a third party firm of accountants appointed by the Board for such purpose.
- 2.3.2 **Issue conditions:** Upon each issue of G Shares, the Board shall specify, as part of the terms of the issue thereof (i) the G Share Qualification Threshold relating to each relevant G Share; and (ii) the G Share Participation Threshold (if any) which is to apply thereto.
- 2.3.3 **Capital:** on and in relation to an Exit Event, each Qualified G Share shall rank subordinately to the Ordinary Shares the Ordinary Shares in all respects. .
- 2.3.4 **Voting:** Qualified G Shares shall not be entitled to vote at general meetings of the Company's shareholders.
- 2.3.5 **Vesting:** unless otherwise determined by the Board at the time of the issue of any G Share, G Shares shall vest as follows:
- (a) 10% of the G Shares issued to any person shall vest on the first anniversary of the date of issue thereof provided that the G Shareholder has not by that date become or has served or received notice by that date pursuant to which they will become a Bad G Share Leaver;
  - (b) 20% of the G Shares issued to any person shall vest on the second anniversary of the date of issue thereof provided that the G Shareholder has not by that date become or has served or received notice by that date pursuant to which they will become a Bad G Share Leaver;
  - (c) 30% of the G Shares issued to any person shall vest on the third anniversary of the date of issue thereof provided that the G Shareholder has not by that date become or has served or received notice by that date pursuant to which they will become a Bad G Share Leaver; and
  - (d) the remaining 40% of the G Shares issued to any person shall vest on the fourth anniversary of the date of issue thereof provided that the G Shareholder has not by that date become or has served or received notice by that date pursuant to which they will become a Bad G Share Leaver.
- 2.3.6 **Accelerated Vesting on Exit:** On the occurrence of an Exit Event, any Unvested G Shares may vest at the discretion of the Board (including a majority of any Investor Directors (or if there are no Investor Directors in office at the relevant time, with Majority Consent)).
- 2.3.7 **Deferral on Exit:** subject to Article 2.3.7, all Unvested G Shares shall automatically convert, without the need for any further Company or Board resolution, into Deferred Shares (on a one for one basis) immediately prior to and conditionally upon completion of an Exit Event. All G Shares which upon or as a result of such Exit Event are not Qualified G Shares shall

automatically convert, without the need for any further Company or Board resolution, into Deferred Shares (on a one for one basis) immediately prior to and conditionally upon completion of the relevant Exit Event.

- 2.3.8 **Leaver Provisions:** Upon any holder of G Shares ceasing to be employed by the Group, where he is a Bad G Share Leaver, save to the extent the Board determines otherwise with Majority Consent, all G Shares held by him as at his cessation date shall automatically be converted, without the need for any further resolution of the Board and or the Company, into Deferred Shares on a one for one basis.

Upon any holder of G Shares ceasing to be employed by the Group where he is a Good G Share Leaver, all Unvested G Shares held by him as at his cessation date shall, save to the extent the Board determines otherwise with Majority Consent, automatically be converted, without the need for any further resolution of the Board and or the Company, into Deferred Shares on a one for one basis.

Save as provided above, in the event that the holder of such G Shares ceases to be employed by the Group at any point where s/he is a Good G Share Leaver, all of his or her Vested G Shares may be retained by him/her following the cessation of his/her employment by the Group save that, to the extent no Exit Event occurs within the period of two years from such cessation date, his/her entire retained holding of G7 Shares shall automatically convert, without the need for any further resolution of the Company and the Board, into Deferred Shares. For purposes of clarity and the avoidance of doubt, if an Exit Event occurs within such two year period of such cessation date, the provisions of Article 2.3.3 shall apply.

- 2.3.9 **Qualified G Shares:** upon each issue of G Shares, a G Share Qualification Threshold based on a future Company Valuation in respect of those G Shares at Exit shall be established in writing by the Board as part of the terms of issue of such G Shares (and endorsed upon the share certificates for such G Shares) upon the achievement of which at Exit, the relevant G Shares shall be Qualified G Shares.

- 2.3.10 Upon the occurrence of an Exit Event, to the extent that the Company Valuation is equal to or exceeds any relevant G Share Qualification Threshold, all relevant G Shares shall thereupon be Qualified G Shares.

- 2.3.11 For the purposes of these Articles, "Company Valuation" means:

- (a) where the relevant Exit Event is a Sale, the consideration payable (including the value of any deferred and/or contingent consideration and any other consideration which, having regard to the substance of the transaction as a whole, can be reasonably regarded as an addition to the price paid or payable for the Shares being sold) whether in cash or otherwise to those Shareholders selling Shares under a Sale;
- (b) where the relevant Exit Event is a Listing, the value of the Company's share capital calculated by multiplying the Company's equity shares in issue immediately prior to completion of the Listing (and not including any shares issued on such Listing) by the listing price of new shares issued by the Company on such Listing; and
- (c) where the relevant Exit Event is a winding up of the Company, the value of assets to be returned to shareholders after all costs of the winding up.

- 2.3.12 **Transfer of G Shares:** no G Shares nor any interest therein may be transferred prior to the occurrence of an Exit Event.

