

Company No: 11389551

**THE COMPANIES ACT 2006**

**PRIVATE COMPANY LIMITED BY SHARES**

**WRITTEN RECORD OF DECISION OF SOLE MEMBER**

**OF**

**OTO INTERNATIONAL LIMITED ("Company")**

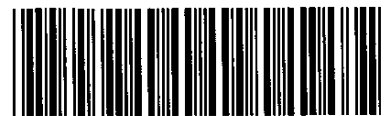
**Dated:** 1 November 2018

Pursuant to section 357 of the Companies Act 2006, I the undersigned, being the sole member of the Company, hereby resolve that the following resolution be passed as a **SPECIAL RESOLUTION**:

That the articles of association contained in the draft document annexed to this resolution and signed for identification by the chairman be adopted as the articles of association of the Company in substitution for and to the exclusion of the existing articles of association of the Company.

  
Gemma Janet Nancy Colao

MONDAY



\*A7JJJKQR\*  
A08 26/11/2018 #25  
COMPANIES HOUSE

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

# **New Articles of Association**

**(Adopted by special resolution passed on 1 November 2018)**

**of**

# **OTO International Limited**

**Incorporated: 30 May 2018**

## **CONTENTS**

| <b>CLAUSE</b>                                          | <b>PAGE</b> |
|--------------------------------------------------------|-------------|
| INTRODUCTION                                           | I           |
| 1. INTERPRETATION                                      | I           |
| 2. ADOPTION OF THE MODEL ARTICLES                      | 5           |
| DIRECTORS                                              | 6           |
| 3. BOARD MEETINGS                                      | 6           |
| 4. UNANIMOUS DECISIONS                                 | 6           |
| 5. QUORUM FOR BOARD MEETINGS                           | 6           |
| 6. CHAIRING OF BOARD MEETINGS AND CASTING VOTE         | 7           |
| 7. TRANSACTIONS OR OTHER ARRANGEMENTS WITH THE COMPANY | 7           |
| 8. DIRECTORS' CONFLICTS OF INTEREST                    | 8           |
| 9. RECORDS OF DECISIONS TO BE KEPT                     | 9           |
| 10. NUMBER OF DIRECTORS                                | 9           |
| 11. APPOINTMENT AND REMOVAL OF DIRECTORS               | 10          |
| 12. APPOINTMENT AND REMOVAL OF ALTERNATE DIRECTORS     | 10          |
| 13. RIGHTS AND RESPONSIBILITIES OF ALTERNATE DIRECTORS | 10          |
| 14. TERMINATION OF ALTERNATE DIRECTORSHIP              | 11          |
| 15. SECRETARY                                          | 12          |
| SHARES                                                 | 12          |
| 16. SHARE CLASSES                                      | 12          |
| 17. UNISSUED SHARES                                    | 14          |
| 18. TRANSFER OF SHARES                                 | 16          |
| 19. PURCHASE OF OWN SHARES                             | 25          |
| DECISION MAKING BY SHAREHOLDERS                        | 26          |
| 20. NUMBER OF SHAREHOLDERS                             | 26          |
| 21. QUORUM FOR GENERAL MEETINGS                        | 26          |
| 22. CHAIRING GENERAL MEETINGS                          | 26          |
| 23. VOTING                                             | 26          |
| 24. POLL VOTES                                         | 26          |
| 25. PROXIES                                            | 27          |
| 26. SHAREHOLDERS' NOMINATION RIGHTS                    | 27          |
| ADMINISTRATIVE ARRANGEMENTS                            | 28          |
| 27. MEANS OF COMMUNICATION TO BE USED                  | 28          |
| 28. INDEMNITY                                          | 29          |
| 29. INSURANCE                                          | 29          |

## **INTRODUCTION**

### **1. INTERPRETATION**

1.1 In these Articles the following words and expressions have the following meanings:

|                        |                                                                                                                                                                |
|------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Act                    | the Companies Act 2006;                                                                                                                                        |
| Acting in Concert      | shall be construed in accordance with the Takeover Code;                                                                                                       |
| Appointor              | as defined in article 12.1;                                                                                                                                    |
| Alternate Director     | as defined in article 12.1;                                                                                                                                    |
| Arrears                | in relation to any Share, all arrears of any dividend or other sums payable in respect of that Share, including the dividends referred to in article 16.2;     |
| Articles               | these articles of association;                                                                                                                                 |
| Associated Company     | as defined in section 256 of the Act;                                                                                                                          |
| Auditors               | the accountants or auditors of the Company for the time being;                                                                                                 |
| Bad Leaver             | a Departing Shareholder who is not a Good Leaver;                                                                                                              |
| Board                  | the board of Directors of the Company as constituted from time to time;                                                                                        |
| Business Day           | any day (other than a Saturday, Sunday or public holiday in the United Kingdom) on which clearing banks in the City of London are generally open for business; |
| Buy-Back Notice        | as defined in article 18.2.10;                                                                                                                                 |
| Buy-Back Notice Period | as defined in article 18.2.10;                                                                                                                                 |
| Buyer                  | as defined in article 18.3.1(b);                                                                                                                               |
| Chairman               | the chairman of the Company for the time being;                                                                                                                |
| Companies Acts         | as defined in section 2 of the Act, insofar as they apply to the Company;                                                                                      |
| Conflict               | as defined in article 8.1;                                                                                                                                     |

|                          |                                                                                                                                                                                                                                                                                                                                  |
|--------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Consultant               | a person providing, or involved in the provision of, consultancy services to the Company or its Subsidiaries; whether personally or by reason of involvement as shareholder, director or employee with a company which enters into a contract with the Company for the provision of services to the Company or its Subsidiaries; |
| Controlling Interest     | an interest in Shares conferring in the aggregate more than 50% of the total voting rights conferred by all the Shares;                                                                                                                                                                                                          |
| Departing Shareholder    | as defined in article 18.5.1;                                                                                                                                                                                                                                                                                                    |
| Director                 | a director of the Company for the time being, and includes any person occupying the position of director by whatever name called;                                                                                                                                                                                                |
| Disposal                 | a disposal of all or a material part of the business, assets, property or undertaking of the Company or its Subsidiaries, whether in one transaction or a series of transactions, to any buyer(s);                                                                                                                               |
| Drag Along Notice        | as defined in article 18.3.1;                                                                                                                                                                                                                                                                                                    |
| Eligible Director        | a Director who would be entitled to vote on the matter at a meeting of the Board (but excluding any Director whose vote is not to be counted in respect of the particular matter);                                                                                                                                               |
| Employee                 | <i>an employee of the Company or its Subsidiaries;</i>                                                                                                                                                                                                                                                                           |
| Excess Securities        | as defined in article 17.2.2(b);                                                                                                                                                                                                                                                                                                 |
| Expert                   | the Auditors or (if the Auditors are unwilling or unable to act) another firm of accountants appointed by the Board;                                                                                                                                                                                                             |
| Fair Value               | as defined in article 18.7.2(b);                                                                                                                                                                                                                                                                                                 |
| Fair Value Certificate   | as defined in article 18.7.2(b);                                                                                                                                                                                                                                                                                                 |
| First Offer Shareholders | as defined in article 18.2.2(a);                                                                                                                                                                                                                                                                                                 |
| First Sale Notice        | as defined in article 18.2.5;                                                                                                                                                                                                                                                                                                    |
| First Transfer Period    | as defined in article 18.2.3;                                                                                                                                                                                                                                                                                                    |
| Founding Shareholder     | each of the Shareholders who have subscribed for Shares on or before the date of adoption of these Articles;                                                                                                                                                                                                                     |
| Gemma Colao              | Gemma Janet Nancy Colao;                                                                                                                                                                                                                                                                                                         |

|                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|-----------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Good Leaver           | <p>a Departing Shareholder who ceases to be a Director, an Employee or a Consultant for any of the following reasons:</p> <ul style="list-style-type: none"> <li>(i) for Directors and Employees only, dismissal in circumstances where an employment tribunal or court of competent jurisdiction from which there is no right to appeal finds that he has been wrongfully or unfairly dismissed (other than an unfair dismissal relating to failure to follow or comply with a fair or proper procedure);</li> <li>(ii) for Directors and Employees only, redundancy (within the meaning given by the Employment Rights Act 1996);</li> <li>(iii) serious ill-health, injury or disability (evidenced to the satisfaction of the Board) as rendering the Departing Shareholder permanently incapable of carrying out his role as a Director, an Employee or a Consultant save where such incapacity has arisen as a result of the abuse of drugs or alcohol;</li> <li>(iv) death; or</li> </ul> <p>or where the Board (excluding the Departing Shareholder) unanimously agree in its absolute discretion that the Departing Shareholder is to be treated as a Good Leaver;</p> |
| Interested Director   | as defined in article 8.1;                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| Issue Price           | in respect of any Share, the original subscription price paid (or agreed to be paid) to the Company in respect of that Share (including any share premium);                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Lucky Dragon          | Lucky Dragon Company Limited a company incorporated in Macau under number 42063;                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| Lucky Dragon Director | the Director (if any) appointed by Lucky Dragon pursuant to article 11.2;                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| Model Articles        | the model articles for private companies limited by shares contained in Schedule 1 of the Companies (Model Articles) Regulations 2008 (SI 2008/3229) as amended prior to the date of adoption of these Articles;                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| Ordinary Shares       | ordinary shares of £0.01 each in the capital of the Company having the rights and restrictions set out in these Articles;                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |

|                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|---------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Other Shareholders              | as defined in article 18.3.1;                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| Preference Shares               | voting convertible 6% preference shares of £0.01 each in the capital of the Company having the rights and restrictions set out in these Articles;                                                                                                                                                                                                                                                                                                                                                                                                          |
| Proposed Transferee             | as defined in article 18.2.1;                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| Proposed Transferors            | as defined in article 18.4.1;                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <i>Proposed Transfer Notice</i> | <i>as defined in article 18.4.1;</i>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| Qualifying Offer                | as defined in article 18.3.1;                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| Sale Proceeds                   | means the consideration payable (including any deferred and/or contingent consideration) whether in cash or otherwise to those Shareholders selling Shares under a Share Sale (less any fees and expenses payable by the selling Shareholders under that Share Sale);                                                                                                                                                                                                                                                                                      |
| Second Offer Shareholders       | as defined in article 18.2.2(b);                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| Second Sale Notice              | as defined in article 18.2.8;                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| Second Transfer Period          | as defined in article 18.2.6;                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| Sellers                         | as defined in article 18.3.1;                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| Share Sale                      | a sale (or the grant of a right to acquire or dispose of) any of the shares in the capital of the Company (in one transaction or a series of transactions) which would, if completed, result in the buyer(s) of those shares (or grantee of that right) and persons Acting in Concert together acquiring a Controlling Interest in the Company, except where the Shareholders and the proportion of Shares held by each of them following completion of the sale are the same as the Shareholders and their holding of Shares immediately before the sale; |
| Share Scheme                    | any share scheme(s) for the grant or issue of Ordinary Shares to Directors, Employees or Consultants adopted by the Company;                                                                                                                                                                                                                                                                                                                                                                                                                               |
| Shareholder                     | a person who is the holder of Shares in the capital of the Company;                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| Shares                          | Ordinary Shares and/or Preference Shares (as the context shall provide);                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| Subsidiary                      | a subsidiary of the Company from time to time, as defined in section 1159 of the Act;                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |

|                          |                                         |
|--------------------------|-----------------------------------------|
| Tag Along Notice         | as defined in article 18.4.2;           |
| Takeover Code            | the City Code on Takeovers and Mergers; |
| Third Party              | any person who is not a Shareholder;    |
| Total Transfer Condition | as defined in article 18.2.1;           |
| Transfer Notice          | as defined in article 18.2.1;           |
| Transfer Shares          | as defined in article 18.2.1;           |
| Transfer Terms           | as defined in article 18.2.1;           |
| Transferring Shareholder | as defined in article 18.2.1;           |
| Valuation Request        | as defined in article 18.7.1.           |

- 1.2 Save as otherwise specifically provided in these Articles or unless the context otherwise requires, words and expressions which have particular meanings in the Model Articles shall have the same meanings in these Articles, subject to which and unless the context otherwise requires, words and expressions which have particular meanings in the Act shall have the same meanings in these Articles.
- 1.3 Save as otherwise specifically provided in these Articles or unless the context otherwise requires, words and expressions defined in the Act shall, unless otherwise defined in these Articles bear the same meanings in these Articles.
- 1.4 Headings in these Articles are used for convenience only and shall not affect the construction or interpretation of these Articles.
- 1.5 A reference in these Articles to an **"article"** is a reference to the relevant article of these Articles unless expressly provided otherwise.
- 1.6 A reference in these Articles to a **"person"** includes a natural person, a corporate or unincorporated body (whether or not having a separate legal personality).
- 1.7 Unless expressly provided otherwise, a reference to a statute, statutory provision or subordinate legislation is a reference to it as it is in force from time to time, taking account of any subordinate legislation from time to time made under it and any amendment or re-enactment and includes any statute, statutory provision or subordinate legislation which it amends or re-enacts.
- 1.8 Any phrase introduced by the terms **"including"**, **"include"**, **"in particular"** or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.