- 2.4 **Deferred Shares:** Deferred Shares shall not entitle the holders thereof to any rights to receive notice of, attend or to vote at any meeting of Shareholders or of any class of Shareholders and the Deferred Shares confer on the holders thereof no class rights. The Company may at any time buy back all Deferred Shares then in issue for an aggregate purchase price of £1 (which will be deemed satisfied by payment of £1 to any hold of

Deferred Shares) and save as envisaged hereby, the Deferred Shares are non-transferable. On an Exit Event, the holder of a Deferred Share shall be entitled to receive back for the Deferred Shares then held by him in priority to the holders of any other Shares, the sum of £0.01 per Deferred Share held by him (or, if less, such sum as shall represent his pro-rata entitlement to the proceeds of the relevant Exit on the basis all Shares (including the Deferred Shares, constituted a single class)).

### **3 ISSUE OF SHARES**

3.1 Section 561(1) and Sections 562(1) to (5) of the Act shall not apply to the Company.

3.2 If and for so long as the Company only has one class of shares, then, subject to the provisions of this Article 3, the Board is hereby generally and unconditionally authorised, for the purposes of section 550 of the Act, to exercise any power of the Company to offer or allot, grant rights to subscribe for or to convert any security into and otherwise deal in, or dispose of, any shares in the Company to any person, at any time, subject to any terms and conditions as the Board thinks appropriate. There shall be no maximum amount of shares that may be allotted or issued by the Company pursuant to this authority. For the purposes of this Article 3, G Shares shall not confer on the holders thereof any rights of pre-emption in relation to any issue of shares by the Company save until they are vested.

3.3 Except with the prior Majority Consent, any shares in the capital of the Company shall, before issue, be offered by the directors in the first instance to the existing holders of Shares in accordance with the following provisions of this Article 3. Every such offer shall be in writing, shall be in identical terms for each holder, shall state the number and class of the shares to be issued, the terms of issue, the aggregate number of Shares in issue, the number of Shares held by the holder to whom the offer is addressed and shall be subject to the following conditions, which shall be incorporated in such offer:

- (a) that any acceptance thereof (which may be as regards all or any of the shares offered) shall be in writing and be delivered to the Company's registered office or, in the case of any acceptance contained in an electronic communication, be delivered at any number or address used for the purpose of electronic communications and identified for that purpose by the Company within a period of 14 days from the date of service of the said offer;
- (b) that in the event of the aggregate number of shares accepted pursuant to the offer exceeding the aggregate number of shares included in the offer, the holders accepting shall be entitled to receive, and bound to accept, an allocation of either the number of shares accepted by them respectively or a proportionate number of the shares offered according to the proportion which the number of Shares held by the accepting holder bears to the aggregate number of Shares held by all the accepting holders at the date of the offer, whichever number is less; and
- (c) that any holders to whom such offer shall have been made and whose requirements shall not have been fully met by such allocation shall further be entitled to receive, and bound to accept, an allocation among them of any surplus shares in proportion, as nearly as may be, to the number of shares accepted by them respectively in excess of the number of shares to which they may respectively be entitled on the first allocation thereof as above.

3.4 If any such offer shall not be accepted in full, the directors may within three months after the date of such offer dispose of any shares comprised therein and not accepted as aforesaid to such person or persons as they may think fit but only at the same price and upon the same terms as to payment, if any, as were specified in such offer.

3.5 The provisions of Article 3.2 shall not apply to the issue of up to 100,000 G Shares at any time following the Adoption Date.

### **4 LIEN**



- 4.1 The Company shall have a lien on all Shares whether fully paid or not for any monies owing to the Company by the holder thereof from time to time or his estate, whether he is their sole registered holder or one of two or more joint holders.
- 4.2 The Company may sell any Share in respect of which it has a lien by offering up such Shares for sale in accordance with Article 8 (*Compulsory Transfers*) as if a Deemed Transfer Notice were deemed given in respect of such Shares.

## 5 TRANSFER OF SHARES - GENERAL PROVISIONS

- 5.1 The Board shall not register the transfer of any Share or recognise the transfer of any interest in any Share unless the transfer is permitted by and is made in accordance with these Articles.
- 5.2 For the purpose of ensuring that a transfer of Shares is in accordance with these Articles or that no circumstances have arisen whereby a Member may be bound to give or be deemed to have given a Transfer Notice, the Board may (and will if so requested by the Investor Director or by any Founder Shareholder) from time to time require a Member or any person named as transferee in any transfer lodged for registration to furnish to the Board such information and evidence as the Board reasonably requires for such purpose.
- 5.3 Failing such information or evidence being furnished to the reasonable satisfaction of the Board within a reasonable time after any request made under Article 5.2, the Board shall refuse to register the transfer in question (if any) and or may require, by notice in writing to the Member(s) concerned, that a Transfer Notice be given in respect of the Shares concerned.
- 5.4 If such information or evidence requested under Article 5.2 discloses to the satisfaction of the Board that circumstances have arisen whereby a Member may be bound to give or be deemed to have given a Transfer Notice, the Board may (and will if so requested by the Investor Director or by any Founder Shareholder) by notice in writing to the Member(s) concerned require that a Transfer Notice be given in respect of the Shares concerned.
- 5.5 An obligation to transfer a Share under these Articles shall be deemed to be an obligation to transfer the entire legal and beneficial interest in such Share free from any lien, charge or encumbrance.

## 6 PERMITTED TRANSFERS

### 6.1 Definitions

For the purposes of these Articles:

- (a) **"Controlled Company"** means a company of which an individual Shareholder is the majority shareholder and beneficial owner;
- (b) **"Family Member"** means, in relation to an individual Member, his spouse (or widow or widower), civil partner, child, grandchild (including step and adopted children and grandchildren);
- (c) **"Family Trust"** means, in relation to an individual Member, a trust which does not permit any of the settled property or the income from it to be applied otherwise than for the benefit of that Member or any of his Family Members and under which no power of control over the voting powers conferred by any Shares the subject of the trust is capable of being exercised by, or being subject to the consent of, any person other than the trustees;
- (d) **"a member of the same group"** means, in relation to a body corporate, any other body corporate which is for the time being a holding company of that body corporate or a subsidiary or subsidiary undertaking of that body corporate or a

subsidiary or subsidiary undertaking of any holding company of which that body corporate is also a subsidiary;

- (e) **"permitted transfer"** means any transfer of Shares expressly permitted under this Article 6 and the expression **"permitted transferee"** shall be read and construed accordingly;
- (f) **"Family Shares"** means, in relation to a Member, any Shares for the time being held by that Member or any of his Family Members or by the trustees of his Family Trust, in any such case, as a result of a previous permitted transfer or series of permitted transfers.

## 6.2 Family members and trusts

- (a) Any Member who is an individual may at any time transfer Shares originally allotted to and still held by him to a person or persons shown to the reasonable satisfaction of the Board to be:
  - (i) a Family Member of his (provided they are over the age of 18 years of age); or
  - (ii) trustees to be held under a Family Trust for that Member, provided that the terms of the trust and identity of the trustees are approved in advance by the Board.
- (b) The trustees of a Family Trust may transfer Shares the subject of the Trust to any of the beneficiaries thereof (who are over the age of 18) in accordance with the rules of the trust or to any new or replacement trustee of that trust (subject to any such new trustee being approved in advance by the Board).
- (c) Any permitted transferee of an individual Member may transfer Shares to any other person over the age of 18 who would also be a permitted transferee of such *original Member or back to the original Member himself*.

## 6.3 Groups of companies

- (a) Any Member which is a body corporate may at any time transfer any Shares held by it to a member of the same group as that Member.
- (b) Where Shares have been transferred under Article 6.3(a) (whether directly or indirectly or by a series of such transfers) from a Member (the **"Transferor"**) to a member of the same group as the Transferor (the **"Transferee"**) and subsequent to such transfer the Transferee ceases to be a member of that group, the Transferee shall forthwith transfer all the Shares held by it back to the Transferor or to any other continuing member of the same group as the Transferor (for such consideration as they agree) and if they do not do so within 28 days of the date upon which the Transferee ceases to be a member of the same group, the directors may (and will if so requested by the Investor Director or by any Founder Shareholder) at any time thereafter require the Transferee to serve a Transfer Notice in respect of such Shares.

## 6.4 Controlled Companies

- (a) Any Member who is an individual may at any time transfer any Shares to a Controlled Company of his and any such company may at any time transfer any Shares held by it to the original holder thereof (or to any other person who would be a permitted transferee of such original member were he to transfer such Shares to them directly).

- (b) Where Shares have been transferred under Article 6.4(a) (whether directly or indirectly or by a series of such transfers) from a Member (the "**Transferor**") to a Controlled Company of the Transferor (the "**Transferee**") and subsequent to such transfer the Transferee ceases to be a Controlled Company of the Transferor, the Transferee shall forthwith transfer all the Shares held by it back to the Transferor or to any other permitted transferee of the Transferor (for such consideration as they agree) and if they do not do so within 28 days of the date upon which the Transferee ceases to be a Controlled Company of the Transferor, the directors may (and will if so requested by the Investor Director or by any Founder Shareholder) at any time thereafter require the Transferee to serve a Transfer Notice in respect of such Shares.

#### 6.5 **Voting Rights**

No transfer of Shares to a permitted transferee pursuant to the foregoing provisions of this Article 6 shall be valid unless the relevant permitted transferee is bound, on terms reasonably satisfactory to the Company, to cast the votes attaching to all such Shares only in the manner instructed from time to time by the original owner of such Shares.

#### 6.6 **Transfers with approval**

A Shareholder may transfer all or any of his / its Shares to any third party or to any other Shareholder without restrictions on price or otherwise, with the prior Majority Consent, not to be unreasonably withheld.

#### 6.7 **Entire interest**

Except as otherwise provided herein, any transfer of any Share pursuant to this Article 6 shall only be treated as a permitted transfer for the purposes of these Articles if it is a transfer of the entire legal and beneficial interest in such Share, free from any lien, charge or other encumbrance.

### 7 **VOLUNTARY TRANSFERS**

- 7.1 Except as expressly permitted under Article 6 (*Permitted Transfers*) or pursuant to Article 9 (*Pull Along*) or Article 10 (*Tag Along*), any Member who wishes to transfer any Share or any interest therein (a "**Vendor**") shall, before transferring or agreeing to transfer such Share or interest (and hereafter references to Share shall be read and construed as including a reference to any interest in it), serve notice in writing (a "**Transfer Notice**") on the Company of his wish to make that transfer.
- 7.2 In the Transfer Notice the Vendor shall specify the number of Shares which he wishes to transfer ("**Sale Shares**"), the identity of the person (if any) to whom the Vendor wishes to transfer the Sale Shares, the price per Share at which the Vendor wishes to transfer the Sale Shares (the "**Proposed Price**") and any other terms relating to the proposed transfer of the Sale Shares.
- 7.3 Each Transfer Notice shall constitute the Company as the agent of the Vendor for the sale of the Sale Shares on the terms of this Article 7 and, save as provided in Article 7.5, shall be irrevocable.
- 7.4 The Sale Shares shall be offered for purchase in accordance with this Article 7 at a price per Sale Share (the "**Sale Price**") agreed between the Vendor and the Board or, in default of such agreement by the end of the tenth business day after the date of service of the Transfer Notice, the lower of (where appropriate):
- (a) the Proposed Price (if any); and or