## 2. ADOPTION OF THE MODEL ARTICLES

- 2.1 The Model Articles shall apply to the Company, except in so far as they are modified or excluded by these Articles or are inconsistent with these Articles, and, subject to any such modifications, exclusions or inconsistencies, shall together with these Articles constitute the articles of association of the Company to the exclusion of any other articles or regulations set



- out in any statute or in any statutory instrument or other subordinate legislation. A copy of the Model Articles is set out in Schedule 1 to these Articles.
- 2.2 Articles 8, 11(2) and (3), 12, 13, 14(1), (2), (3) and (4), 26(5), 27, 28, 29, 38, 39, 44(2), 52 and 53 of the Model Articles shall not apply to the Company.
- 2.3 Article 7 of the Model Articles shall be amended by:
- 2.3.1 the insertion of the words "for the time being" at the end of article 7(2)(a); and
- 2.3.2 the insertion in article 7(2) of the words "(for so long as he remains the sole director)" after the words "and the director may".
- 2.4 Article 20 of the Model Articles shall be amended by the insertion of the words "(including Alternate Directors) and the secretary (if any)" before the words "properly incur".

## **DIRECTORS**

### **3. BOARD MEETINGS**

- 3.1 Any decision of the Board must be taken at a meeting of the Board in accordance with these Articles or must be a decision taken in accordance with article 4.
- 3.2 Subject as provided in these Articles, the Directors may participate in Board meetings for the despatch of business, adjourn and otherwise regulate their meetings as they think fit.
- 3.3 Meetings of the Board shall take place at least once every month.
- 3.4 All decisions made at any meeting of the Board or of any committee of the Board shall be made only by resolution and resolutions at any meeting of the Board or committee of the Board shall be decided by a majority of votes.
- 3.5 Each of the Directors shall have one vote each.

### **4. UNANIMOUS DECISIONS**

- 4.1 A decision of the Board is taken in accordance with this article when all Eligible Directors indicate to each other by any means that they share a common view on a matter.
- 4.2 Such a decision may take the form of a resolution in writing, where each Eligible Director has signed one or more copies of it, or to which each Eligible Director has otherwise indicated agreement in writing.
- 4.3 A decision may not be taken in accordance with this article if the Eligible Directors would not have formed a quorum at a Board meeting to vote on the matter in accordance with article 5.

### **5. QUORUM FOR BOARD MEETINGS**

- 5.1 Subject to articles 5.2 to 5.4, the quorum for the transaction of business at a meeting of the Board is two Eligible Directors (including the Lucky Dragon Director for so long as such person remains a Director).

5.2 For the purposes of any meeting (or part of a meeting) of the Board held pursuant to article 8 to authorise a Director's conflict, if there is only one Eligible Director in office other than the conflicted Director(s), the quorum for such meeting (or part of a meeting) shall be one Eligible Director.

5.3 No business shall be conducted at any meeting of the Board unless a quorum is participating at the beginning of the meeting and also when that business is voted on. If a quorum is not participating within 30 minutes of the time specified for the relevant meeting in the notice of the meeting, then the meeting shall be adjourned to the same time and place the following week. If a quorum is not present within 30 minutes from the time appointed for the adjourned meeting, then the meeting shall be adjourned to the same time and place the following week. If a quorum is not present within 30 minutes from the time appointed for this further adjourned meeting, then any two Eligible Directors present will constitute a quorum. This article 5.3 shall be without prejudice to any veto rights of Lucky Dragon.

5.4 If the total number of Directors in office for the time being is less than the quorum required, the Board must not take any decision other than a decision:

5.4.1 to appoint further Directors; or

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

## **6. CHAIRING OF BOARD MEETINGS AND CASTING VOTE**

6.1 Save as otherwise resolved by the Board, the role of Chairman shall revolve between the appointed Directors at each consecutive meeting of the Board.

6.2 If the numbers of votes for and against a proposal at a meeting of the Board are equal, then the Chairman has a casting vote.

6.3 Article 6.2 shall not apply in respect of a particular meeting (or part of a meeting) of the Board if, in accordance with the Articles, the Chairman is not an Eligible Director for the purposes of that meeting (or part of a meeting).

## **7. TRANSACTIONS OR OTHER ARRANGEMENTS WITH THE COMPANY**

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

7.1 may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise (directly or indirectly) interested;

7.2 shall be an Eligible Director for the purposes of any proposed decision of the Board (or committee of the Board) in respect of such contract or proposed contract in which he is interested;

7.3 shall be entitled to vote at a meeting of the Board (or of a committee of the Board) or participate in any unanimous decision, in respect of such contract or proposed contract in which he is interested;

- 7.4 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;
- 7.5 may be a Director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate in which the Company is otherwise (directly or indirectly) interested; and
- 7.6 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 contract, transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such contract, transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the Act.

## **8. DIRECTORS' CONFLICTS OF INTEREST**

- 8.1 The Board may, in accordance with the requirements set out in this article, authorise any matter or situation proposed to them by any Director which would, if not authorised, involve a Director ("**Interested Director**") breaching his duty under section 175 of the Act to avoid conflicts of interest ("**Conflict**").
- 8.2 Any authorisation under this article 8 will be effective only if:
- 8.2.1 to the extent permitted by the Act, the matter in question shall have been proposed by any Director for consideration in the same way that any other matter may be proposed to the Board under the provisions of these Articles or in such other manner as the Board may determine;
  - 8.2.2 any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested Director; and
  - 8.2.3 the matter was agreed to without the Interested Director voting or would have been agreed to if the Interested Director's vote had not been counted.
- 8.3 Any authorisation of a Conflict under this article 8 may (whether at the time of giving the authorisation or subsequently):
- 8.3.1 extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised;
  - 8.3.2 provide that the Interested Director be excluded from the receipt of documents and information and the participation in discussions (whether at meetings of the Board or otherwise) related to the Conflict;
  - 8.3.3 provide that the Interested Director shall or shall not be an Eligible Director in respect of any future decision of the Board vote in relation to any resolution related to the Conflict;
  - 8.3.4 impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the Board thinks fit;

- 8.3.5 provide that, where the Interested Director obtains, or has obtained (through his involvement in the Conflict and otherwise than through his position as a Director of the Company) information that is confidential to a third party, he will not be obliged to disclose that information to the Company, or to use it in relation to the Company's affairs where to do so would amount to a breach of that confidence; and
  - 8.3.6 permit the Interested Director to absent himself from the discussion of matters relating to the Conflict at any meeting of the Board and be excused from reviewing papers prepared by, or for, the Board to the extent they relate to such matters.
- 8.4 Where the Board authorises a Conflict, the Interested Director will be obliged to conduct himself in accordance with any terms and conditions imposed by the Board in relation to the Conflict.
- 8.5 The Board may revoke or vary such authorisation at any time, but this will not affect anything done by the Interested Director, prior to such revocation or variation, in accordance with the terms of such authorisation.
- 8.6 In authorising a Conflict, the Board may decide (whether at the time of giving the authorisation or subsequently) that if a Director has obtained any information through his involvement in the Conflict otherwise than as a Director of the Company and in respect of which he owes a duty of confidentiality to another person, the Director is under no obligation to:
- 8.6.1 disclose such information to the Board or to any Director or other officer or employee of the Company; or
  - 8.6.2 use or apply any such information in performing his duties as a Director;
- where to do so would amount to a breach of that confidence.
- 8.7 A Director is not required, by reason of being a Director (or because of the fiduciary relationship established by reason of being a Director), to account to the Company for any remuneration, profit or other benefit which he derives from or in connection with a relationship involving a Conflict which has been authorised by the Board or by the Company in general meeting (subject in each case to any terms, limits or conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds.

## **9. RECORDS OF DECISIONS TO BE KEPT**

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

## **10. NUMBER OF DIRECTORS**

- 10.1 Unless otherwise determined by special resolution, the number of Directors (other than Alternate Directors) shall not be subject to any maximum but shall not be less than two.
- 10.2 In the event of the minimum number of Directors fixed by or pursuant to these Articles or the Model Articles being one, a sole Director shall have authority to exercise all the powers and discretions expressed to be vested in the Board generally.

## **11. APPOINTMENT AND REMOVAL OF DIRECTORS**

- 11.1 Subject to article 11.2, any person who is willing to act as a director of the Company, and is permitted by law to do so, may be appointed to be a director of the Company by majority decision of the Board (including the Lucky Dragon Director).
- 11.2 For so long as Lucky Dragon remains a Shareholder, Lucky Dragon shall be entitled to appoint one Director and, notwithstanding any provision in these Articles, to remove and replace such Director by giving notice to the Company. The appointment or removal shall take effect on the date on which the notice is received by the Company, or if a later date is given in the notice, on the later date given in the notice. At the date of adoption of these Articles, Lucky Dragon has appointed Simon Minitzer as its appointed Lucky Dragon Director.
- 11.3 For so long as Gemma Colao remains a Shareholder, she shall be entitled to remain a Director.
- 11.4 Each Shareholder shall, on a resolution of the Company to remove the Lucky Dragon Director or Gemma Colao, vote against such removal, unless the Lucky Dragon Director or Gemma Colao is required to be removed under any other provision of these Articles.
- 11.5 In any case where, as a result of death or insolvency, the Company has no Shareholders and no Directors, the transmittee(s) of the last Shareholder to have died or to have an insolvency order made against him (as the case may be) shall have the right, by notice in writing, to appoint a natural person (including a transmittee who is a natural person), who is willing to act and is permitted to do so, to be a Director.
- 11.6 No shareholding qualification for Directors shall be required.

## **12. APPOINTMENT AND REMOVAL OF ALTERNATE DIRECTORS**

- 12.1 Any Director ("**Appointor**") may appoint as an alternate any other Director, or any other person approved by resolution of the Board (such approval not to be unreasonably withheld or delayed) ("**Alternate Director**"), to:
  - 12.1.1 exercise that Director's powers; and
  - 12.1.2 carry out that Director's responsibilities;in relation to the taking of decisions by the Board, in the absence of the alternate's Appointor.
- 12.2 Any appointment or removal of an alternate must be effected by notice in writing to the Company signed by the Appointor, or in any other manner approved by the Board.
- 12.3 The notice must:
  - 12.3.1 identify the proposed alternate; and
  - 12.3.2 in the case of a notice of appointment, contain a statement signed by the proposed alternate that the proposed alternate is willing to act as the alternate of the Director giving the notice.

## **13. RIGHTS AND RESPONSIBILITIES OF ALTERNATE DIRECTORS**

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

13.2 Except as the Articles specify otherwise, Alternate Directors:

13.2.1 are deemed for all purposes to be Directors;

13.2.2 are liable for their own acts and omissions;

13.2.3 are subject to the same restrictions as their Appointors; and

13.2.4 are not deemed to be agents of or for their Appointors;

and, in particular (without limitation), each Alternate Director shall be entitled to receive notice of all meetings of the Board and of all meetings of committees of the Board of which his Appointor is a member.

13.3 A person who is an Alternate Director but not a Director:

13.3.1 may be counted as participating for the purposes of determining whether a quorum is present (but only if that person's Appointor is not participating);

13.3.2 may participate in a unanimous decision of the Board (but only if his Appointor is an Eligible Director in relation to that decision, but does not participate); and

13.3.3 shall not be counted as more than one Director for the purposes of articles 13.3.1 and 13.3.2.

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

13.5 An Alternate Director may be paid expenses and may be indemnified by the Company to the same extent as his Appointor but shall not be entitled to receive any remuneration from the Company for serving as an Alternate Director except such part of the alternate's Appointor's remuneration as the Appointor may direct by notice in writing made to the Company.

#### **14. TERMINATION OF ALTERNATE DIRECTORSHIP**

An Alternate Director's appointment as an alternate terminates:

14.1 when the alternate's Appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate;

14.2 on the occurrence, in relation to the alternate, of any event which, if it occurred in relation to the alternate's Appointor, would result in the termination of the Appointor's appointment as a Director;

14.3 on the death of the alternate's Appointor; or

14.4 when the alternate's Appointor's appointment as a Director terminates.

## **15. SECRETARY**

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

## **SHARES**

### **16. SHARE CLASSES**

#### **16.1 General**

16.1.1 The Company is a private company. No invitation or offer shall be made to the public (whether for cash or otherwise) to subscribe for any shares in or debentures of the Company, nor shall the Company allot or agree 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.

16.1.2 The issued share capital of the Company at the date of adoption of these Articles is divided into Ordinary Shares and Preference Shares.

16.1.3 The rights and restrictions attaching to the respective classes of Share shall be as set out in this article 16.

#### **16.2 Income**

Any profits which the Company may determine to distribute in respect of a financial year shall be applied as follows:

16.2.1 first, in paying to the holders of the Preference Shares, in priority to any dividend or return of capital on any other class of shares, a fixed non-cumulative preferential dividend on the capital for the time being paid up on such Preference Shares at the rate of 6% per annum calculated on a daily basis. Such dividend shall be payable annually on 31 October in each year; the first payment to be on 31 October 2019 or such other date as may be specified in the Board resolution authorising their issue; and

16.2.2 second, in paying any balance of such profits to the holders of the Ordinary Shares *pari passu* and *pro rata* to the number of such Ordinary Shares held by each of them.

#### **16.3 Capital**

On a return of assets on liquidation, capital reduction or otherwise (other than a conversion or purchase of Shares), the assets of the Company remaining after the payment of its liabilities shall be applied (to the extent that the Company is lawfully able to do so) in the following order of priority:

16.3.1 first, in paying to the holders of the Preference Shares, per each Preference Share, the greater of (i) the Issue Price together with any Arrears in respect of each Preference Share; and (ii) such amount as would have been payable on each of the Preference Shares had all such shares been converted to Ordinary Shares immediately prior to such liquidation or capital reduction or payment of dividend or otherwise; and, if there is a shortfall of assets remaining to satisfy such payments in full, the proceeds shall be

distributed to the holders of the Preference Shares pro rata to the aggregate amounts due under this article 16.3.1 to each such Preference Share held; and

16.3.2 thereafter, in distributing the balance among the holders of the Ordinary Shares pari passu and pro rata to the number of such Ordinary Shares held by each of them.

#### 16.4 Conversion of Preference Shares

16.4.1 The Preference Shares are convertible into Ordinary Shares on the basis of 1 Preference Share for 1 Ordinary Share, subject to any appropriate adjustment in the event of any subdivision, consolidation, capitalisation or other re-organisation of the share capital of the Company.

16.4.2 Each holder of Preference Shares shall be entitled at any time to convert all or part of their Preference Shares into Ordinary Shares and the following provisions shall have effect:

- (a) the conversion shall be effected by notice in writing signed by that holder of Preference Shares given to the Company;
- (b) the conversion shall take effect immediately upon the date of delivery of such notice to the Company;
- (c) immediately following the conversion, that holder of Preference Shares shall send to the Company the certificate in respect of their former holding of Preference Shares and the Company shall issue to such holder a certificate for the Ordinary Shares resulting from the conversion and a replacement certificate (if applicable) for any Preference Shares not converted;
- (d) simultaneously with the conversion of the Preference Shares into Ordinary Shares, the Company shall pay to the holders of the Preference Shares falling to be converted a dividend equal to all Arrears in relation to those Preference Shares so converted, to the extent that it is lawfully able to do so; and
- (e) the Ordinary Shares resulting from the conversion shall rank pari passu in all respects with the remaining Ordinary Shares.

#### 16.5 Voting

Each holder of Ordinary Shares and Preference Shares shall have one vote for each such Share that he holds and the voting rights shall be allocated between the holders of the Ordinary Shares and the Preference Shares pari passu and pro rata to the number of such Shares held by each of them as if the same constituted one class of Share.

#### 16.6 Exit Provisions

16.6.1 On a Share Sale, the Sale Proceeds shall be distributed in the order of priority set out in article 16.3. The Board shall not register any transfer of Shares if the Sale Proceeds are not distributed in that manner (save in respect of any Shares not sold in connection with that Share Sale) provided that, if the Sale Proceeds are not settled in their entirety upon completion of the Share Sale:



- (a) the Board may register the transfer of the relevant Shares, provided that the Sale Proceeds due on the date of completion of the Share Sale have been distributed in the order of priority set out in article 16.3; and
- (b) each Shareholder shall take any reasonable action (to the extent lawful and within its control) required by the Board to ensure that the balance of the Sale Proceeds are distributed in the order of priority set out in article 16.3.

16.6.2 On a Disposal, the surplus assets of the Company remaining after payment of its liabilities shall be distributed (to the extent that the Company is lawfully permitted to do so) in the order of priority set out in article 16.3, provided always that if it is not lawful for the Company to distribute its surplus assets in accordance with the provisions of these Articles, each Shareholder shall (to the extent lawful and within its control) take any reasonable action required by the Board (including, but without prejudice to the generality of this article 16.6.2, such action as may be necessary to put the Company into voluntary liquidation so that article 16.3 applies).

## 16.7 Variation of Rights

Whenever the share capital of the Company is divided into different classes of Shares, the rights attached to each of the classes of Shares may, in each case, be altered or abrogated (whether or not the Company has been wound up) with the written consent of the holders of not less than three quarters of the issued Shares of that class, or with the sanction of a resolution passed at a separate general meeting of the holders of such class of Shares. The provisions of these Articles shall apply, mutatis mutandis, to every such separate general meeting, except that:

- 16.7.1 if there shall be only one person who holds Shares of the relevant class, the necessary quorum shall be such one person;
- 16.7.2 in any other case the necessary quorum shall be any Shareholders present in person or by proxy holding at least 66.66% of the entire issued Shares of the relevant class from time to time; and
- 16.7.3 any holder of Shares in the class present in person or by proxy may demand a poll and every such holder shall on a poll have one vote for every Share of the class held by him.

## 17. UNISSUED SHARES

### 17.1 Authority to Allot

17.1.1 Subject to the remaining provisions of this article 17, the Board are generally and unconditionally authorised, for the purposes of section 551 of the Act and generally, to exercise any power of the Company to:

- (a) offer or allot;
- (b) grant rights to subscribe for or to convert any security into;
- (c) otherwise deal in, or dispose of,

any Shares to any person, at any time and subject to any terms and conditions as the Board thinks proper.

17.1.2 The authority referred to in article 17.1.1:

- (a) shall be limited to a maximum nominal amount of £1,000,000 (including all Shares which have been issued by the Company on or before the date of these Articles);
- (b) shall only apply insofar as the Company has not renewed, waived or revoked it by ordinary resolution; and
- (c) may only be exercised for a period of 5 years commencing on the date on which these Articles are adopted, save that the Board may make an offer or agreement which would, or might, require Shares to be allotted after the expiry of such authority (and the Board may allot Shares in pursuance of an offer or agreement as if such authority had not expired).

17.2 Right of First Refusal

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

17.2.2 Subject to article 17.2.3 and to the provisions of any agreements made between the Shareholders of which the Company shall have been given notice, those equity securities shall not be allotted to any person unless the Company has first offered them to all Shareholders on the date of the offer on the same terms, and at the same price, as those equity securities are being offered to other persons on a pari passu and pro rata basis to the number of Shares of any class held by those holders (as nearly as possible without involving fractions). The offer:

- (a) shall be in writing, shall be open for acceptance for a period of 15 Business Days from the date of the offer and shall give details of the number and subscription price of the relevant equity securities; and
- (b) may stipulate that any Shareholder who wishes to subscribe for a number of equity securities in excess of the proportion to which he is entitled shall, in his acceptance, state the number of excess equity securities ("**Excess Securities**") for which he wishes to subscribe.

17.2.3 The restrictions contained in article 17.2.2 shall not apply:

- (a) if each Shareholder holding more than 5% of the issued share capital at that time otherwise consents in writing; or
- (b) to the allotment of Ordinary Shares subject to an option granted under any Share Scheme provided that the total aggregate number of Ordinary Shares permitted to be issued under this article 17.2.3(b) shall not exceed 119,925 Ordinary Shares or such higher number agreed by the Board (including the Lucky Dragon Director).

17.2.4 Any equity securities not accepted by Shareholders pursuant to the offer made to them in accordance with article 17.2.2 shall be used for satisfying any requests for Excess Securities made pursuant to article 17.2.2. 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 of all classes held by the applicants immediately before the offer was made to Shareholders in accordance with article 17.2.2 (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 to any other person as the Board may determine, at the same price and on the same terms as the offer to the Shareholders.

### 17.3 Employment Related Securities

Unless the Board resolves otherwise, no Shares shall be allotted to any Employee, Director, prospective Employee or Director unless such person has entered into a joint election with the Company under section 431 of the Income Tax (Earnings and Pensions) Act 2003.

## 18. TRANSFER OF SHARES

### 18.1 Refusal to Register

The Directors may, in their absolute discretion and without assigning any reason, decline to register any transfer of any Share (whether or not fully paid), save as otherwise provided in this article 18.

### 18.2 Right of First Refusal

18.2.1 Save as provided at articles 18.3 and 18.4, any Shareholder wishing to transfer any of his Shares in the Company ("**Transferring Shareholder**") may give written notice to the Company ("**Transfer Notice**") of that desire, specifying the number of Shares ("**Transfer Shares**"), the proposed transferee(s) of the Transfer Shares (the "**Proposed Transferee**") and the price and other terms upon which he is willing to sell those Shares ("**Transfer Terms**"). As part of the Transfer Terms, the Transferring Shareholder may also state in the Transfer Notice whether he wishes to impose a **Total Transfer Condition** (meaning a condition that unless all of the Transfer Shares are sold pursuant to the following provisions of this article 18.2, none shall be so sold), but in the absence of such a statement the Transfer Notice shall be deemed not to contain a Total Transfer Condition.