- (b) the price per Share reported on by the Valuers as their written opinion of the open market value of the Sale Shares in accordance with Article 7.12 (the "**Market Value**") as at the date of service of the Transfer Notice.
- 7.5 If the Market Value is reported on by the Valuers under Article 7.4 to be less than the Proposed Price, the Vendor may revoke the Transfer Notice by written notice given to the Board within the period of 14 business days after the date the Board serves on the Vendor the Valuers' written opinion of the Market Value (the "**Withdrawal Period**").
- 7.6 No more than 10 business days after the Sale Price has been agreed or determined, the Board shall give an Offer Notice ("**Offer Notice**") to all Members (excluding the Vendor and any person who holds Shares as any prior permitted transferee of the Vendor) offering the Sale Shares pro-rata to their respective Shareholdings.
- 7.7 An Offer Notice shall expire 15 business days after its service and shall:
- (a) specify the Sale Price;
  - (b) contain the other information set out in the Transfer Notice; and
  - (c) state that in the event that any Member does not take up their pro-rata entitlement to the Sale Shares, any remaining Sale Shares (the "**Excess Sale Shares**") may be applied for in any amount by the other Members to whom the Offer Notice is sent. Should the aggregate amount of Excess Sale Shares applied for exceed the number of Excess Sale Shares available, the Excess Sale Shares will be allocated to the relevant accepting Members as nearly as practicable on a pro-rata basis calculated by reference to such offerees' respective existing Shareholdings in the Company; and
  - (d) invite the relevant Members to apply in writing, before expiry of the Offer Notice, to purchase the numbers of Sale Shares (including if relevant, Excess Sale Shares) specified by them in their application.
- 7.8 Within 5 business days of the expiry date of the Offer Notice, the Board shall give notice in writing (a "**Sale Notice**") to the Vendor and to each person to whom Sale Shares have been allocated (each a "**Purchaser**"), specifying the name and address of each Purchaser, the number of Sale Shares agreed to be purchased by him and the total price payable for them.
- 7.9 Completion of a sale and purchase of Sale Shares pursuant to a Sale Notice shall take place at the registered office of the Company at the time specified in the Sale Notice when the Vendor shall, upon payment to him by a Purchaser of the Sale Price in respect of the Sale Shares allocated to that Purchaser, transfer those Sale Shares and deliver the relative share certificate(s) to the Company on behalf of all the Purchasers (or an indemnity in respect of any which is lost).
- 7.10 The Vendor may, during the period of 40 business days commencing 10 business days after the expiry date of the Offer Notice, sell all or any of those Sale Shares for which a Sale Notice has not been given by way of *bona fide* sale to the proposed transferee (if any) named in the Transfer Notice or, if none was so named, to any other person at any price per Sale Share which is not less than the Sale Price provided that the Vendor may not transfer any such Share and the Board shall not register any transfer to a transferee who is not at that date a Member unless such transferee is first approved in writing by the Board. The provisions of Article 10 (*Tag Along*) shall apply to any such transfer. Without prejudice to the foregoing, no person may be registered as a Shareholder without first adhering to any shareholders' agreement relating to the Company at the relevant time to the extent required by the terms thereof or otherwise by the Board at the relevant time.
- 7.11 If a Vendor fails for any reason (including death) to transfer any Sale Shares when required pursuant to this Article 7:

- (a) the Board may (and will if so requested by the Investor Director or by any Founder Shareholder) authorise some person (who shall be deemed to be irrevocably appointed as the attorney of that Vendor for the purpose) to execute the necessary transfer of such Sale Shares and deliver it on the Vendor's behalf;
- (b) the Company may receive the purchase money for such Sale Shares from the relevant Purchaser and shall upon receipt (subject, if necessary, to the transfer being duly stamped) register the Purchaser as the holder of such Sale Shares;
- (c) the Company shall hold any such purchase money in a separate bank account on trust for the Vendor but shall not be bound to earn or pay interest on any money so held;
- (d) the Company's receipt for such purchase money shall be a good discharge to the Purchaser who shall not be bound to see to the application of it; and
- (e) after the name of the Purchaser has been entered in the register of Members in purported exercise of the power conferred by this Article 7.11, the validity of the proceedings shall not be questioned by any person.

7.12 *If instructed to report on their opinion of Market Value under Article 7.4, the Valuers:*

- (a) shall act as expert and not as arbitrator and their written determination shall be final and binding on the Members (except in the case of manifest error); and
- (b) shall proceed on the basis that the open market value of each Sale Share shall be the sum which a willing purchaser would agree with a willing vendor to be the purchase price for all the class of shares of which the Sale Shares forms part, divided by the number of issued shares of that class taking no account of any premium or any discount by reference to the size of the holding the subject of the Transfer Notice or in relation to any restrictions on the transferability of the Sale Shares; and
- (c) are entitled in their absolute discretion to appoint legal or other professional advisers to advise on the interpretation and effect of any records or documents provided to it for the purposes of determining the Market Value.