18.2.2 The Company shall be the agent of the Transferring Shareholder for the sale of the Transfer Shares which shall be offered by the Company in the following order of priority:

- (a) first, to the holders of the Preference Shares *pari passu* and pro rata to the number of such Preference Shares held by each of them ("**First Offer Shareholders**"); and
- (b) second, to the holders of the Ordinary Shares *pari passu* and pro rata to the number of such Ordinary Shares held by each of them ("**Second Offer Shareholders**").

18.2.3 Within 5 Business Days of receipt by the Company of a Transfer Notice it shall give written notice of it to the First Offer Shareholders other than the Transferring Shareholder and shall offer to sell the Transfer Shares to the First Offer Shareholders in proportion as nearly as may be to their existing holdings of Shares on the Transfer Terms during the period of 10 Business Days commencing on the date on which the Transfer Notice is received by it ("**First Transfer Period**").

- 18.2.4 Any First Offer Shareholder other than the Transferring Shareholder may, by written notice received by the Company at any time during the First Transfer Period, elect to purchase, subject to availability, more than his proportion of the Transfer Shares on the Transfer Terms. If any First Offer Shareholders elect to purchase less than their full proportion of the Transfer Shares, those Shares not purchased by them shall be allocated to those First Offer Shareholders (if any) who have elected to purchase more than their respective proportions, such allocation to be made, as nearly as may be, in proportion to their respective holdings of all Shares held by each such First Offer Shareholder, provided that no First Offer Shareholder shall be obliged to purchase more Shares than he has applied for.
- 18.2.5 If the Transfer Notice in question did not contain a Total Transfer Condition or the First Offer Shareholders have elected to purchase all the Transfer Shares, then within 5 Business Days of the expiry of the First Transfer Period the Company shall notify the Transferring Shareholder in writing ("**First Sale Notice**") of the number of Shares to be transferred on the Transfer Terms, identifying the relevant First Offer Shareholders and specifying the date on which the transfers to those First Offer Shareholders shall be completed and the Transferring Shareholder shall be bound to comply with the terms of the Second Sale Notice and in default article 18.8 shall apply.
- 18.2.6 If the total number of Shares to be transferred pursuant to the First Sale Notice is less than the total number of Transfer Shares then, within 5 Business Days of the date specified in the First Sale Notice for the completion of the transfer of the Transfer Shares to the First Offer Shareholders, it shall give written notice of it to each Second Offer Shareholder other than the Transferring Shareholder and shall offer to sell the remaining Transfer Shares to them on the Transfer Terms during a period of 10 Business Days from the date specified in the First Sale Notice ("**Second Transfer Period**") in proportion as nearly as may be to their existing holdings of Shares in the Company.
- 18.2.7 Any Second Offer Shareholder other than the Transferring Shareholder may, by written notice received by the Company at any time during the Second Transfer Period, elect to purchase, subject to availability, more than his proportion of the remaining Transfer Shares on the Transfer Terms. If any Second Offer Shareholders elect to purchase less than their full proportion of the remaining Transfer Shares, those Shares not purchased by them shall be allocated to those Second Offer Shareholders (if any) who have elected to purchase more than their respective proportions, such allocation to be made, as nearly as may be, in proportion to their respective holdings of all Shares held by each such Second Offer Shareholder, provided that no Second Offer Shareholder shall be obliged to purchase more Shares than he has applied for.
- 18.2.8 If the Transfer Notice in question did not contain a Total Transfer Condition or the Second Offer Shareholders have elected to purchase all the remaining Transfer Shares, then within 5 Business Days of the expiry of the Second Transfer Period the Company shall notify the Transferring Shareholder in writing ("**Second Sale Notice**") of the number of Shares to be transferred on the Transfer Terms, identifying the relevant Second Offer Shareholders and specifying the date on which the transfers to those Second Offer Shareholders shall be completed and the Transferring Shareholder shall be bound to comply with the terms of the Second Sale Notice and in default article 18.8 shall apply.

18.2.9 If any Shares shall not be capable without fractions of being offered to the First Offer Shareholders or the Second Offer Shareholders pursuant to this article 18.2, they shall be offered to such respective Shareholders, or some of them, in such proportions or in such manner as may be determined by lots and the lots shall be drawn in such manner as the Directors may think fit.

18.2.10 If the total number of Shares to be transferred pursuant to the First Sale Notice and the Second Sale Notice is less than the total number of Transfer Shares then, if the Directors think fit and subject to the provisions of Part 18 of the Act, the Company may, within 5 Business Days of the date specified in the Second Sale Notice for the completion of transfers of the Transfer Shares to purchasing Shareholders ("**Buy-Back Notice Period**"), notify the Transferring Shareholder in writing ("**Buy-Back Notice**") that it intends to purchase the remaining Transfer Shares on the Transfer Terms as soon as reasonably practicable and in any event no later than 20 Business Days after the expiry of the Buy-Back Notice Period.

18.2.11 If the Transfer Notice in question did not contain a Total Transfer Condition and no Buy-Back Notice is given to the Transferring Shareholder within the Buy-Back Notice Period he shall be entitled for a period of 20 Business Days from the expiry of that Period to transfer the remaining Transfer Shares (if any) to the Proposed Transferee on terms no less onerous nor more advantageous than the Transfer Terms.

18.2.12 If the Transfer Notice in question contained a Total Transfer Condition, then no offer of Transfer Shares under this article 18.2 shall be capable of acceptance until all of the Transfer Shares shall have been accepted by the First Offer Shareholders (or any of them), the Second Offer Shareholders (or any of them) and/or by the Company pursuant to article 18.2. If the Directors shall not then receive acceptances in respect of all the Transfer Shares within the First Transfer Period, the Second Transfer Period and the Buy-Back Notice Period, they shall forthwith give notice in writing of that fact to the Transferring Shareholder and none of the Transfer Shares will be sold to the First Offer Shareholders, the Second Offer Shareholders or bought back by the Company pursuant to this article 18.2. The Transferring Shareholder shall then be entitled for a period of 20 Business Days from the expiry of the last of those periods to transfer all the Transfer Shares to the Proposed Transferee on terms no less onerous nor more advantageous than the Transfer Terms.

18.2.13 The restrictions contained in article 18.2 shall not apply if each Shareholder holding more than 5% of the issued share capital at that time otherwise consents in writing (excluding the Shareholder subject to the Transfer Notice).

### 18.3 Drag Along Option

18.3.1 If one or more Shareholders holding Shares representing in the aggregate more than 66.66% of the Shares ("**Sellers**") propose to transfer any of their Shares which would, if carried out, result in a Share Sale ("**Qualifying Offer**") and the Sellers approve the Qualifying Offer, the Sellers may as soon as reasonably practicable give written notice ("**Drag Along Notice**") to the Company and to all or any of the holders of the other Shares (including the holders of any rights to acquire Shares) ("**Other Shareholders**") specifying:

- (a) that the Other Shareholders are required to transfer the same proportion of their own Shares pursuant to this article 18.3 equal to the proportion of Shares being sold by the Sellers under the Qualifying Offer;

- (b) the identity of the buyer(s) in relation to the Share Sale ("**Buyer**") (and, if relevant, the transferee(s) nominated by the Buyer);
- (c) the consideration payable by the Buyer (or his nominee) pursuant to the Qualifying Offer (whether in cash or otherwise and whether payable on or at any time after completion of the sale of Shares to the Buyer (or his nominee));
- (d) the proposed date of completion of the sale of the Shares pursuant to the Qualifying Offer.

18.3.2 The consideration (whether in cash or otherwise and whether payable on or at any time after completion of the sale of Shares to the Buyer) for which the Other Shareholders shall be obliged to sell each of their Shares shall be that to which they would be entitled under article 16.3 if the total consideration proposed to be paid by the Buyer (or his nominee) were distributed in the same manner amongst the Sellers and the Other Shareholders and pro rata to the number of Shares but subject always to the particular share rights attaching to that class under article 16.3.

18.3.3 Upon receipt of a Drag Along Notice the Other Shareholders shall be bound to accept the Qualifying Offer upon terms that are no more nor less favourable than the terms accepted by the Sellers subject always to the particular share rights attaching to that class under article 16.3 (unless the Sellers agree that more favourable terms may apply to the Other Shareholders) and completion of the sale of the Shares shall take place on the date specified in the Drag Along Notice.

18.3.4 On completion under article 18.3.3 the Other Shareholders shall:

- (a) deliver transfers in respect of their Shares, together with the relevant share certificates (or appropriate indemnities in the case of missing share certificates) to the relevant Buyer (or his nominee); and
- (b) execute, deliver and do all other such deeds, documents, acts and things as may be necessary to transfer to the Buyer (or his nominee) their Shares upon terms that are no more nor less favourable than the terms accepted by the Sellers subject always to the particular share rights attaching to that class under article 16.3 including, for the avoidance of doubt, the giving of all warranties, indemnities and other obligations agreed to be given by the Sellers (unless the Sellers agree that more favourable terms may apply to the Other Shareholders);

and in default article 18.8 shall apply.

18.3.5 If one or more of the Other Shareholders has reasonable grounds to believe that the Sellers (or any of them) and the relevant Buyer are connected within the meaning of section 1122 of the Corporation Tax Act 2010 or are acting in concert as defined in the Takeover Code he may make a Valuation Request in accordance with article 18.7 and the price per Share payable by the Buyer to the Other Shareholders shall be determined in accordance with that article and the time periods otherwise specified in this article 18.3 shall be suspended from the date on which the Valuation Request is made until the date on which the Fair Value Certificate is received by the Company.

18.3.6 A Drag Along Notice shall be deemed served:

- (a) in respect of the proportion of Shares referred to in article 18.3.1(a) which are held by the Other Shareholders at the date of the Drag Along Notice; and
- (b) in respect of the proportion of Shares referred to in article 18.3.1(a) which the Other Shareholders are entitled to acquire after the date of the Drag Along Notice by reason of any rights conferred upon them as a Director, Employee or Consultant.

18.3.7 If Shares are acquired by any Other Shareholders after the date of the Drag Along Notice, those Other Shareholders must transfer the same proportion of such Shares to the Buyer equal to the proportion of Shares being sold by the Sellers under the Qualifying Offer pursuant to this article 18.3 on the day 2 Business Days after the date on which such Shares are so acquired unless all of the Other Shareholders and the Sellers agree otherwise.

18.3.8 A Drag Along Notice, once given, is irrevocable (save with the prior consent of the Board) but subject to article 18.3.5 the Drag Along Notice and all obligations under the Drag Along Notice will lapse if for any reason the Sellers do not transfer their relevant Shares to the Buyer (or his nominee) on the date specified in the Drag Along Notice. The Sellers may serve further Drag Along Notices following the lapse of any particular Drag Along Notice.

18.3.9 The pre-emption rights at article 18.2 shall not apply to this article 18.3.

#### 18.4 Tag Along Right

18.4.1 If one or more Shareholders holding Shares representing in the aggregate more than 50% of the issued Shares ("**Proposed Transferors**") agree (whether by way of a single transaction or a series of related transactions) to transfer more than 50% of the Shares to a Third Party they shall, as soon as reasonably practicable, give written notice of that agreement to the Company and to each of the other Shareholders ("**Proposed Transfer Notice**"), specifying:

- (a) the identity of the Third Party (and, if relevant, the transferee(s) nominated by the Third Party);
- (b) the number of Shares it is proposed to transfer and the consideration payable by the Third Party (or his nominee) for such Shares (whether in cash or otherwise and whether payable on or at any time after completion of the sale of Shares to the Third Party (or his nominee)); and
- (c) the proposed date of completion of the sale of the Shares to such Third Party (or his nominee).

18.4.2 Any Shareholder who is not a Proposed Transferor may give written notice ("**Tag Along Notice**") to the Company within 5 Business Days of the date of a Proposed Transfer Notice that it requires the Third Party (or his nominee) to acquire the proportion of his Shares equal to the proportion of Shares being sold by the Proposed Transferors on terms which are no more onerous nor less advantageous than those set out in the Proposed Transfer Notice subject always to the particular share rights attaching to that class under article 16.3.

- 18.4.3 Unless the Third Party (or his nominee) offers to purchase the Shares referred to in article 18.4.2 of all Shareholders who have given a Tag Along Notice to the Company upon terms which are no more onerous nor less advantageous than those set out in the Proposed Transfer Notice subject always to the particular share rights attaching to that class under article 16.3, no Proposed Transferor shall be permitted to transfer his Shares to the Third Party (or his nominee) and the Company shall be bound to refuse to register any such purported transfer.
- 18.4.4 If a Shareholder gives a Tag Along Notice to the Company, such Shareholder shall then be bound to sell his Shares referred to in article 18.4.2 to the Third Party upon terms that are no more nor less favourable than the terms accepted by the Proposed Transferors subject always to the particular share rights attaching to that class under article 16.3 (unless the Proposed Transferors agree that more favourable terms may apply to such Shareholder) and completion of the sale of the Shares shall take place on the date specified in the Proposed Transfer Notice.
- 18.4.5 On completion under article 18.4.4 each Shareholder who has given a Tag Along Notice shall:
- (a) deliver transfers in respect of their Shares, together with the relevant share certificates (or appropriate indemnities in the case of missing share certificates) to the relevant Third Party (or his nominee); and
  - (b) execute, deliver and do all other such deeds, documents, acts and things as may be necessary to transfer to the Third Party (or his nominee) their Shares upon terms that are no more nor less favourable than the terms accepted by the Proposed Transferors subject always to the particular share rights attaching to that class under article 16.3 including, for the avoidance of doubt, the giving of all warranties, indemnities and other obligations agreed to be given by the Proposed Transferors (unless the Proposed Transferors agree that more favourable terms may apply to such Shareholders);
- and in default article 18.8 shall apply.
- 18.4.6 If any Shareholder who is not a Proposed Transferor believes, on reasonable grounds, that the Proposed Transferors (or any of them) and the Third Party are connected within the meaning of section 1122 of the Corporation Tax Act 2010 or acting in concert as defined by the Takeover Code, he may make a Valuation Request in accordance with article 18.7 and the price per Share payable by the Third Party shall be determined in accordance with that Article; provided always that if the price is determined to be higher than the price stated in the Proposed Transfer Notice, the Third Party shall be entitled to either withdraw its offer to the Proposed Transferors or proceed with the offer to all Shareholders at the increased price. The Board shall not register a transfer made in contravention of this article 18.4.6.
- 18.4.7 A Tag Along Notice, once given, is irrevocable (save with the prior consent of the Board) but subject to article 18.4.6 the Tag Along Notice and all obligations under the Tag Along Notice will lapse if for any reason the Proposed Transferors do not transfer all of their Shares to the Third Party (or his nominee) on the date specified in the Proposed Transfer Notice.
- 18.4.8 The pre-emption rights at article 18.2 shall not apply to this article 18.4.



## 18.5 Director, Employee and Consultant Shares

18.5.1 If a Shareholder (other than any Founding Shareholder) ceases to either be a Director, an Employee or a Consultant (such that he is no longer a Director, an Employee nor a Consultant) ("**Departing Shareholder**"), the Board (excluding the Departing Shareholder) may resolve, at any time after the Departing Shareholder ceases to be a Director, an Employee or a Consultant, that such Departing Shareholder shall be deemed to have served a Transfer Notice and the provisions of article 18.2 shall apply:

- (a) in respect of all Shares which are then held by him, upon the passing of such resolution; and
- (b) in respect of any Shares which he or any other person may be entitled to acquire, after the passing of such resolution, by reason of any rights conferred upon him as a Director, an Employee or a Consultant, on the date on which such Shares are allotted or transferred to him or to such other person following the exercise of such rights;

in each case specifying in the Transfer Notice as the price per Share, the sum referred to in article 18.5.2.

18.5.2 The price per Share payable for the Departing Shareholder's Shares shall be:

- (a) where the Departing Shareholder is a Good Leaver, the price agreed between the Departing Shareholder (or his personal representatives) and the Board within 20 Business Days of the date of deemed service of the corresponding Transfer Notice or, in default of agreement within such time, the sum which on the application of the Board shall be certified by the Expert under article 18.7 as the Fair Value per Share; or
- (b) where the Departing Shareholder is a Bad Leaver, the nominal value of the Shares.

## 18.6 Transmission of Shares

18.6.1 Any person becoming entitled to a Share in consequence of the death or insolvency of a Shareholder shall give a Transfer Notice before he elects in respect of any Share to be registered himself or to execute a transfer and the provisions of article 18.2 shall apply.

18.6.2 If a person becoming so entitled shall not have given a Transfer Notice in respect of any Share within 6 months of the death or insolvency, the Board may at any time after that upon resolution passed by them give notice requiring such person within 20 Business Days of such notice to give a Transfer Notice in respect of all such Shares for which he has not previously given a Transfer Notice. If he does not do so he shall at the end of such 20 Business Days be deemed to have given such a Transfer Notice and the provisions of article 18.8 shall apply.

18.6.3 Where a Transfer Notice is given or deemed to be given under this article 18.6, the Transfer Notice shall be deemed to specify a price per Share equal to:

- (a) in the event of death of the Shareholder, the price agreed between the deceased Shareholder's personal representatives and the Board within 20 Business Days of the date of deemed service of the corresponding Transfer

Notice or, in default of agreement within such time, the sum which on the application of the Board shall be certified by the Expert under article 18.7 as the Fair Value per Share; and

- (b) in the event of insolvency of the Shareholder, the nominal value per Share.

## 18.7 Certificate of Fair Value

18.7.1 Any Shareholder may, not later than 5 Business Days after the date of a Drag Along Notice issued pursuant to article 18.3 or a Proposed Transfer Notice issued pursuant to article 18.4, or in any other case where a sale price is not specified in the relevant transfer notice, serve on the Company a notice in writing in accordance with article 18.7.2 ("**Valuation Request**").

18.7.2 A Valuation Request shall:

- (a) (where it relates to a Drag Along Notice or a Proposed Transfer Notice) set out the grounds on which the Shareholder believes that the parties to the proposed transfer are connected within the meaning of section 1122 of the Corporation Tax Act 2010 or acting in concert as defined by the Takeover Code; and
- (b) request that the Company appoints the Expert to certify in writing ("**Fair Value Certificate**") the sum which in their opinion represents the fair value of the relevant Shares at the date of the relevant notice as determined in accordance with article 18.7.4 ("**Fair Value**").

18.7.3 Upon receipt of a Valuation Request, and provided that the Board considers the grounds set out in it to be reasonable, the Company shall instruct the Expert to produce a Fair Value Certificate, subject to agreeing that Fair Value Certificate with the Board, and the costs of such Certificate shall be apportioned among the relevant Shareholders or borne by any one or more of them as the Expert in his absolute discretion shall decide.

18.7.4 In certifying the Fair Value, the Expert shall:

- (a) act as an expert and not as an arbitrator and accordingly any provisions of law or statute relating to arbitration shall not apply;
- (b) assume that the sale is between a willing seller and a willing buyer;
- (c) assume that the Shares are sold free of restrictions, liens, charges and other encumbrances;
- (d) assume that the sale is occurring on the date on which they are requested to determine the Fair Value;
- (e) value an individual Share as a rateable proportion of the total value of all of the issued Shares of that class in accordance with the particular share rights attaching to that class under article 16.3 but otherwise the value of a Shareholder's shareholding shall not be discounted or enhanced by reference to its size; and

- (f) take account of any other factors that the Expert and the Board reasonably believes should be taken into account, including the extent to which value should be attributed to shares of a particular class by reason of the rights attaching to such class of shares; and

if any problem arises in applying any of the assumptions set out in this article 18.7.4, the Expert shall resolve the problem in whatever manner he shall, in his absolute discretion, think fit.

18.7.5 Subject to any confidentiality provisions, the Expert shall have access to all accounting records and other relevant documents of the Company.

18.7.6 A Fair Value Certificate shall be final and binding on the Shareholders (save in the case of fraud or manifest error).

18.7.7 Upon receipt of a Fair Value Certificate, the Company shall as soon as reasonably practicable by notice in writing inform all Shareholders of the Fair Value and

- (a) in the case of a proposed transfer under article 18.3 or article 18.4, the price per Share shall not be less than the Fair Value; and
- (b) in any other case the price per Share shall be the Fair Value (save as otherwise provided in these Articles).

## 18.8 Authority to Sell

If in any case under article 18 the relevant Shareholder makes default in transferring the relevant Shares after having become bound to do so:

18.8.1 any Director (or some other person nominated by a resolution of the Board) may, as agent on behalf of the relevant Shareholder:

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

18.8.2 the Company shall pay the purchase price into a separate bank account in the Company's name on trust (but without interest) for the relevant Shareholder until he has delivered his certificate(s) for the relevant Shares (or an indemnity, in a form reasonably satisfactory to the Board, in respect of any lost certificate, together with such other evidence (if any) as the Board may reasonably require to prove good title to those Shares) to the Company.

## 18.9 Warranties

Save as otherwise provided in these Articles, any transfer of Shares made under article 18 shall be deemed to include a warranty that the transferor sells the Shares with full title guarantee.

## 18.10 Shareholders' Agreement

The Board may, as a condition to the registration of any transfer of Shares under article 18 require that the transferee executes and delivers to the Company a deed, agreeing to be bound by the terms of any shareholders' agreement (or similar document) in force between any of the Shareholders and the Company in such form as the Board may reasonably require (but not so as to oblige the transferee to have any obligations or liabilities greater than those of the proposed transferor). If any condition is imposed in accordance with this article 18.10, the transfer may not be registered unless and until that deed has been executed and delivered to the Company's registered office by the transferee.

## 18.11 Employment Related Securities

Unless the Board resolves otherwise, no Shares shall be transferred to any Employee, Director, prospective Employee or Director unless such person has entered into a joint election with the Company under section 431 of the Income Tax (Earnings and Pensions) Act 2003.

## 18.12 Enquiries

To enable the Board to determine whether or not there has been a disposal of Shares in the Company (or any interest in Shares) in breach of these Articles, the Board (excluding the defaulting Shareholder) may from time to time require any Shareholder to provide the Company with such information and evidence as it may reasonably require relevant to that purpose. If a Shareholder fails to provide information or evidence in respect of any Shares registered in his name to the reasonable satisfaction of the Board within 10 Business Days of their request, the Board may serve a notice on the Shareholder stating that the Shareholder shall not in relation to all Shares held by that Shareholder be entitled to be present or to vote in person or by proxy at any general meeting of the Company, or to vote on a written resolution of the Shareholders or to receive dividends on the Shares until such evidence or information has been provided to such Board's satisfaction.

- 18.13 For the purposes of this article 18 **“transfer”**, **“transferor”** and **“transferee”** shall include respectively the renunciation of a renounceable letter of allotment, the original allottee and the renounee under any such letter of allotment.

## 19. PURCHASE OF OWN SHARES

Subject to the Act but without prejudice to any other provision of these Articles, the Company may purchase its own shares in accordance with Chapter 4 of Part 18 of the 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.

## **DECISION MAKING BY SHAREHOLDERS**

### **20. NUMBER OF SHAREHOLDERS**

If, and for so long as, the Company has only one Shareholder, all provisions of these Articles shall (in the absence of any express provision to the contrary) apply with such modification as may be necessary in relation to a company which has only one Shareholder.