7.13 Each of the Company and the Vendor will provide such assistance and copy documentation or access to records as the Valuers shall reasonably require of them so as to enable them to fulfil their duties as Valuers and will generally use their respective reasonable endeavours to procure that the Valuers deliver their written opinion of the Market Value to the Board within 28 days of being requested to do so. Upon receipt of the Valuers' report, the Company will send a copy of the same to the Vendor as envisaged in Article 7.5.

7.14 The Valuers' fees and expenses for reporting on their opinion of the Market Value and the fees and expenses of any legal or other advisers appointed by them as envisaged in Article 7.12(c) shall be paid as to one half by the Vendor and as to the other half by the Company unless:

- (a) the Valuers direct otherwise given their finding and the respective positions of the parties in their proceedings with the Valuers when the fees will be paid in such proportions as the Valuers shall direct; or
- (b) the Vendor revokes the Transfer Notice pursuant to Article 7.5 or none of the Sale Shares are purchased pursuant to this Article 7 when, in either such case, the Vendor shall be liable to pay all such fees and expenses.

## 8 **COMPULSORY TRANSFER**

8.1 In this Article 8, a "**Transfer Event**" occurs, in relation to any Member:

- (a) if that Member being an individual:
  - (i) has a bankruptcy order made against him or is declared bankrupt; or
  - (ii) except where Article 8.1(d) applies, dies and his Shares are not transmitted to a Family Member in accordance with Article 8.9; or
  - (iii) *except where Article 8.1(d) applies, suffers from any mental disorder or becomes subject to any court order as regards their mental health; or*
  - (iv) having acquired shares as a Family Member of a previous Member pursuant to a permitted transfer, ceases to be such a Family Member of such person (including as a result of divorce),

and within the following 6 months of the Company becoming aware of the same, the Board resolves (which it will if so directed by the Investor Director or by any Founder Shareholder) that such event is a Transfer Event in relation to that Member for the purposes of this Article 8; or

- (b) if that Member makes or offers or purports to make any arrangement or composition with his creditors generally and, within the following 6 months of the Board becoming aware of the same, the Board resolves (which it will if so directed by the Investor Director or by any Founder Shareholder) that such event is a Transfer Event in relation to that Member for the purposes of this Article 8; or

- (c) if that Member being a body corporate:

- (i) has a receiver, manager or administrative receiver appointed over all or any part of its undertaking or assets;
- (ii) has an administrator appointed in relation to it;
- (iii) enters into liquidation (other than a voluntary liquidation for the purpose of a *bona fide* scheme of solvent amalgamation or reconstruction);
- (iv) has any equivalent action in respect of it taken in any jurisdiction; or
- (v) fails to serve a Transfer Notice within 10 business days of being so required pursuant to Article 6.3(b); or

- (d) if a Member who is at any time a director (not including an Investor Director or any Founder Shareholder) or employee of a member of the Group (and for the purposes hereof, "employee" includes consultant and the rest of this Article 8 shall be read and construed accordingly):

- (i) ceases to hold such office or employment; and
- (ii) does not remain or thereupon immediately become a director or employee of another member of the Group;

and, within the following 6 months the Board resolves (which it will if so directed by the Investor Director or by any Founder Shareholder) that such event is a Transfer Event in relation to that Member for the purposes of this Article 8;

- (e) if a Member or any Family Member or the trustees of any Family Trust of a Member shall attempt to deal with or dispose of any Share or any interest in it otherwise than in accordance with these Articles and the Board resolves (which it will if so directed by the Investor Director or by any Founder Shareholder) within the period of 6 months of its becoming aware of the same that such circumstance is a Transfer Event in relation to such person (when such person will also, save to the

extent the Board resolves otherwise, be treated as a Bad Leaver as if the provisions of Articles 8.5 and 8.6 applied to them in such circumstances); or

- (f) fails to issue a Transfer Notice within 14 days of being so required pursuant to Articles 5.3 or 5.4.

- 8.2 Upon the occurrence of a Transfer Event, the Member in respect of whom it is a Transfer Event (the "**Relevant Member**") and (where appropriate) any other Member who has previously acquired Shares from him under a permitted transfer (directly or by means of a series of two or more permitted transfers) shall be deemed to have immediately given a Transfer Notice in respect of all the Shares then held by such Member(s) (a "**Deemed Transfer Notice**").
- 8.3 A Deemed Transfer Notice shall supersede and cancel any then current Transfer Notice insofar as it relates to the same Shares except for Shares which have by then been validly transferred pursuant to that previous Transfer Notice.
- 8.4 Notwithstanding any other provision of these Articles, if the Board so resolves in relation to any relevant Shares, any Member holding Shares the subject of a Deemed Transfer Notice shall not be entitled to exercise any voting rights at general meetings of the Company in respect of those Shares on and from the date of the relevant Deemed Transfer Notice until the earlier of (i) the date of entry in the register of members of the Company of another person as the holder of those Shares or (ii) the expiry of such Deemed Transfer Notice after the pre-emption offers to Shareholders pursuant to Article 7 have been exhausted and to the extent no purchasers for such Shares amongst the existing Members have been found.
- 8.5 The Shares the subject of a Deemed Transfer Notice shall be offered for sale in accordance with Article 7 (*Voluntary Transfers*) as if they were Sale Shares in respect of which a Transfer Notice had been given and treating as the Vendor the person who is deemed to have given the Deemed Transfer Notice save that:
- (a) subject to Article 8.6, the Sale Price shall be a price per Sale Share agreed between the Vendor and the Board or, in default of agreement within 10 business days after the making of the notification or resolution under Article 8.1 that the same is a Transfer Event, the Market Value; and
  - (b) the Company shall have the right (but not the obligation) to buy back any Sale Shares for which Purchasers are not found at the Sale Price or to direct that some other person nominated by the Board be entitled to acquire such Shares for which no Purchaser has been found at the Sale Price.
- 8.6 The Sale Price for any Sale Shares which are the subject of a Deemed Transfer Notice given as a consequence of a Transfer Event falling within Article 8.1(d) shall:
- (a) if the Relevant Member is a Good Leaver (as defined in Article 8.7), be their Market Value; and
  - (b) if the Relevant Member is a Bad Leaver (as defined in Article 8.7), be the lower of their Issue Price and their Market Value.
- 8.7 In Articles 8.6:
- (a) Notwithstanding Article 8.7(c), "**Good Leaver**" means a Relevant Member who ceases to be a director or employee and the cessation occurs as a result of his death, illness (including mental illness), permanent disability, permanent incapacity through ill-health, redundancy, retirement on reaching normal retirement age, or otherwise where the Board (with Majority Consent) so determines or where a Relevant Member ceases to be employed by any Group Company as a result of a Group Company ceasing to be a Group Company;

- (b) **"Bad Leaver"** means, save to the extent the Board (with Majority Consent) determines otherwise, any Relevant Member who ceases to be a director or employee as a result of any reason other than those set out in Clause 8.7(a) above; and
  - (c) the Founder Shareholder shall be a Good Leaver in all circumstances except where he has committed fraud or gross misconduct against the Company, or where he resigns within the 5 year period from the adoption date of these Articles.
- 8.8 A Member who is deemed to have served the Transfer Notice under this Article 8 shall be excluded from any offer under Article 3.2 or Article 7.6.
- 8.9 Upon the death of a Member, his surviving Family Members shall be the only persons recognised by the Company as having any title to his interest in those shares; but the estate of a deceased Member shall remain liable in respect of any share held by him.
- 9 PULL ALONG**
- 9.1 If Shareholders between them holding more than 70% of the then issued share capital of the Company, together being the **"Selling Shareholders"**, wish to transfer all their Shares (the **"Relevant Shares"**) pursuant to a bona fide third party offer for sale of the Company, the Selling Shareholders shall have the option (the **"Pull Option"**) to require all the other holders of Shares to transfer all their shares with full title guarantee to the same Third Party Purchaser (or as he shall direct) in accordance with this Article 9.
- 9.2 The Selling Shareholders may exercise the Pull Option by giving notice to that effect (a **"Pull Notice"**) to all other Members (the **"Pulled Shareholders"**) at any time before the registration of the transfer of the Relevant Shares. A Pull Notice shall specify that the Pulled Shareholders are required to transfer all their shares (the **"Pulled Shares"**) pursuant to Article 9.1 to the Third Party Purchaser, the price at which the Pulled Shares are to be transferred (determined in accordance with Article 9.4), the proposed date of transfer and the identity of the Third Party Purchaser.
- 9.3 A Pull Notice is irrevocable but the Pull Notice and all obligations thereunder will lapse if for any reason the Relevant Shares are not transferred by the Selling Shareholders to the Third Party Purchaser within 60 days after the date of the Pull Notice.
- 9.4 The Pulled Shareholders shall be obliged to sell the Pulled Shares at the price specified in the Pull Notice which shall equal the price per share at which the Selling Shareholders are selling the Relevant Shares.
- 9.5 Completion of the sale of the Pulled Shares shall take place on the same date as the date proposed for completion of the sale of the Relevant Shares unless:
- (a) all of the Pulled Shareholders and the Selling Shareholders agree otherwise; or
  - (b) that date is less than 14 days after the date of the Pull Notice, when it shall be deferred until the fourteenth day after the date of the Pull Notice,
- provided that in all circumstances, the sale of the Pulled Shares will be subject to the due completion of the sale of the Relevant Shares on the terms contemplated by this Article 9.
- 9.6 Each of the Pulled Shareholders shall on service of the Pull Notice be deemed to have irrevocably appointed each of the Selling Shareholders severally to be his agent and attorney to execute any stock transfer form and any other documents and to do such other things as may be necessary or desirable to accept, transfer and complete the sale of the Pulled Shares pursuant to this Article 9.
- 9.7 Upon any person, following the issue of a Pull Notice, becoming a Shareholder (or increasing an existing shareholding) including, without limitation, pursuant to the exercise



of any option, warrant or other right to acquire or subscribe for, or to convert any security into, shares ("**New Shareholder**"), a Pull Notice shall be deemed to have been served upon the New Shareholder, on the same terms as the previous Pull Notice, who shall then be bound to sell and transfer all such shares acquired by him to the Third Party Purchaser (or as the Third Party Purchaser may direct) and the provisions of this Article 9 shall apply mutatis mutandis to the New Shareholder, save that completion of the sale of such shares shall take place forthwith upon the later of the Pull Notice being deemed served on the New Shareholder and the date of completion of the sale of the Pulled Shares. References in this Article 9.7 to a person becoming a Shareholder (or increasing an existing shareholding) shall include the Company, in respect of the acquisition of any of its own shares.

- 9.8 The provisions of this Article 9 shall prevail over any contrary provisions of these Articles including rights of pre-emption and other restrictions contained in these Articles which shall not apply on any sale and transfer of Shares to the Third Party Purchaser named in a Pull Notice. Any Transfer Notice or Deemed Transfer Notice served in respect of any Share shall automatically be revoked by the service of a Pull Notice.