### **21. QUORUM FOR GENERAL MEETINGS**

- 21.1 Subject to article 21.2, the quorum at any general meeting of the Company shall be any Shareholders present in person or by proxy holding at least 66.66% of the entire issued Shares from time to time (including Lucky Dragon for so long as such person remains a Shareholder).
- 21.2 No business shall be conducted at any general meeting of the Company unless a quorum is participating at the beginning of the meeting and also when that business is voted on. If a quorum is not participating within 30 minutes of the time specified for the relevant meeting in the notice of the meeting then the meeting shall be adjourned to the same time and place the following week. If a quorum is not present within 30 minutes from the time appointed for the adjourned meeting, then the meeting shall be adjourned to the same time and place the following week. If a quorum is not present within 30 minutes from the time appointed for the further adjourned meeting, then those Shareholders present will constitute a quorum. This article 21.2 shall be without prejudice to any veto rights of Lucky Dragon. Article 41 of the Model Articles shall be modified accordingly.
- 21.3 No business shall be transacted by any general meeting unless a quorum is present at the commencement of the meeting and also when that business is voted on.

### **22. CHAIRING GENERAL MEETINGS**

The Chairman of the Board shall chair general meetings. If the Chairman for the time being is not participating in the general meeting within 10 minutes of the time at which it was to start, the participating Directors must appoint one of themselves to chair it.

### **23. VOTING**

At a general meeting, on a show of hands every Shareholder holding Shares who is present in person or by proxy shall have one vote, unless the proxy is himself a Shareholder entitled to vote; on a poll every Shareholder holding Shares present in person or by proxy shall have one vote for each Share of which he is the holder; and on a vote on a written resolution every Shareholder holding Shares has one vote for each Share of which he is the holder.

### **24. POLL VOTES**

- 24.1 A poll may be demanded at any general meeting by any qualifying person (as defined in section 318 of the Act) present and entitled to vote at the meeting.
- 24.2 Article 44(3) of the Model Articles shall be amended by the insertion of the words "A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made" as a new paragraph at the end of that article.

## **25. PROXIES**

- 25.1 Article 45(1)(d) of the Model Articles shall be deleted and replaced with the words "is delivered to the Company in accordance with these Articles not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in accordance with any instructions contained in the notice of the general meeting (or adjourned meeting) to which they relate".
- 25.2 Article 45(1) of the Model Articles shall be amended by the insertion of the words "and a proxy notice which is not delivered in such manner shall be invalid, unless the Board, in its discretion, accept the notice at any time before the meeting" as a new paragraph at the end of that article.

## **26. SHAREHOLDERS' NOMINATION RIGHTS**

- 26.1 Subject to the Companies Acts, any Shareholder (or, where any Share is held jointly, whichever of them is first named in the register) shall be entitled from time to time to nominate any other person or persons other than any person(s) whom the Board reasonably considers to be or to represent a competitor (or potential competitor) of the Company or any person(s) or other entity connected with such a competitor to exercise some or all of such Shareholder's rights as a Shareholder of the Company and at any time to revoke such nomination.
- 26.2 Any nomination under article 26.1 shall:
- 26.2.1 be given by notice in writing addressed to the Company;
  - 26.2.2 specify the full name and address for notices of such nominee(s);
  - 26.2.3 be countersigned by or on behalf of the relevant nominee to indicate his acceptance of such nomination; and
  - 26.2.4 take effect upon receipt (or deemed receipt) of such a notice by the Company.
- 26.3 A notice of nomination given under article 26.2 may:
- 26.3.1 specify which rights, in relation to which Shares, of that Shareholder are to be enjoyed, or may be exercised, by the relevant nominee(s) (and any limitations on such enjoyment or exercise) or, in the absence of such provision, such notice shall be deemed to grant each nominee the right to exercise all of the relevant Shareholder's rights as a Shareholder of the Company, to the fullest extent, subject only to the provisions of the Companies Acts. In the absence of any limitation on any nominee's rights pursuant to a nomination under this article 26.3.1, the Company shall accept any instruction or exercise of a right which is first received, in the event of an instruction or exercise being made by more than one nominee in respect of the same right; and
  - 26.3.2 specify when the nomination is to cease to have effect.
- 26.4 Revocation of a nomination previously made under article 26.1 shall be given by notice in writing addressed to the Company and shall take effect upon receipt (or deemed receipt) of such notice by the Company.

- 26.5 At all times from receipt (or deemed receipt) by the Company of such a notice of nomination, until receipt (or deemed receipt) of a valid notice of revocation of such a nomination, the nominee appointed by a Shareholder shall enjoy and be entitled to exercise the rights of that Shareholder, to the extent, if any, specified in such notice of nomination, to the exclusion of that Shareholder's rights (to that extent). The revocation of a nomination in accordance with article 26.4 shall not invalidate anything done (or omitted to be done) by the relevant nominee at any time prior to the date such revocation takes effect in accordance with article 26.4.
- 26.6 If a notice of nomination given under article 26.2 states that the Shareholder making the nomination may, notwithstanding such nomination, continue to exercise or enjoy all of his or certain specified rights and that Shareholder and the nominee both seek to exercise a particular right on any matter then, unless such right is exercised in the same way, the Company shall accept the exercise of the right it receives first.
- 26.7 For the purposes of these Articles but subject to the provisions of the Act, references to any matter to be done by, or in relation to, a "**Shareholder**" or "**Shareholders**" shall be deemed to include reference to any person for the time being nominated in accordance with this article 26.

## **ADMINISTRATIVE ARRANGEMENTS**

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

- 27.1 Any notice, document or other information shall be deemed served on or delivered to the intended recipient:
- 27.1.1 if properly addressed and sent by prepaid United Kingdom first class post to an address in the United Kingdom, 48 hours after it was posted (or 5 Business Days after posting either to an address outside the United Kingdom or from outside the United Kingdom to an address within the United Kingdom, if (in each case) sent by reputable international overnight courier addressed to the intended recipient, provided that delivery in at least 5 Business Days was guaranteed at the time of sending and the sending party receives a confirmation of delivery from the courier service provider);
  - 27.1.2 if properly addressed and delivered by hand, when it was given or left at the appropriate address;
  - 27.1.3 if properly addressed and sent or supplied by electronic means, one hour after the document or information was sent or supplied; and
  - 27.1.4 if sent or supplied by means of a website, when the material is first made available on the website or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on the website.
- 27.2 For the purposes of article 27.1, no account shall be taken of any part of a day that is not a Business Day.
- 27.3 In proving that any notice, document or other information was properly addressed, it shall be sufficient to show that the notice, document or other information was delivered to an address permitted for the purpose by the Act.

## 28. INDEMNITY

28.1 Subject to article 28.2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled:

28.1.1 each relevant officer shall be indemnified out of the Company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a relevant officer:

- (a) in the actual or purported execution and/or discharge of his duties, or in relation to them; and
- (b) in relation to the Company's (or any Associated Company's) activities as trustee of an occupational pension scheme (as defined in section 235(6) of the Act),

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

28.1.3 the Company may provide any relevant officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings or application referred to in article 28.1.1 and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure.

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

28.3 In this article, a "**relevant officer**" means any Director or other officer or former Director or other officer of the Company or an Associated Company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act) , but excluding in each case any person engaged by the Company (or Associated Company) as auditor (whether or not he is also a Director or other officer), to the extent he acts in his capacity as auditor).

## 29. INSURANCE

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

29.2 In this article:

29.2.1 a "**relevant officer**" shall have the meaning given in article 28.3; and

29.2.2 a "**relevant loss**" means any loss or liability which has been or may be incurred by a relevant officer in connection with that relevant officer's duties or powers in relation to the Company, any Associated Company or any pension fund or employees' share scheme of the Company or Associated Company.



## SCHEDULE 1

### MODEL ARTICLES FOR PRIVATE COMPANIES LIMITED BY SHARES

#### PART 1

##### INTERPRETATION AND LIMITATION OF LIABILITY

###### Defined terms

1. In the articles, unless the context requires otherwise—

"articles" means the company's articles of association;

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

"chairman" has the meaning given in article 12;

"chairman of the meeting" has the meaning given in article 39;

"Companies Acts" means the Companies Acts (as defined in section 2 of the Companies Act 2006), in so far as they apply to the company;

"director" means a director of the company, and includes any person occupying the position of director, by whatever name called;

"distribution recipient" has the meaning given in article 31;

"document" includes, unless otherwise specified, any document sent or supplied in electronic form;

"electronic form" has the meaning given in section 1168 of the Companies Act 2006;

"fully paid" in relation to a share, means that the nominal value and any premium to be paid to the company in respect of that share have been paid to the company;

"hard copy form" has the meaning given in section 1168 of the Companies Act 2006;

"holder" in relation to shares means the person whose name is entered in the register of members as the holder of the shares;

"instrument" means a document in hard copy form;

"ordinary resolution" has the meaning given in section 282 of the Companies Act 2006;

"paid" means paid or credited as paid;

"participate", in relation to a directors' meeting, has the meaning given in article 10;

"proxy notice" has the meaning given in article 45;

"shareholder" means a person who is the holder of a share;

"shares" means shares in the company;

"special resolution" has the meaning given in section 283 of the Companies Act 2006;

"subsidiary" has the meaning given in section 1159 of the Companies Act 2006;

"transmittee" means a person entitled to a share by reason of the death or bankruptcy of a shareholder or otherwise by operation of law; and

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

Unless the context otherwise requires, other words or expressions contained in these articles bear the same meaning as in the Companies Act 2006 as in force on the date when these articles become binding on the company.

###### Liability of members

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

#### PART 2

##### DIRECTORS

###### DIRECTORS' POWERS AND RESPONSIBILITIES

###### Directors' general authority

3. Subject to the articles, the directors are responsible for the management of the company's business, for which purpose they may exercise all the powers of the company.

###### Shareholders' reserve power

4.—(1) The shareholders may, by special resolution, direct the directors to take, or refrain from taking, specified action.

(2) No such special resolution invalidates anything which the directors have done before the passing of the resolution.

###### Directors may delegate

5.—(1) Subject to the articles, the directors may delegate any of the powers which are conferred on them under the articles—

- (a) to such person or committee;
- (b) by such means (including by power of attorney);
- (c) to such an extent;
- (d) in relation to such matters or territories; and
- (e) on such terms and conditions;

as they think fit.

(2) If the directors so specify, any such delegation may authorise further delegation of the directors' powers by any person to whom they are delegated.

(3) The directors may revoke any delegation in whole or part, or alter its terms and conditions.

###### Committees

6.—(1) Committees to which the directors delegate any of their powers must follow procedures which are based as far as they are applicable on those provisions of the articles which govern the taking of decisions by directors.

(2) The directors may make rules of procedure for all or any committees, which prevail over rules derived from the articles if they are not consistent with them.

#### DECISION-MAKING BY DIRECTORS

###### Directors to take decisions collectively

7.—(1) The general rule about decision-making by directors is that any decision of the directors must be either a majority decision at a meeting or a decision taken in accordance with article 8.

(2) If—

- (a) the company only has one director, and
- (b) no provision of the articles requires it to have more than one director,

the general rule does not apply, and the director may take decisions without regard to any of the provisions of the articles relating to directors' decision-making.

#### Unanimous decisions

- 8.—(1) A decision of the directors is taken in accordance with this article when all eligible directors indicate to each other by any means that they share a common view on a matter.
- (2) Such a decision may take the form of a resolution in writing, copies of which have been signed by each eligible director or to which each eligible director has otherwise indicated agreement in writing.
- (3) References in this article to eligible directors are to directors who would have been entitled to vote on the matter had it been proposed as a resolution at a directors' meeting.
- (4) A decision may not be taken in accordance with this article if the eligible directors would not have formed a quorum at such a meeting.

#### Calling a directors' meeting

- 9.—(1) Any director may call a directors' meeting by giving notice of the meeting to the directors or by authorising the company secretary (if any) to give such notice.
- (2) Notice of any directors' meeting must indicate—
- (a) its proposed date and time;
  - (b) where it is to take place; and
  - (c) if it is anticipated that directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting.
- (3) Notice of a directors' meeting must be given to each director, but need not be in writing.
- (4) Notice of a directors' meeting need not be given to directors who waive their entitlement to notice of that meeting, by giving notice to that effect to the company not more than 7 days after the date on which the meeting is held. Where such notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it.

#### Participation in directors' meetings

- 10.—(1) Subject to the articles, directors participate in a directors' meeting, or part of a directors' meeting, when—
- (a) the meeting has been called and takes place in accordance with the articles, and
  - (b) they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.
- (2) In determining whether directors are participating in a directors' meeting, it is irrelevant where any director is or how they communicate with each other.
- (3) If all the directors participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is.

#### Quorum for directors' meetings

- 11.—(1) At a directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.
- (2) The quorum for directors' meetings may be fixed from time to time by a decision of the directors, but it must never be less than two, and unless otherwise fixed it is two.
- (3) If the total number of directors for the time being is less than the quorum required, the directors must not take any decision other than a decision—
- (a) to appoint further directors, or
  - (b) to call a general meeting so as to enable the shareholders to appoint further directors.

#### Chairing of directors' meetings

- 12.—(1) The directors may appoint a director to chair their meetings.
- (2) The person so appointed for the time being is known as the chairman.
- (3) The directors may terminate the chairman's appointment at any time.
- (4) If the chairman is not participating in a directors' meeting within ten minutes of the time at which it was to start, the participating directors must appoint one of themselves to chair it.

#### Casting vote

- 13.—(1) If the numbers of votes for and against a proposal are equal, the chairman or other director chairing the meeting has a casting vote.
- (2) But this does not apply if, in accordance with the articles, the chairman or other director is not to be counted as participating in the decision-making process for quorum or voting purposes.

#### Conflicts of interest

- 14.—(1) If a proposed decision of the directors is concerned with an actual or proposed transaction or arrangement with the company in which a director is interested, that director is not to be counted as participating in the decision-making process for quorum or voting purposes.
- (2) But if paragraph (3) applies, a director who is interested in an actual or proposed transaction or arrangement with the company is to be counted as participating in the decision-making process for quorum and voting purposes.
- (3) This paragraph applies when—
- (a) the company by ordinary resolution disapplies the provision of the articles which would otherwise prevent a director from being counted as participating in the decision-making process;
  - (b) the director's interest cannot reasonably be regarded as likely to give rise to a conflict of interest; or
  - (c) the director's conflict of interest arises from a permitted cause.
- (4) For the purposes of this article, the following are permitted causes—
- (a) a guarantee given, or to be given, by or to a director in respect of an obligation incurred by or on behalf of the company or any of its subsidiaries;
  - (b) subscription, or an agreement to subscribe, for shares or other securities of the company or any of its subsidiaries, or to underwrite, sub-underwrite, or guarantee subscription for any such shares or securities; and
  - (c) arrangements pursuant to which benefits are made available to employees and directors or former employees and directors of the company or any of its subsidiaries which do not provide special benefits for directors or former directors.

- (5) For the purposes of this article, references to proposed decisions and decision-making processes include any directors' meeting or part of a directors' meeting.
- (6) Subject to paragraph (7), if a question arises at a meeting of directors or of a committee of directors as to the right of a director to participate in the meeting (or part of the meeting) for voting or quorum purposes, the question may, before the conclusion of the meeting, be referred to the chairman whose ruling in relation to any director other than the chairman is to be final and conclusive.
- (7) If any question as to the right to participate in the meeting (or part of the meeting) should arise in respect of the chairman, the question is to be decided by a decision of the directors at that meeting, for which purpose the chairman is not to be counted as participating in the meeting (or that part of the meeting) for voting or quorum purposes.

#### Records of decisions to be kept

15. The directors must ensure that the company keeps a record, in writing, for at least 10 years from the date of the decision recorded, of every unanimous or majority decision taken by the directors.

#### Directors' discretion to make further rules

16. Subject to the articles, the directors may make any rule which they think fit about how they take decisions, and about how such rules are to be recorded or communicated to directors.

#### APPOINTMENT OF DIRECTORS

##### Methods of appointing directors

17.—(1) Any person who is willing to act as a director, and is permitted by law to do so, may be appointed to be a director—

- (a) by ordinary resolution, or
- (b) by a decision of the directors.

(2) In any case where, as a result of death, the company has no shareholders and no directors, the personal representatives of the last shareholder to have died have the right, by notice in writing, to appoint a person to be a director.

(3) For the purposes of paragraph (2), where 2 or more shareholders die in circumstances rendering it uncertain who was the last to die, a younger shareholder is deemed to have survived an older shareholder.

##### Termination of director's appointment

18. A person ceases to be a director as soon as—

- (a) that person ceases to be a director by virtue of any provision of the Companies Act 2006 or is prohibited from being a director by law;
- (b) a bankruptcy order is made against that person;
- (c) a composition is made with that person's creditors generally in satisfaction of that person's debts;
- (d) a registered medical practitioner who is treating that person gives a written opinion to the company stating that that person has become physically or mentally incapable of acting as a director and may remain so for more than three months;
- (e) by reason of that person's mental health, a court makes an order which wholly or partly prevents that person from personally exercising any powers or rights which that person would otherwise have;
- (f) notification is received by the company from the director that the director is resigning from office, and such resignation has taken effect in accordance with its terms.

##### Directors' remuneration

19.—(1) Directors may undertake any services for the company that the directors decide.

(2) 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.

(3) Subject to the articles, a director's remuneration may—

- (a) take any form, and
- (b) include any arrangements in connection with the payment of a pension, allowance or gratuity, or any death, sickness or disability benefits, to or in respect of that director.

(4) Unless the directors decide otherwise, directors' remuneration accrues from day to day.

(5) Unless the directors decide otherwise, directors are not accountable to the company for any remuneration which they receive as directors or other officers or employees of the company's subsidiaries or of any other body corporate in which the company is interested.

##### Directors' expenses

20. The company may pay any reasonable expenses which the directors properly incur in connection with their attendance at—

- (a) meetings of directors or committees of directors,
- (b) general meetings, or

(c) separate meetings of the holders of any class of shares or of debentures of the company, or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the company.

#### PART 3

#### SHARES AND DISTRIBUTIONS

##### SHARES

##### All shares to be fully paid up

21.—(1) 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.

(2) This does not apply to shares taken on the formation of the company by the subscribers to the company's memorandum.

##### Powers to issue different classes of share

22.—(1) Subject to the articles, but without prejudice to the rights attached to any existing share, the company may issue shares with such rights or restrictions as may be determined by ordinary resolution.

(2) The company may issue shares which are to be redeemed, or are liable to be redeemed at the option of the company or the holder, and the directors may determine the terms, conditions and manner of redemption of any such shares.

##### Company not bound by less than absolute interests

23. Except as required by law, no person is to be recognised by the company as holding any share upon any trust, and except as otherwise required by law or the articles, the company is not in any way to be bound by or recognise any interest in a share other than the holder's absolute ownership of it and all the rights attaching to it.

##### Share certificates

24.—(1) The company must issue each shareholder, free of charge, with one or more certificates in respect of the shares which that shareholder holds.

(2) Every certificate must specify—

- (a) in respect of how many shares, of what class, it is issued;
- (b) the nominal value of those shares;
- (c) that the shares are fully paid; and
- (d) any distinguishing numbers assigned to them.

(3) No certificate may be issued in respect of shares of more than one class.

(4) If more than one person holds a share, only one certificate may be issued in respect of it.

(5) Certificates must—

- (a) have affixed to them the company's common seal, or
- (b) be otherwise executed in accordance with the Companies Acts.

##### Replacement share certificates

25.—(1) If a certificate issued in respect of a shareholder's shares is—

- (a) damaged or defaced, or
- (b) said to be lost, stolen or destroyed, that shareholder is entitled to be issued with a replacement certificate in respect of the same shares.

(2) A shareholder exercising the right to be issued with such a replacement certificate—

- (a) may at the same time exercise the right to be issued with a single certificate or separate certificates;
- (b) must return the certificate which is to be replaced to the company if it is damaged or defaced; and
- (c) must comply with such conditions as to evidence, indemnity and the payment of a reasonable fee as the directors decide.

## Share transfers

- 26.—(1) Shares may be transferred by means of an instrument of transfer in any usual form or any other form approved by the directors, which is executed by or on behalf of the transferor.
- (2) No fee may be charged for registering any instrument of transfer or other document relating to or affecting the title to any share.
- (3) The company may retain any instrument of transfer which is registered.
- (4) The transferor remains the holder of a share until the transferee's name is entered in the register of members as holder of it.
- (5) The directors may refuse to register the transfer of a share, and if they do so, 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.

## Transmission of shares

- 27.—(1) If title to a share passes to a transferee, the company may only recognise the transferee as having any title to that share.
- (2) A transferee who produces such evidence of entitlement to shares as the directors may properly require—
- (a) may, subject to the articles, choose either to become the holder of those shares or to have them transferred to another person, and
  - (b) subject to the articles, and pending any transfer of the shares to another person, has the same rights as the holder had.
- (3) But transferees do not have the right to attend or vote at a general meeting, or agree to a proposed written resolution, in respect of shares to which they are entitled, by reason of the holder's death or bankruptcy or otherwise, unless they become the holders of those shares.

## Exercise of transferees' rights

- 28.—(1) Transferees who wish to become the holders of shares to which they have become entitled must notify the company in writing of that wish.
- (2) If the transferee wishes to have a share transferred to another person, the transferee must execute an instrument of transfer in respect of it.
- (3) Any transfer made or executed under this article is to be treated as if it were made or executed by the person from whom the transferee has derived rights in respect of the share, and as if the event which gave rise to the transmission had not occurred.

## Transferees bound by prior notices

29. If a notice is given to a shareholder in respect of shares and a transferee is entitled to those shares, the transferee is bound by the notice if it was given to the shareholder before the transferee's name has been entered in the register of members.

## DIVIDENDS AND OTHER DISTRIBUTIONS

### Procedure for declaring dividends

- 30.—(1) The company may by ordinary resolution declare dividends, and the directors may decide to pay interim dividends.
- (2) A dividend must not be declared unless the directors have made a recommendation as to its amount. Such a dividend must not exceed the amount recommended by the directors.
- (3) No dividend may be declared or paid unless it is in accordance with shareholders' respective rights.
- (4) Unless the shareholders' resolution to declare or directors' decision to pay a dividend, or the terms on which shares are issued, specify otherwise, it must be paid by reference to each shareholder's holding of shares on the date of the resolution or decision to declare or pay it.
- (5) If the company's share capital is divided into different classes, no interim dividend may be paid on shares carrying deferred or non-

preferred rights if, at the time of payment, any preferential dividend is in arrear.

- (6) The directors may pay at intervals any dividend payable at a fixed rate if it appears to them that the profits available for distribution justify the payment.

- (7) If the directors act in good faith, they do not incur any liability to the holders of shares

conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on shares with deferred or non-preferred rights.

## Payment of dividends and other distributions

- 31.—(1) Where a dividend or other sum which is a distribution is payable in respect of a share, it must be paid by one or more of the following means—

- (a) transfer to a bank or building society account specified by the distribution recipient either in writing or as the directors may otherwise decide;
- (b) sending a cheque made payable to the distribution recipient by post to the distribution recipient at the distribution recipient's registered address (if the distribution recipient is a holder of the share), or (in any other case) to an address specified by the distribution recipient either in writing or as the directors may otherwise decide;
- (c) sending a cheque made payable to such person by post to such person at such address as the distribution recipient has specified either in writing or as the directors may otherwise decide; or
- (d) any other means of payment as the directors agree with the distribution recipient either in writing or by such other means as the directors decide.