## 10 TAG ALONG

- 10.1 In the event of any sale in part of the shareholding by the Founder Shareholder (other than in any such case pursuant to a Permitted Transfer) (in any such case, the "**Vendor Shareholder**"), each of the other Shareholders shall have the option to require the intended buyer of such Shares to acquire the same proportion of their own Shares as he is acquiring of the Vendor Shareholder's holding of Shares at the same time and at the same price and no transfer of the Vendor Shareholder's Shares shall be completed unless and until the Buyer satisfies his obligations hereunder to the other Shareholders who wish to exercise their rights under this Article 10.1.

- 10.2 Subject to Article 9 (*Pull Along*) but notwithstanding any other provision in these Articles (other than Article 6 and Article 8), no sale or transfer or other disposition of any interest in Shares (the "**Specified Shares**") shall have any effect if it would result in a Change of Control unless, before the relevant transfer(s) is/are lodged for registration, the envisaged Third Party Purchaser has made a *bona fide* offer in accordance with this Article 10 to purchase at the Specified Price (as defined in Article 10.4), all of the shares held by all other Members not acting in concert or otherwise connected with the Third Party Purchaser (the "**Uncommitted Shares**").

- 10.3 An offer made under Article 10.2 ("**Tag Offer**") shall be in writing, open for acceptance for at least 21 days and shall be deemed to be rejected by any Member who has not accepted it in accordance with its terms within the time period prescribed for acceptance and the consideration thereunder shall be settled in full on completion of the purchase and within 30 days of the date of the offer.

- 10.4 For the purposes of this Article 10:

- (a) the expression "**transfer**", "**transferor**" and "**transferee**" include respectively the renunciation of a renounceable letter of allotment and any renouncer and renounee of such letter of allotment; and
- (b) the expression "**Specified Price**" means the price per share at least equal to the highest price paid or payable by the Third Party Purchaser or persons acting in concert with him or connected with him for any shares of the same class within the previous twelve months (including the Specified Shares) plus an amount equal to the relevant proportion of any other consideration (in cash or otherwise) received or receivable by the holders of the Specified Shares 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 Shares provided always that an equal value shall be attributed to all Shares including the Specified Shares; and

- (c) if any part of the Specified Price is payable otherwise than in cash, any Member holding Uncommitted Shares, may require, as a condition of his acceptance of the Tag Offer, to receive on transfer all or any of the price offered for his Uncommitted Shares in cash.

## **11 GENERAL MEETINGS**

- 11.1 Subject to Article 11.2 below, the quorum for the transaction of business at any general meeting of the Company shall be a minimum of two (2) Members present in person or by proxy.
- 11.2 If the persons attending a general meeting within half an hour of the time at which the meeting was due to start do not constitute a quorum, or if during a meeting a quorum ceases to be present, the meeting shall be adjourned to the same day in the next week, at the same time and place (or to such other day and at such other time and place as all the Shareholders may agree in writing). If at the adjourned meeting a quorum is not present within half an hour from the time appointed for the adjourned meeting, the shareholder(s) present shall form a quorum.

## **12 NUMBER OF DIRECTORS**

There is no limit on the number of directors the Company may appoint.

## **13 RIGHT TO APPOINT DIRECTORS**

- 13.1 Any Investor who holds 12.5% or more of the issued ordinary capital of the Company at any time may appoint himself as a non-executive director or appoint any person as a non-executive director and may remove from office any non-executive director so appointed by him.
- 13.2 Any appointment or removal of the Investor Director shall be in writing served on the Company and shall take effect at the time it is served on the Company or (if later) the date expressly stated therein, whichever is earlier.
- 13.3 Upon written request of the relevant appointing Investor, the Company shall procure that any Investor Director is forthwith appointed as a director of any other member of the Group indicated in such request.
- 13.4 For so long as he continues to hold any shares, the Founder Shareholder shall be entitled to act as a director of the Company.

## **14 ALTERNATE DIRECTORS**

- 14.1 Any director may appoint another person approved by the Board (such approval not to be unreasonably withheld or delayed) to act as his alternate except that no alternate appointed by the Investor Director shall be subject to the prior approval of the Board to the extent that the proposed alternate is another of the Investors.
- 14.2 A person who holds office only as an alternate director shall, if his appointor is not present, be counted in the quorum.
- 14.3 If an alternate director is himself a director or attends any meeting as an alternate director for more than one director, his voting rights shall be cumulative but he shall only be counted once in deciding whether a quorum is present.

## **15 PROCEEDINGS OF DIRECTORS**

- 15.1 The quorum for the transaction of business of the Board shall be two directors, one of whom shall be an Investor Director unless:

- (a) the Investor Director has been given due notice of the meeting but not attended the meeting; or
- (b) there is no Investor Director in office at that time,

provided that in the event that such a quorum is not present within half an hour of the time appointed for the meeting, the meeting shall stand adjourned to the same time and place 2 business days later at which meeting the directors present shall constitute a quorum.

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

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

15.3 Any director may validly participate in a meeting of the Board by conference telephone or other form of communication equipment if all persons participating in the meeting are able to hear and speak to each other throughout the meeting. A person so participating shall be deemed to be present in person at the meeting and shall accordingly be counted in a quorum and be entitled to vote. Such a meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no group which is larger than any other group, where the chairman of the meeting is.

15.4 All physical meetings of the Board shall be held within the United Kingdom.

15.5 The Chairman of the Board shall not have a second or casting vote at a meeting of the Board.

15.6 Subject to Article 15.8, the Board may authorise any matter which would, if not so authorised, result in a director infringing his duty under section 175 of the Act to avoid a situation in which he has, or can have, a direct or indirect interest that conflicts or possibly may conflict with the interests of the Company.

- 15.7 Any authorisation of a matter under this Article shall extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter so authorised. A reference in these Articles to a conflict of interest includes a conflict of interest and duty and a conflict of duties.
- 15.8 Any authorisation given pursuant to Article 15.6 will only be effective if the director in question provides the Board with details of the matter in respect of which authorisation is being sought (including the nature and extent of his interest in such matter) (but not so that he is obliged to breach any duty of confidence he owes to any other person) or in such other manner as the Board may from time to time direct.
- 15.9 In relation to any matter authorised by the Board in accordance with the provisions of Article 15.6 the Board may (for so long as it reasonably believes such conflict of interest (or possible conflict of interest) subsists):
- (a) require that director to absent himself from any meeting of the Board at which any matter relating to the conflict of interest or possible conflict of interest will or may be discussed or from the discussion of any such matter at a meeting or otherwise;
  - (b) require the relevant director to abstain from voting at any meeting of the Board on any resolution relating to any matter that gives rise to the conflict of interest or possible conflict of interest; and
  - (c) make arrangements whereby he will not be given any documents or information relating to any matter which gives rise to the conflict of interest or possible conflict of interest sent or supplied by the Company.
- 15.10 Subject to his declaring the nature and extent of the interest in accordance with Section 184 or 185 of the Act (save in the case of an interest falling within paragraph (a) below which shall not require to be so declared), a director may have an interest of the following kind:
- (a) where his interest cannot reasonably be regarded as likely to give rise to a conflict of interest;
  - (b) where the director (or a person connected with him) is a director or other officer of or employed by or otherwise interested (including by the holding of shares) in any Relevant Company;
  - (c) where the director (or person connected with him) is a party to, or otherwise interested in any contract, transaction or arrangement with a Relevant Company or in which the Company is otherwise interested;
  - (d) where the Director (or any person connected with him) acts (or any firm of which is a partner, employee or member acts) in a professional capacity for a Relevant Company whether or not he is remunerated for such actions.
- 15.11 For the purposes of Article 15.10:
- 15.11.1 a "**Relevant Company**" shall mean;
- (i) the Company;
  - (ii) any other Group company;
  - (iii) any body corporate promoted by the Company; or
  - (iv) any body corporate in which the Company is otherwise interested; and
- 15.11.2 a person is connected with a director if he is connected to him in terms of Section 252 of the Act.

- 15.12 A director shall not, save as otherwise agreed by him, be accountable to the Company for any benefit which he (or any person connected with him) derives from any contract, transaction or arrangement or from any office, employment or position which has been approved by the Board pursuant to Article 15.6.

## 16 NOTICES AND COMMUNICATIONS

- 16.1 The Company may send, supply or give any document, information or notice to a member by hard copy, electronic form or by making that document or information available on a website and giving notice of the availability of that document or information to the relevant member (provided that member has individually agreed (or is deemed to have agreed) to the Company sending or supplying documents or information generally or those documents or information in question to him by means of a website), in each case subject to the provisions of sections 1143 to 1148 and Schedule 5 of the Act.
- 16.2 A notice given by means of a website shall be deemed to have been sent, supplied or given when the material was first made available on the website or, if later, when the recipient received (or is deemed to have received) notice of the fact that the material was available on the website.
- 16.3 Any document, information or notice which is required to be sent or given to the Company shall be sent by hard copy or electronic form in each case, subject to the provisions of sections 1143 to 1148, Schedule 4 and Schedule 5 of the Act.
- 16.4 Proof that an envelope containing a document, notice or information was properly addressed, prepaid and posted shall be conclusive evidence that the document, notice or information was sent, supplied or given by post. A comprehensive transaction report or log generated by fax machine, suitably certified by or on behalf of the company, shall be conclusive evidence that a document, notice or information was sent, supplied or given by fax. A copy of a record of the total number of recipients sent to or each recipient to whom an e-mail message was sent together with any notices of failed transmissions and copies of records of subsequent re-sending, suitably certified by or on behalf of the company, shall be conclusive evidence that the document, notice or information was sent, supplied or given by e-mail.

## 17 INDEMNITY

- 17.1 A director may be indemnified out of the Company's assets against any liability (other than a liability to the Company or an associated company) which that director incurs in connection with:
- (a) civil proceedings relating to the Company or an associated company (other than a liability incurred in defending proceedings brought by the Company or an associated company in which final judgment is given against the directors);
  - (b) criminal proceedings relating to the Company or an associated company (other than a fine imposed in such proceedings, or a liability incurred in defending proceedings in which the relevant director is convicted and the conviction is final);
  - (c) regulatory action taken by or a regulatory investigation by a regulatory authority in relation to the company or an associated company (unless a sum is payable to a regulatory authority by way of a penalty in respect of non-compliance with any requirement of a regulatory nature (however arising));
  - (d) any application for relief under section 1157 of the Act (general power of court to grant relief in case of honest and reasonable conduct);
- unless the court refuses to grant the director relief, and the refusal of relief is final.

**SHARE CERTIFICATES ETC.**

The Company may execute any share certificate, warrant or other document creating or evidencing any security allotted by the Company or any right or option to subscribe granted by the Company under the hand of one Director.