- (2) In the articles, "the distribution recipient" means, in respect of a share in respect of which a dividend or other sum is payable—

- (a) the holder of the share; or
- (b) if the share has two or more joint holders, whichever of them is named first in the register of members; or
- (c) if the holder is no longer entitled to the share by reason of death or bankruptcy, or otherwise by operation of law, the transferee.

## No interest on distributions

32. The company may not pay interest on any dividend or other sum payable in respect of a share unless otherwise provided by—

- (a) the terms on which the share was issued, or
- (b) the provisions of another agreement between the holder of that share and the company.

## Unclaimed distributions

- 33.—(1) All dividends or other sums which are—

- (a) payable in respect of shares, and
- (b) unclaimed after having been declared or become payable, may be invested or otherwise made use of by the directors for the benefit of the company until claimed.

- (2) The payment of any such dividend or other sum into a separate account does not make the company a trustee in respect of it.

- (3) If—

- (a) twelve years have passed from the date on which a dividend or other sum became due for payment, and
- (b) the distribution recipient has not claimed it,

the distribution recipient is no longer entitled to that dividend or other sum and it ceases to remain owing by the company.

## Non-cash distributions

- 34.—(1) Subject to the terms of issue of the share in question, the company may, by ordinary resolution on the recommendation of the directors, decide to pay all or part of a dividend or other distribution payable in respect of a share by transferring non-cash assets of equivalent value (including, without limitation, shares or other securities in any company).

- (2) For the purposes of paying a non-cash distribution, the directors may make whatever

arrangements they think fit, including, where any difficulty arises regarding the distribution—

- (a) fixing the value of any assets;
- (b) paying cash to any distribution recipient on the basis of that value in order to adjust the rights of recipients; and
- (c) vesting any assets in trustees.

#### **Waiver of distributions**

**35.** Distribution recipients may waive their entitlement to a dividend or other distribution payable in respect of a share by giving the company notice in writing to that effect, but if—

- (a) the share has more than one holder, or
- (b) more than one person is entitled to the share, whether by reason of the death or bankruptcy of one or more joint holders, or otherwise,

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

### **CAPITALISATION OF PROFITS**

#### **Authority to capitalise and appropriation of capitalised sums**

**36.**—(1) Subject to the articles, the directors may, if they are so authorised by an ordinary resolution—

- (a) decide to capitalise any profits of the company (whether or not they are available for distribution) which are not required for paying a preferential dividend, or any sum standing to the credit of the company's share premium account or capital redemption reserve; and
- (b) appropriate any sum which they so decide to capitalise (a "capitalised sum") to the persons who would have been entitled to it if it were distributed by way of dividend (the "persons entitled") and in the same proportions.

(2) Capitalised sums must be applied—

- (a) on behalf of the persons entitled, and
- (b) in the same proportions as a dividend would have been distributed to them.

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

(4) A capitalised sum which was appropriated from profits available for distribution may be applied in paying up new debentures of the company which are then allotted credited as fully paid to the persons entitled or as they may direct.

(5) Subject to the articles the directors may—

- (a) apply capitalised sums in accordance with paragraphs (3) and (4) partly in one way and partly in another;
- (b) make such arrangements as they think fit to deal with shares or debentures becoming distributable in fractions under this article (including the issuing of fractional certificates or the making of cash payments); and
- (c) authorise any person to enter into an agreement with the company on behalf of all the persons entitled which is binding on them in respect of the allotment of shares and debentures to them under this article.

### **PART 4**

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

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

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

**37.**—(1) A person is able to exercise the right to speak at a general meeting when that person is in a position to communicate to all those attending the meeting, during the meeting, any information or opinions which that person has on the business of the meeting.

(2) A person is able to exercise the right to vote at a general meeting when—

- (a) that person is able to vote, during the meeting, on resolutions put to the vote at the meeting, and
- (b) that person's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting.

(3) The directors may make whatever arrangements they consider appropriate to enable those attending a general meeting to exercise their rights to speak or vote at it.

(4) In determining attendance at a general meeting, it is immaterial whether any two or more members attending it are in the same place as each other.

(5) Two or more persons who are not in the same place as each other attend a general meeting if their circumstances are such that if they have (or were to have) rights to speak and vote at that meeting, they are (or would be) able to exercise them.

#### **Quorum for general meetings**

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

#### **Chairing general meetings**

**39.**—(1) If the directors have appointed a chairman, the chairman shall chair general meetings if present and willing to do so.

(2) If the directors have not appointed a chairman, or if the chairman is unwilling to chair the meeting or is not present within ten minutes of the time at which a meeting was due to start—

- (a) the directors present, or
- (b) (if no directors are present), the meeting,

must appoint a director or shareholder to chair the meeting, and the appointment of the chairman of the meeting must be the first business of the meeting.

(3) The person chairing a meeting in accordance with this article is referred to as "the chairman of the meeting".

#### **Attendance and speaking by directors and non-shareholders**

**40.**—(1) Directors may attend and speak at general meetings, whether or not they are shareholders.

(2) The chairman of the meeting may permit other persons who are not—

- (a) shareholders of the company, or
- (b) otherwise entitled to exercise the rights of shareholders in relation to general meetings,

to attend and speak at a general meeting.

#### **Adjournment**

**41.**—(1) If the persons attending a general meeting within half an hour of the time at which the meeting was due to start do not constitute a quorum, or if during a meeting a quorum ceases to be present, the chairman of the meeting must adjourn it.

(2) The chairman of the meeting may adjourn a general meeting at which a quorum is present if—

- (a) the meeting consents to an adjournment, or
- (b) it appears to the chairman of the meeting that an adjournment is necessary to protect the safety of any person attending the meeting or ensure that the business of the meeting is conducted in an orderly manner.

(3) The chairman of the meeting must adjourn a general meeting if directed to do so by the meeting.

(4) When adjourning a general meeting, the chairman of the meeting must—

- (a) either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the directors, and
- (b) have regard to any directions as to the time and place of any adjournment which have been given by the meeting.

(5) If the continuation of an adjourned meeting is to take place more than 14 days after it was adjourned, the company must give at least 7

clear days' notice of it (that is, excluding the day of the adjourned meeting and the day on which the notice is given)—

- (a) to the same persons to whom notice of the company's general meetings is required to be given, and
- (b) containing the same information which such notice is required to contain.

(6) No business may be transacted at an adjourned general meeting which could not properly have been transacted at the meeting if the adjournment had not taken place.

## VOTING AT GENERAL MEETINGS

### Voting: general

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

### Errors and disputes

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

(2) Any such objection must be referred to the chairman of the meeting, whose decision is final.

### Poll votes

**44.—(1)** A poll on a resolution may be demanded—

- (a) in advance of the general meeting where it is to be put to the vote, or
- (b) at a general meeting, either before a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared.

(2) A poll may be demanded by—

- (a) the chairman of the meeting;
- (b) the directors;
- (c) two or more persons having the right to vote on the resolution; or
- (d) a person or persons representing not less than one tenth of the total voting rights of all the shareholders having the right to vote on the resolution.

(3) A demand for a poll may be withdrawn if—

- (a) the poll has not yet been taken, and
- (b) the chairman of the meeting consents to the withdrawal.

(4) Polls must be taken immediately and in such manner as the chairman of the meeting directs.

### Content of proxy notices

**45.—(1)** Proxies may only validly be appointed by a notice in writing (a "proxy notice") which—

- (a) states the name and address of the shareholder appointing the proxy;
- (b) identifies the person appointed to be that shareholder's proxy and the general meeting in relation to which that person is appointed;
- (c) is signed by or on behalf of the shareholder appointing the proxy, or is authenticated in such manner as the directors may determine; and
- (d) is delivered to the company in accordance with the articles and any instructions contained in the notice of the general meeting to which they relate.

(2) The company may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes.

(3) Proxy notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions.

(4) Unless a proxy notice indicates otherwise, it must be treated as—

- (a) allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting, and
- (b) appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself.

### Delivery of proxy notices

**46.—(1)** A person who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a general meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid proxy notice has been delivered to the company by or on behalf of that person.

(2) An appointment under a proxy notice may be revoked by delivering to the company a notice in writing given by or on behalf of the person by whom or on whose behalf the proxy notice was given.

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

(4) If a proxy notice is not executed by the person appointing the proxy, it must be accompanied by written evidence of the authority of the person who executed it to execute it on the appointor's behalf.

### Amendments to resolutions

**47.—(1)** An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if—

- (a) notice of the proposed amendment is given to the company in writing by a person entitled to vote at the general meeting at which it is to be proposed not less than 48 hours before the meeting is to take place (or such later time as the chairman of the meeting may determine), and
- (b) the proposed amendment does not, in the reasonable opinion of the chairman of the meeting, materially alter the scope of the resolution.

(2) A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if—

- (a) the chairman of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed, and
- (b) the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.

(3) If the chairman of the meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the chairman's error does not invalidate the vote on that resolution.

## PART 5

### ADMINISTRATIVE ARRANGEMENTS

#### Means of communication to be used

**48.—(1)** Subject to the articles, anything sent or supplied by or to the company under the articles may be sent or supplied in any way in which the Companies Act 2006 provides for documents or information which are authorised or required by any provision of that Act to be sent or supplied by or to the company.

(2) Subject to the articles, any notice or document to be sent or supplied to a director in connection with the taking of decisions by directors may also be sent or supplied by the means by which that director has asked to be sent or supplied with such notices or documents for the time being.

(3) A director may agree with the company that notices or documents sent to that director in a particular way are to be deemed to have been received within a specified time of their being sent, and for the specified time to be less than 48 hours.

#### Company seals

**49.—(1)** Any common seal may only be used by the authority of the directors.

(2) The directors may decide by what means and in what form any common seal is to be used.

(3) Unless otherwise decided by the directors, if the company has a common seal and it is affixed to a document, the document must also be signed by at least one authorised person in the presence of a witness who attests the signature.

(4) For the purposes of this article, an authorised person is—

- (a) any director of the company;
- (b) the company secretary (if any); or
- (c) any person authorised by the directors for the purpose of signing documents to which the common seal is applied.

#### **No right to inspect accounts and other records**

**50.** Except as provided by law or authorised by the directors or an ordinary resolution of the company, no person is entitled to inspect any of the company's accounting or other records or documents merely by virtue of being a shareholder.

#### **Provision for employees on cessation of business**

**51.** The directors may decide to make provision for the benefit of persons employed or formerly employed by the company or any of its subsidiaries (other than a director or former director or shadow director) in connection with the cessation or transfer to any person of the whole or part of the undertaking of the company or that subsidiary.

### **DIRECTORS' INDEMNITY AND INSURANCE**

#### **Indemnity**

**52.—(1)** Subject to paragraph (2), a relevant director of the company or 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 Companies Act 2006),

(c) any other liability incurred by that director as an officer of the company or an associated company.

(2) This article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law.

(3) In this article—

(a) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate, and

(b) a "relevant director" means any director or former director of the company or an associated company.

#### **Insurance**

**53.—(1)** The directors may decide to purchase and maintain insurance, at the expense of the company, for the benefit of any relevant director in respect of any relevant loss.

(2) In this article—

(a) a "relevant director" means any director or former director of the company or an associated company,

(b) a "relevant loss" means any loss or liability which has been or may be incurred by a relevant director in connection with that director's duties or powers in relation to the company, any associated company or any pension fund or employees' share scheme of the company or associated company, and

(c) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate.