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

**ARTICLES OF ASSOCIATION
OF
GOOD FABRICATIONS HOLDINGS LIMITED
(Company number 11486441)**

Adopted by special resolution on 28 August 2018

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RM 05/10/2018 #1
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CONTENTS

Interpretation and Limitation of Liability	1
1 Interpretation	1
2 Liability of Shareholders	5
Directors	5
3 Directors' general authority	5
4 Shareholders' reserve power	5
5 Directors may delegate	5
6 Committees	5
7 Decision making by directors	5
8 Calling a Directors' meeting	6
9 Participation in Directors' meetings	6
10 Quorum for Directors' meetings	6
11 Voting at Directors' meetings	7
12 Chairing of Directors' meetings	7
13 Directors' situational conflicts	7
14 Transactions or other arrangements with the Company	8
15 Records of decisions to be kept	8
Appointment of Directors and Secretary	8
16 Methods of appointing Directors	8
17 Secretary	9
18 Termination of Directors' appointment	9
19 Directors' remuneration	9
20 Directors' expenses	10
Decision making by Shareholders	10
21 Calling a General Meeting	10
22 Notice of general meetings	10
23 Attendance and Speaking at general meetings	11
24 Quorum for general meetings	11
25 Chairing General Meetings	11
26 Attendance and Speaking by Directors and Non-Shareholders	12
27 Adjournment	12
Voting at General Meetings	12
28 Voting – General	12
29 Errors and Disputes	13
30 Demanding a Poll	13
31 Procedure on a Poll	13
32 Content of Proxy Notices	13
33 Delivery of Proxy Notices	14
34 Amendments to resolutions	15
35 Class meetings	15

Shares	15
36 Powers to issue different classes of Share	15
37 Company not bound by less than absolute interests	15
38 Share capital	15
Share Certificates	16
39 Certificates to be issued except in certain cases	16
40 Contents and execution of Share certificates	16
41 Consolidated Share certificates	17
42 Replacement Share Certificates	17
Transfers of Shares	17
43 General	17
44 Pre-emption rights on the transfer of shares	19
45 Valuation	21
46 Compulsory transfers	22
47 Tag along	22
48 Drag along	23
Transmission of Shares	24
49 Transmission of Shares	24
50 Exercise of Transmittees' rights	24
51 Transmittees bound by prior notices	24
Capital value	24
52 Distributions of capital	24
Distributions of income	25
53 Dividends or other distributions of income	25
54 Procedure for declaring dividends	25
55 Payment of dividends and other distributions	25
56 No interest on distributions	26
57 Unclaimed distributions	26
58 Non-cash distributions	26
59 Waiver of distributions	26
Capitalisation of profits	27
60 Authority to capitalise and appropriation of capitalised sums	27
61 Purchase of own shares	27
Administrative Arrangements	28
62 Means of communication to be used	28
63 No right to inspect accounts and other records	28
64 Provision for employees on cessation of business	28
Directors' Indemnity and Insurance	28
65 Indemnity	28
66 Insurance	28

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INTERPRETATION AND LIMITATION OF LIABILITY

1 INTERPRETATION

1.1 The following definitions apply in these Articles:

Act: the Companies Act 2006.

acting in concert: has the meaning given to it in the City Code on Takeovers and Mergers published by the Panel on Takeovers and Mergers (as amended from time to time).

Adoption Date: the date of adoption of these Articles.

A Director: a director appointed by the holders of a majority of the A Ordinary Shares in accordance with Article 16.1.

A Ordinary Shares: the A ordinary shares of £1 each in the capital of the Company from time to time in issue.

Articles: the Company's articles of association.

Associated Company: companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate.

Bad Leaver: an Employee who becomes a Departing Employee in circumstances where he is not a Good Leaver.

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.

Board: the board of directors of the Company from time to time.

B Ordinary Shares: the B ordinary shares of £1 each in the capital of the Company from time to time in issue.

certificate: a paper certificate evidencing a person's title to specified shares or other securities.

Chairman: the chairman of the Board.

chairman of the meeting: as defined in Article 25.3.

Company: Good Fabrications Holdings Limited (company number 11486441).

Completion: completion of the sale of the relevant Sale Shares in accordance with these Articles.

connected: has the meaning given in section 252 of the Act.

Control: as defined in section 1124 of the Corporation Tax Act 2010.

Controlling Interest: an interest in Shares conferring on the holder or holders control of the Company within the meaning of section 1124 of the Corporation Tax Act 2010.

C Ordinary Shares: the C ordinary shares of £1 each in the capital of the Company from time to time in issue.

Deemed Transfer Notice: a Transfer Notice which is deemed to have been served by any of the provisions of these Articles.

Departing Employee: an Employee who ceases to be a director or employee of, or consultant to, any Group Company and who does not continue as, or become, a director or employee of, or consultant to, any Group Company.

Director: a director of the Company, and includes any person occupying the position of director, by whatever name called.

Disposal: the disposal by the Company of all, or a substantial part of, its business and assets.

Distribution Recipient: as defined in Article 55.2.

document: includes, unless otherwise specified, any document sent or supplied in electronic form.

Dragged Shareholders: as defined in Article 48.1.

Dragged Shares: as defined in Article 48.1.

Drag Notice: as defined in Article 48.2.

Drag Option: as defined in Article 48.1.

Drag Price: as defined in Article 48.2.

electronic form: as defined in section 1168 of the Act.

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

Eligible Shareholders: in relation to a Deemed Transfer Notice from a Seller, each Shareholder who at the Transfer Notice Date holds Shares (excluding the relevant Seller and any other Shareholder who at any time on or before that date is a Seller for the purposes of Article 44.2).

Employee: an individual, other than a Family Member, who is, or has been, a director and/or an employee of, or who does provide or has provided consultancy services to, any Group Company.

Equity Shares: together the Ordinary Shares, the A Ordinary Shares, the B Ordinary Shares and the C Ordinary Shares.

Expert: a firm of chartered accountants (acting as an expert and not as an arbitrator) nominated by the Majority Shareholders.

Fair Value: the Fair Value shall be determined in accordance with Article 45.2.

Family Member: any of Angela Morgan, Neil Morgan, Olivia Good and George Good or any of the children and remoter issue (including adopted children) of any of the aforesaid.

Financial Year: an accounting reference period (as defined in section 391 of the Act) of the Company.

fully paid: in relation to a share, that the nominal value and any premium to be paid to the Company in respect of that share have been paid to the Company.

Good Leaver: an Employee who becomes a Departing Employee (other than an Early Leaver) by reason of:

- (a) death;
- (b) permanent disability or permanent incapacity through ill-health;
- (c) retirement at normal retirement age;
- (d) ceasing to be employed by any Group Company as a result of a Group Company ceasing to be a Group Company; or
- (e) dismissal by the Company (or other Group Company) which is determined, by an employment tribunal or at a court of competent jurisdiction from which there is no right to appeal, to be wrongful, constructive or unfair.

Group: the Company, any subsidiary or any holding company from time to time of the Company, and any subsidiary from time to time of a holding company of the Company from time to time and **Group Company** shall be construed accordingly.

hard copy form: as defined in section 1168 of the Act.

holder: in relation to a Share, the person whose name is entered in the register of members as the holder of that Share from time to time.

holding company: has the meaning given in Article 1.10.

instrument: a document in hard copy form.

Majority Shareholders: at any time, Shareholders who together at such time hold Shares carrying more than 50 per cent. of the total number of votes at a general meeting.

Majority Shareholders' Consent: the prior consent in writing of the Majority Shareholders.

Member of the Same Group: as regards any company, a company which is from time to time a holding company or a subsidiary of that company or a subsidiary of any such holding company.

Non-Cash Consideration: as defined in Article 48.2(b).

Offer Notice: as defined in Article 47.3.

ordinary resolution: as defined in section 282 of the Act.

Ordinary Shares: the ordinary shares of £1 each in the capital of the Company.

paid: paid or credited as paid.

participate: in relation to a Directors' meeting, as defined in Article 9.1;

Permitted Transmittree: a Family Member or Permitted Trustee.

Permitted Trustee: a Family Member or Michelmores Trust Corporation Limited (registered in England and Wales with number 08005798).

Proposed Transfer Price: the price per Share proposed by the Seller in accordance with Article 44.2.

Proxy Notice: has the meaning given in Article 32.1.

Proxy Notification Address: has the meaning given in Article 33.1

Relevant Director: any Director or former Director of the Company or an Associated Company of the Company.

Relevant Loss: 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 of its Associated Companies or any pension fund or employees' share scheme of the Company or its Associated Companies.

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

- (a) the grant of any options under a Share Option Plan (and the issue of Shares on the

exercise of any such options);

- (b) any Shares or other securities issued by the Company in order for the Company to comply with its obligations under these Articles; and
- (c) any Shares or other securities issued in consideration of the acquisition by the Company of any company or business which has been approved by Majority Shareholders' Consent.

Relevant Shares: in relation to an Employee means all Shares held by the Employee in question and including any Shares acquired by any such person after the date the relevant Transfer Notice is deemed given but before completion of the transfer of Shares pursuant to the relevant Transfer Notice.

Restricted Shares: has the meaning given in Article 46.5.

Transfer Price: the price per Share determined in accordance with Article 45 at which the relevant Sale Shares are offered to the relevant Eligible Shareholders / the Company.

Sale Shares: any Share or Shares which is or are subject to a Transfer Notice under Article 44.2 or a Deemed Transfer Notice.

Seller: as defined in Article 44.2.

Shareholder: a holder for the time being of any Share or Shares, but excluding any member holding Shares in treasury.

Shares: shares, of whatever class, in the capital of the Company.

special resolution: as defined in section 283 of the Act.

subsidiary: has the meaning given in Article 1.10.

Third Party Purchaser: any person who is not a Shareholder or a Family Member.

Transfer Form: an instrument of transfer of Shares in any usual form or in any other form approved by the Directors, which is executed by or on behalf of the transferor.

Transmittee: a person entitled to a Share by reason of the death or bankruptcy of a Shareholder or otherwise by operation of law.

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

- 1.2 Unless the context otherwise requires, other words or expressions contained in these Articles bear the same meaning as in the Act as in force on the date when these Articles become binding on the Company.
- 1.3 The model articles for private companies limited by shares contained in Schedule 1 to The Companies (Model Articles) Regulations 2008 (SI 2008/3229), as amended, shall not apply to the Company.
- 1.4 Headings in these Articles shall not affect the interpretation of these Articles.
- 1.5 Unless the context otherwise requires, words in the singular shall include the plural and the plural shall include the singular.
- 1.6 Unless the context otherwise requires, a reference to one gender shall include a reference to the other genders.
- 1.7 A reference to a statute or statutory provision is a reference to it as it is in force on the Adoption Date. A reference to a statute or statutory provision shall include all subordinate legislation made as at the Adoption Date under that statute or statutory provision.
- 1.8 Any words following the terms **including, include, in particular, for example** or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms.
- 1.9 Where the context permits, **other** and **otherwise** are illustrative and shall not limit the sense of the words preceding them.

- 1.10 A reference to a **holding company** or a **subsidiary** means a holding company or a subsidiary (as the case may be) as defined in section 1159 of the Act and for the purposes only of the membership requirement contained in sections 1159(1)(b) and (c), a company shall be treated as a member of another company even if its shares in that other company are registered in the name of:

- (a) another person (or its nominee), by way of security or in connection with the taking of security; or
- (b) its nominee.

2 LIABILITY OF SHAREHOLDERS

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

DIRECTORS

3 DIRECTORS' GENERAL AUTHORITY

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

4 SHAREHOLDERS' RESERVE POWER

- 4.1 The holders of Equity Shares may, by special resolution, direct the Directors to take, or refrain from taking, specified action.
- 4.2 No such special resolution invalidates anything which the Directors have done before the passing of the resolution.

5 DIRECTORS MAY DELEGATE

- 5.1 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 provided.
- 5.2 If the Directors so specify, any such delegation may authorise further delegation of the Directors' powers by any person to whom they are delegated.
- 5.3 The Directors may revoke any delegation in whole or part, or alter its terms and conditions.

6 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.
- 6.2 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.

7 DECISION MAKING BY DIRECTORS

- 7.1 The Directors are responsible for the management of the Company's business for which purpose they may exercise all the powers of the Company.
- 7.2 Any decision of the Directors must be taken at a meeting of Directors in accordance with these Articles or must be a decision taken in accordance with Article 7.3 (subject to Article 7.4

and Article 7.5).

- 7.3 A unanimous decision of the Directors is taken when all Eligible Directors indicate to each other by any means that they share a common view on a matter.
- 7.4 A decision taken in accordance with Article 7.3 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.
- 7.5 A decision may not be taken in accordance with Article 7.3 if the Eligible Directors would not have formed a quorum at a Directors' meeting to vote on the matter in accordance with Article 10.

8 CALLING A DIRECTORS' MEETING

- 8.1 Any Eligible Director may call a meeting of the Directors, or authorise the company secretary (if any) to give such notice.
- 8.2 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.
- 8.3 Notice of a Directors' meeting need not be given to Directors who waive their entitlement to notice of that meeting, by giving notice to that effect to the Company not more than seven days after the date on which the meeting is held. Where such notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it.

9 PARTICIPATION IN DIRECTORS' MEETINGS

- 9.1 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.
- 9.2 In determining whether Directors are participating in a Directors' meeting, it is irrelevant where any Director is or how they communicate with each other.
- 9.3 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.

10 QUORUM FOR DIRECTORS' MEETINGS

- 10.1 At a Directors' meeting, unless a quorum is participating no proposal is to be voted on except a proposal to adjourn the meeting or call another meeting. If a meeting is to be adjourned, it shall be adjourned to the same day in the next week at the same time and place (or to such other day and at such other time and place as the Directors may agree in writing).
- 10.2 The quorum for Directors' meetings is two Directors of whom one must be the A Director and unless:
 - (a) there is only one Director in which case that Director may (until such time as he ceases to be the only Director) take decisions without regard to any of the provisions of these Articles relating to Directors' decision-making; or
 - (b) the purpose of the meeting (or part of the meeting) is to consider the giving of an Authorisation and, by virtue of the provisions of Article 13.2, there is only one Director whose vote would be counted and who would be counted in the quorum at that meeting (or part of that meeting), in which case that Director alone shall constitute a quorum at that meeting (or part of that meeting); or

- (c) the meeting is an adjourned meeting and a quorum is not participating within 30 minutes from the time appointed for that adjourned meeting, in which case the Director or Directors participating shall constitute a quorum.

11 VOTING AT DIRECTORS' MEETINGS

- 11.1 Each Eligible Director participating in a Directors' meeting has one vote on each proposed resolution.
- 11.2 The Chairman or other Director chairing the meeting shall not have a second or casting vote.

12 CHAIRING OF DIRECTORS' MEETINGS

- 12.1 Neil Morgan shall be Chairman for so long as he is a Director.
- 12.2 In the event that Neil Morgan ceases to be a Director, Angela Morgan shall become Chairman if on such cessation by Neil Morgan she is a Director and shall continue as Chairman for so long as she is a Director.
- 12.3 The Directors may otherwise from time to time appoint a Director to be Chairman.
- 12.4 The Directors may not terminate Neil Morgan's or Angela Morgan's appointment as Chairman, but may terminate another Director's appointment as Chairman and appoint another Director in his or her place.
- 12.5 If the Chairman is not Neil Morgan or Angela Morgan and is not participating in a Directors' meeting within 10 minutes of the time at which it was to start, the participating Directors must appoint one of themselves to chair it.

13 DIRECTORS' SITUATIONAL CONFLICTS

- 13.1 The Directors may, in accordance with the requirements set out in this Article 14.1, authorise (**Directors' Authorisation**) any matter or situation proposed to them by any Director which would, if not authorised, involve a Director (a **Conflicted Director**) breaching his duty under section 175 of the Act to avoid conflicts of interest (**Conflict**).
- 13.2 Any Directors' Authorisation will be effective only if:
 - (a) any requirement as to the quorum for consideration of the relevant matter is met without counting the Conflicted Director; and
 - (b) the matter was agreed to without the Conflicted Director voting or would have been agreed to if the Conflicted Director's vote had not been counted.
- 13.3 The Directors may at any time:
 - (a) make any Directors' Authorisation subject to such terms and conditions as they think fit; and
 - (b) vary or terminate any Directors' Authorisation (provided that this will not affect anything done by the relevant Conflicted Director or the Company in accordance with that Directors' Authorisation before any such variation or termination).
- 13.4 The Shareholders may also authorise (**Shareholders' Authorisation**) a Conflict by ordinary resolution and may at any time, by ordinary resolution:
 - (a) make any Shareholders' Authorisation subject to such terms and conditions as they think fit; and
 - (b) vary or terminate any Shareholders' Authorisation (provided that this will not affect anything done by the relevant Conflicted Director or the Company in accordance with that Shareholder Authorisation before any such variation or termination).
- 13.5 If the Conflicted Director received an Authorisation or Shareholder Authorisation in respect of a Conflict then (unless that Authorisation or Shareholder Authorisation provides otherwise) the Conflicted Director:

- (a) may vote at any future Directors' meeting (or meeting of a committee of the Directors) on any resolution in respect of that Conflict (and if he does vote his vote shall be counted) and he shall be taken into account in determining whether a quorum is participating at that meeting;
- (b) may absent himself from the whole or any part of any Directors' meeting (or meeting of a committee of the Directors) at which anything relating to that Conflict may be discussed;
- (c) shall not be required to disclose to the Company (or use for its benefit) any confidential information he obtains otherwise than in his capacity as a Director, as a result of that Conflict where to do so would be a breach of any duty of confidence owed by him to a third party; and
- (d) shall not be liable to account to the Company for any benefit he or any of his connected persons derive as a result of that Conflict.

14 TRANSACTIONS OR OTHER ARRANGEMENTS WITH THE COMPANY

- 14.1 If a Director (the **Interested Director**) is in any way directly or indirectly interested in a proposed or existing transaction or arrangement with the Company (the **Transaction**) he must declare the nature and extent of that interest to the other Directors in accordance with the provisions of the Act.
- 14.2 Subject to the provisions of the Act, Article 14.1 and the terms of any relevant Directors' Authorisation or Shareholder Authorisation, an Interested Director:
- (a) may be a party to, or otherwise be interested in, the relevant Transaction;
 - (b) may vote at any Directors' meeting (or meeting of a committee of the Directors) on any resolution in respect of that Transaction (and if he does vote his vote shall be counted) and he shall be taken into account in determining whether a quorum is Participating in that meeting; and
 - (c) shall not be liable to account to the Company for any benefit he or any of his connected persons derive as a result of that Transaction and that Transaction shall not be liable to be avoided on the ground of his interest.

15 RECORDS OF DECISIONS TO BE KEPT

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.

APPOINTMENT OF DIRECTORS AND SECRETARY

16 METHODS OF APPOINTING DIRECTORS

- 16.1 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.
- 16.2 In any case where, as a result of death or bankruptcy, the Company has no Shareholders and no Directors, the Transmittor(s) of the last Shareholder to have died or have a bankruptcy order made against him (as the case may be) has the right, by notice in writing to the Company, to appoint a natural person to be a Director.
- 16.3 For the purposes of Article 16.2, where two or more Shareholders die in circumstances rendering it uncertain who was the last to die, a younger Shareholder is deemed to have died after an older Shareholder.
- 16.1 Appointment of an A Director
- (a) The holders of a majority the A Ordinary Shares shall be entitled to appoint one person to be an A Director of the Company.

- (b) Any A Director may, at any time, be removed from office by holders of a majority the A Ordinary Shares.
- (c) If any A Director shall die or be removed from or vacate his office for any cause, the holders a majority of the A Ordinary Shares shall appoint another person in his place as the A Director.
- (d) Any appointment or removal of an A director pursuant to this Article shall be in writing and signed by or on behalf of the holders of a majority of the A Ordinary Shares and served on the Company at its registered office and on the Director in the case of his removal. The appointment or removal shall take effect when received by the Company or at the time specified in the notice, if later.
- (e) In the event of a resolution proposed to remove the A Director whether under section 168 of the Act or otherwise, the holders of a majority of the A Ordinary Shares voting against such resolution shall be entitled to cast such number of votes as is necessary to defeat the resolution.
- (f) Any resolution proposed as a written resolution to remove the A Director shall be proposed in a form that provides Shareholders with the ability to cast their votes against as well as in favour of the resolution.

17 SECRETARY

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

18 TERMINATION OF DIRECTORS' APPOINTMENT

18.1 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 Act or is prohibited from being a director by law; or
- (b) a bankruptcy order is made against that person; or
- (c) a composition is made with that person's creditors generally in satisfaction of that person's debts; or
- (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; or
- (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; or
- (f) the Board serves notice on that person to the effect that his appointment is terminated by reason of repeated non-attendance at meetings of the Board (without the consent of the other Directors, such consent not to be unreasonably withheld or delayed) over a period of 6 consecutive months; or
- (g) that person is convicted of a criminal offence (other than a minor motoring offence) and a majority of the other Directors resolve that he cease to be a Director; or
- (h) save in the case of Neil Morgan or Angela Morgan, the Board passes a resolution that that person cease to be a Director; or
- (i) notification is received by the Company from the Director that the Director is resigning from office as Director, and such resignation has taken effect in accordance with its terms.

19 DIRECTORS' REMUNERATION

19.1 Directors may undertake any services for the Company that the Directors decide.

- 19.2 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.
- 19.3 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.
- 19.4 Unless the Directors decide otherwise, Directors' remuneration accrues from day to day.
- 19.5 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.

20 DIRECTORS' EXPENSES

The Company may pay any reasonable expenses which the Directors and the secretary 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

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

DECISION MAKING BY SHAREHOLDERS

21 CALLING A GENERAL MEETING

- 21.1 The Directors may call general meetings of the Company.
- 21.2 In accordance with the provisions of the Act, and on the requisition of Shareholders representing at least 5% of the Equity Shares carrying the right to vote at general meetings, the Directors shall forthwith convene a general meeting.
- 21.3 If a general meeting is not called in response to such a request by Shareholders, it can be called by the Shareholders who requested the general meeting in accordance with the Act. Any general meeting requisitioned in this way by Shareholders shall be called in the same manner as nearly as possible to that in which general meetings are called by the Directors.
- 21.4 If:
- (a) the Company has fewer than two Directors; and
 - (b) the Director (if any) is unable or unwilling to appoint sufficient Directors to make up a quorum or to call a general meeting to do so two or more Shareholders may call a general meeting (or instruct the Company Secretary to do so) for the purpose of appointing one or more Directors.

22 NOTICE OF GENERAL MEETINGS

- 22.1 General meetings (other than adjourned meetings) shall be called on at least 14 clear days' notice.
- 22.2 General meetings may be called by shorter notice with the agreement of a majority in number of the Shareholders having the right to attend and vote at the meeting, being a majority who together hold not less than 95% in nominal value of the shares giving a right to attend and vote at the meeting (excluding any Shares held as treasury shares).
- 22.3 Subject to the provisions of the Articles and any restrictions imposed on any shares, the notice shall be given to all Shareholders, to all Transmittes who have become holders of the

relevant Shares and to the Directors and auditors, if any.

- 22.4 Subject to the provisions of the Act, the accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive notice, shall not invalidate the proceedings at that meeting.
- 22.5 Notice of a general meeting must be given
- (a) in hard copy form; or
 - (b) in electronic form; or
 - (c) subject to the provisions of the Act, by means of a website.
- 22.6 Notice of a general meeting must state
- (a) the time and date of the meeting;
 - (b) place of the meeting;
 - (c) the general nature of the business to be transacted at the meeting; and
 - (d) in a reasonably prominent place that a Shareholder entitled to attend and vote can appoint one or more proxies (who need not be Shareholders) to exercise all or any of his rights to attend, speak and vote instead of that Shareholder.

23 ATTENDANCE AND SPEAKING AT GENERAL MEETINGS

- 23.1 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.
- 23.2 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.
- 23.3 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.
- 23.4 In determining attendance at a general meeting, it is immaterial whether any two or more Shareholders attending it are in the same place as each other.
- 23.5 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.

24 QUORUM FOR GENERAL MEETINGS

- 24.1 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 as set out at paragraph 24.2.
- 24.2 The quorum for the meeting is such number of Shareholders entitled to vote upon the business to be transacted present in person or by proxy that represent more than 50% of the Shares in issue.

25 CHAIRING GENERAL MEETINGS

- 25.1 If the Directors have appointed a Chairman, the Chairman shall chair general meetings if present and willing to do so.
- 25.2 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.

25.3 The person chairing a meeting in accordance with this Article is referred to as "**the chairman of the meeting**".

26 ATTENDANCE AND SPEAKING BY DIRECTORS AND NON-SHAREHOLDERS

26.1 Directors may attend and speak at general meetings, whether or not they are Shareholders.

26.2 The chairman of the meeting may permit other persons who are not:

(a) Shareholders; or

(b) otherwise entitled to exercise the rights of Shareholders in relation to general meetings,

to attend and speak at a general meeting.

27 ADJOURNMENT

27.1 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.

27.2 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.

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

27.4 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.

27.5 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.

27.6 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

28 VOTING – GENERAL

28.1 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 these Articles.

28.2 Subject to any other provisions in these Articles concerning voting rights, each Equity Share shall carry the right to receive notice of and to attend, speak and vote at all general meetings of the Company.

28.3 Each A Ordinary Share shall carry two votes, each Ordinary Share shall carry one vote, each B Ordinary Share shall carry one vote and each C Ordinary Share shall carry one vote.

29 ERRORS AND DISPUTES

- 29.1 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.
- 29.2 Any such objection must be referred to the chairman of the meeting whose decision is final.

30 DEMANDING A POLL

- 30.1 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.
- 30.2 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.
- 30.3 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.
- 30.4 A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made.

31 PROCEDURE ON A POLL

- 31.1 Subject to the Articles, polls at general meetings must be taken when, where and in such manner as the chairman of the meeting directs.
- 31.2 The chairman of the meeting may appoint scrutineers (who need not be Shareholders) and decide how and when the result of the poll is to be declared.
- 31.3 The result of a poll shall be the decision of the meeting in respect of the resolution on which the poll was demanded.
- 31.4 A poll on:
- (a) the election of the chairman of the meeting, or
 - (b) a question of adjournment, must be taken immediately.
- 31.5 Other polls must be taken within 30 days of their being demanded.
- 31.6 A demand for a poll does not prevent a general meeting from continuing, except as regards the question on which the poll was demanded.
- 31.7 No notice need be given of a poll not taken immediately if the time and place at which it is to be taken are announced at the meeting at which it is demanded.
- 31.8 In any other case, at least 7 days' notice must be given specifying the time and place at which the poll is to be taken.
- 31.9 If a poll is called, a Shareholder can vote either personally or by his proxy.

32 CONTENT OF PROXY NOTICES

- 32.1 Proxies may only validly be appointed by a notice in writing (**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.
- 32.2 The Company may require Proxy Notices to be delivered in a particular form, and may specify different forms for different purposes.
- 32.3 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.
- 32.4 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.
- 32.5 Unless the contrary is shown, the Directors are entitled to assume that where a Proxy Notice purports to have been signed or authenticated by an officer on behalf of a company that such officer was duly authorised by such company without requiring any further evidence. Signatures and authentications need not be witnessed.

33 DELIVERY OF PROXY NOTICES

- 33.1 Any notice of a general meeting must specify the address or addresses (**Proxy Notification Address**) at which the Company or its agents will receive Proxy Notices relating to that meeting, or any adjournment of it, delivered in hard copy or electronic form.
- 33.2 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.
- 33.3 Subject to Articles 33.4 and 33.5, a Proxy Notice must be delivered to a Proxy Notification Address not less than 48 hours before the general meeting or adjourned meeting to which it relates.
- 33.4 In the case of a poll taken more than 48 hours after it is demanded, the notice must be delivered to a Proxy Notification Address not less than 24 hours before the time appointed for the taking of the poll.
- 33.5 In the case of a poll not taken during the meeting but taken not more than 48 hours after it was demanded, the Proxy Notice must be delivered
- (a) in accordance with Article 33.3, or
 - (b) at the meeting at which the poll was demanded to the Chairman, secretary or any Director.
- 33.6 An appointment under a Proxy Notice may be revoked by delivering a notice in writing given by or on behalf of the person by whom or on whose behalf the Proxy Notice was given to a Proxy Notification Address.
- 33.7 A notice revoking a proxy appointment only takes effect if it is delivered before:
- (a) the start of the meeting or adjourned meeting to which it relates, or
 - (b) (in the case of a poll not taken on the same day as the meeting or adjourned meeting) the time appointed for taking the poll to which it relates.
- 33.8 If a Proxy Notice is not signed 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.

34 AMENDMENTS TO RESOLUTIONS

- 34.1 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 Secretary 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.
- 34.2 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.
- 34.3 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.

35 CLASS MEETINGS

The provisions of the Articles relating to general meetings apply, with any necessary modifications, to meetings of the holders of any class of shares.

SHARES

36 POWERS TO ISSUE DIFFERENT CLASSES OF SHARE

- 36.1 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.
- 36.2 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.

37 COMPANY NOT BOUND BY LESS THAN ABSOLUTE INTERESTS

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

38 SHARE CAPITAL

- 38.1 The share capital of the Company shall be divided into four classes of Share, namely the Ordinary Shares, the A Ordinary Shares, B Ordinary Shares and the C Ordinary Shares having the rights attaching to them as set out in these Articles.
- 38.2 The Equity Shares rank *pari passu* as one class save to extent other rights are set out in these Articles.
- 38.3 All Shares issued by the Company shall be fully paid.
- 38.4 In these Articles, unless the context otherwise requires, references to Shares of a particular class shall include Shares created and/or issued after the date on which these Articles were adopted and ranking *pari passu* in all respects with the Shares of the relevant class then in issue.
- 38.5 No Share of any class nor any right to subscribe for or to convert any security into a Share of any class shall be allotted or granted otherwise than to the holder of a Share of that same class.

- 38.6 On the transfer of any Share as permitted by these Articles:
- (a) an Equity Share transferred to a non-Shareholder shall, if that non-Shareholder is a member of the management team (as decided by the Board at its sole discretion) be designated a C Ordinary Share; and
 - (b) an Equity Share transferred to a Shareholder shall automatically be redesignated on transfer as an Equity Share of the same class as those Equity Shares already held by the Shareholder.
- 38.7 If no Shares of a class remain in issue following a redesignation under this Article, these Articles shall be read as if they do not include any reference to that class or to any consents from, or attendance at any meeting or votes to be cast by, Shareholders of that class or Directors appointed by that class.
- 38.8 No variation of the rights attaching to any class of Shares shall be effective except with the sanction of a special resolution of the holders of the relevant class of Shares. Where a special resolution to vary the rights attaching to a class of Shares is proposed at a separate general meeting of that class of Shares, all the provisions of these Articles as to general meetings of the Company shall mutatis mutandis apply, but so that the necessary quorum shall be one holder of the relevant class present in person or by proxy or (being a corporation) by a duly authorised representative. For the purpose of this Article, one holder present in person or by proxy or (being a corporation) by a duly authorised representative may constitute a meeting.
- 38.9 Each of the following shall be deemed to constitute a variation of the rights attached to each class of Shares:
- (a) any alteration in the Articles;
 - (b) any reduction, subdivision, consolidation, redenomination, or purchase or redemption by the Company of its own Shares or other alteration in the share capital of the Company or any of the rights attaching to any share capital.
- 38.10 The Company shall immediately cancel any Shares acquired under Chapter 4 of Part 18 of the Act.

SHARE CERTIFICATES

39 CERTIFICATES TO BE ISSUED EXCEPT IN CERTAIN CASES

- 39.1 The Company must issue each Shareholder with one or more certificates in respect of the Shares which that Shareholder holds.
- 39.2 Except as otherwise specified in the Articles, all certificates must be issued free of charge.
- 39.3 No certificate may be issued in respect of Shares of more than one class.
- 39.4 If more than one person holds a Share, only one certificate may be issued in respect of it.
- 39.5 When the Company delivers a certificate to one joint holder of Shares, this is treated as delivery to all of the joint Shareholders.
- 39.6 If requested in writing to do so, the Company can deliver a certificate to a broker or agent who is acting for a person who is buying shares in certificated form, or who is having Shares transferred to him in certificated form.

40 CONTENTS AND EXECUTION OF SHARE CERTIFICATES

- 40.1 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) the amount paid up on them; and
 - (d) any distinguishing numbers assigned to them,
- and be executed in accordance with the Act.

- 40.2 No certificate may be issued in respect of more than one class of Share.
- 40.3 If more than one person holds a Share, only one certificate may be issued in respect of it.
- 40.4 If all the issued Shares, or a particular class of Share, are fully paid up and rank equally with each other for all purposes, none of these shares will (unless the Directors pass a resolution to the contrary) have a distinguishing number as long as it remains fully paid up and ranks equally for all purposes with all the shares of the same class which are issued and fully paid up.

41 CONSOLIDATED SHARE CERTIFICATES

- 41.1 When a Shareholder's holding of shares of a particular class increases, the Company may issue that Shareholder with:
- (a) a single, consolidated certificate in respect of all the shares of a particular class which that Shareholder holds; or
 - (b) a separate certificate in respect of only those shares by which that Shareholder's holding has increased.
- 41.2 When a Shareholder's holding of shares of a particular class is reduced, the Company must ensure that the Shareholder is issued with one or more certificates in respect of the number of shares held by the Shareholder after that reduction. But the Company need not (in the absence of a request from the Shareholder) issue any new certificate if:
- (a) all the shares which the Shareholder no longer holds as a result of the reduction; and
 - (b) none of the shares which the Shareholder retains following the reduction, were, immediately before the reduction, represented by the same certificate.
- 41.3 A Shareholder may request the Company, in writing, to replace:
- (a) the Shareholder's separate certificates with a consolidated certificate; or
 - (b) the Shareholder's consolidated certificate with two or more separate certificates representing such proportion of the shares as the Shareholder may specify.
- 41.4 When the Company complies with such a request it may charge such reasonable fee as the Directors may decide for doing so.
- 41.5 A consolidated certificate must not be issued unless any certificates which it is to replace have first been returned to the Company for cancellation.

42 REPLACEMENT SHARE CERTIFICATES

- 42.1 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.
- 42.2 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.

TRANSFERS OF SHARES

43 GENERAL

- 43.1 In these Articles, reference to the transfer of a Share includes the transfer, assignment or

other disposal of a beneficial or other interest in that Share, or the creation of a trust or encumbrance over that Share, and reference to a Share includes a beneficial or other interest in a Share.

- 43.2 No Share shall be transferred, and the Directors shall refuse to register a transfer of any Share, unless it is made in accordance with these Articles. Subject to Article 43.5, the Directors shall register any duly stamped transfer made in accordance with these Articles, unless they suspect that the proposed transfer may be fraudulent.
- 43.3 If a Shareholder transfers (or purports to transfer) a Share other than in accordance with these Articles, he shall, save with Majority Shareholders' Consent to the contrary, be deemed to have immediately served a Transfer Notice in respect of all Shares held by him.
- 43.4 Any transfer of a Share by way of sale which is required to be made under Article 46, Article 47 or Article 48 shall be deemed to include a warranty that the transferor sells the Share with full title guarantee.
- 43.5 The Directors may (and shall, if requested by the Majority Shareholders), as a condition to the registration of any transfer of Shares, require the transferee to execute and deliver to the Company a deed, in favour of the Company and the other Shareholders 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 Directors (acting with Majority Shareholders' Consent) 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 43.5, 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.
- 43.6 To enable the Directors to determine whether or not there has been any transfer (or purported transfer) of Shares the Directors may, and shall if so requested by the Majority Shareholders, require:
- (a) any holder (or the legal representatives of a deceased holder); or
 - (b) any person named as a transferee in a transfer lodged for registration; or
 - (c) such other person as the Directors may reasonably believe to have information relevant to that purpose,
- to provide the Company with any information and evidence that the Directors think fit regarding any matter which they deem relevant to that purpose.
- 43.7 If any such information or evidence referred to in Article 43.6 is not provided to enable the Directors to determine to their reasonable satisfaction that no breach has occurred, or that as a result of the information and evidence provided the Directors are reasonably satisfied that a breach has occurred, the Directors shall immediately notify the holder of such Shares of that fact in writing and, if the holder fails to remedy that situation to the reasonable satisfaction of the Directors within ten Business Days of receipt of such written notice, then, unless otherwise directed in writing by an Majority Shareholders' Consent:
- (a) the relevant Shares shall cease to confer on the holder of them any rights:
 - (i) to vote (whether on a show of hands, on a poll or otherwise and whether in person, by proxy or otherwise), including in respect of any resolution of any class of Shares;
 - (ii) to receive dividends or other distributions otherwise attaching to those Shares; or
 - (iii) to participate in any future issue of Shares issued in respect of those Shares; and
 - (b) the Directors may, by notice in writing to the relevant holder, determine that a Transfer Notice shall be deemed to have been given in respect of some or all of his Shares with effect from the date of service of the notice (or such later date as may be specified in such notice).

The Directors may (with Majority Shareholders' Consent) reinstate the rights referred to in Article 43.7(a) at any time and, in any event, such rights shall be reinstated in respect of any Shares transferred pursuant to Article 43.7(b) on completion of such transfer.

- 43.8 Unless expressly provided otherwise in these Articles, if a Transfer Notice is deemed to have been given under these Articles, the Deemed Transfer Notice shall be treated as having specified that:
- (a) it does not contain a **Minimum Transfer Condition**; and
 - (b) the Seller wishes to transfer all the Shares held by him (including any Shares acquired after the date the relevant Transfer Notice is deemed given but before completion of the transfer of Shares pursuant to the relevant Transfer Notice).
- 43.9 Any Transfer Notice (but not an Offer Notice or a Drag Along Notice (as defined in Article 48)) served in respect of the transfer of any Share which has not completed before the date of service of a Deemed Transfer Notice shall (save with Majority Shareholders' Consent to the contrary) automatically be revoked by the service of a Deemed Transfer Notice.

44 PRE-EMPTION RIGHTS ON THE TRANSFER OF SHARES

- 44.1 Except where the provisions of Article 47 (Tag along) or Article 48 (Drag along) apply, any transfer of Shares by a Shareholder shall be subject to the pre-emption rights in this Article 44.
- 44.2 A Shareholder who wishes to transfer Shares (a **Seller**) shall, before transferring or agreeing to transfer any Shares, give notice in writing (a **Transfer Notice**) to the Company specifying:
- (a) subject to Article 43.8(b), the number of Shares he wishes to transfer (**Sale Shares**);
 - (b) the name of the proposed transferee, if any;
 - (c) subject to Article 46.3, the price per Sale Share (in cash), if any, at which he wishes to transfer the Sale Shares (the **Proposed Transfer Price**); and
 - (d) subject to Article 43.8(a), whether the Transfer Notice is conditional on all or a specific number of the Sale Shares being sold (a **Minimum Transfer Condition**).
- 44.3 Except in the case of a Deemed Transfer Notice (which may not be withdrawn), where the Transfer Price of the Sale Shares comprised within a Transfer Notice is to be the Fair Value and such Fair Value less than the Proposed Transfer Price the Seller may, within ten Business Days of receipt of notification of the Fair Value, withdraw the Transfer Notice. Otherwise, a Transfer Notice may only be withdrawn with Majority Shareholders' Consent.
- 44.4 A Transfer Notice (or Deemed Transfer Notice) constitutes the Company the agent of the Seller for the sale of the Sale Shares at the Transfer Price.
- 44.5 As soon as practicable following the later of:
- (a) receipt of a Transfer Notice (or in the case of a Deemed Transfer Notice, the date such notice is deemed to be served); and
 - (b) the determination of the Transfer Price,
- the Directors shall (unless the Transfer Notice is withdrawn in accordance with Article 44.3) offer the Sale Shares for sale in the manner set out in the remaining provisions of this Article 44 at the Transfer Price. Each offer shall be in writing and shall give details of the number and Transfer Price of the Sale Shares offered.
- 44.6 The Directors shall offer the Sale Shares to the all the holders of Shares other than the Seller (**Offeree Shareholders**), inviting them to apply in writing within the period from the date of the offer to the date ten Business Days after the offer (both dates inclusive) (**Offer Period**) for the maximum number of Sale Shares they wish to buy.
- 44.7 If:
- (a) at the end of the Offer Period, the number of Sale Shares applied for is equal to or exceeds the number of Sale Shares, the Directors shall allocate the Sale Shares to each Offeree Shareholder who has applied for Sale Shares in the proportion which

his existing holding of Shares bears to the total number of Shares of the class being offered held by all Offeree Shareholders. Fractional entitlements shall be determined by the Directors. No allocation shall be made to a Shareholder of more than the maximum number of Sale Shares which he has stated he is willing to buy;

- (b) not all Sale Shares are allocated following allocations in accordance with Article 44.7(a), but there are applications for Sale Shares that have not been satisfied, the Directors shall allocate the remaining Sale Shares to such applicants in accordance with the procedure set out in Article 44.7(a). The procedure set out in this Article 44.7(b) shall apply on any number of consecutive occasions until either all Sale Shares have been allocated or all applications for Sale Shares have been satisfied; and
- (c) at the end of the Offer Period, the total number of Sale Shares applied for is less than the number of Sale Shares, the Directors shall allocate the Sale Shares to the Offeree Shareholders in accordance with their applications. The balance (**Surplus Shares**) shall, subject to Article 44.8, be offered to any other person in accordance with Article 44.12.

44.8 Where the Transfer Notice contains a Minimum Transfer Condition:

- (a) any allocation made under Article 44.7 shall be conditional on the fulfilment of the Minimum Transfer Condition; and
- (b) if the total number of Sale Shares applied for under Article 44.7 is less than the number of Sale Shares, the Board shall notify the Seller and all those Shareholders to whom Sale Shares have been conditionally allocated stating that the condition has not been met and that the relevant Transfer Notice has lapsed with immediate effect.

44.9 Where either:

- (a) the Transfer Notice does not contain a Minimum Transfer Condition; or
- (b) allocations have been made in respect of all the Sale Shares,

the Directors shall, when no further offers or allocations are required to be made under Article 44.7, give notice in writing of the allocations of Sale Shares (an **Allocation Notice**) to the Seller and each Shareholder to whom Sale Shares have been allocated (each an **Applicant**). The Allocation Notice shall specify the number of Sale Shares allocated to each Applicant and the place and time for completion of the transfer of the Sale Shares (which shall be at least three Business Days, but not more than ten Business Days, after the date of the Allocation Notice).

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

44.11 If the Seller fails to comply with Article 44.10:

- (a) the Chairman (or, failing him, any other Director or some other person nominated by a resolution of the Directors) may, as agent on behalf of the Seller:
 - (i) complete, execute and deliver in his name all documents necessary to give effect to the transfer of the relevant Sale Shares to the Applicants;
 - (ii) receive the Transfer Price and give a good discharge for it (and no Applicant shall be obliged to see to the distribution of the Transfer Price); and
 - (iii) (subject to the transfer being duly stamped) enter the Applicants in the register of Shareholders as the holders of the Shares purchased by them; and
- (b) the Company shall pay the Transfer Price into a separate bank account in the Company's name on trust (but without interest) for the Seller until he has delivered his certificate(s) for the relevant Shares (or an indemnity, in a form reasonably satisfactory to the Directors, in respect of any lost certificate, together with such other evidence (if any) as the Board may reasonably require to prove good title to those Shares) to the Company.

- 44.12 Where a Transfer Notice lapses pursuant to Article 44.8(b) or an Allocation Notice does not relate to all the Sale Shares, then, subject to Article 44.13, the Seller may, at any time during the ten Business Days following the date of lapse of the Transfer Notice, or the date of service of the Allocation Notice as the case may be, transfer the Sale Shares (in the case of a lapsed offer) or the Surplus Shares (as the case may be) to any person at a price at least equal to the Transfer Price. The sale of the Sale Shares (following the lapse of a Transfer Notice) in accordance with this Article 44.12 shall continue to be subject to any Minimum Transfer Condition.
- 44.13 The Seller's right to transfer Shares under Article 44.12 does not apply if the Directors reasonably consider that:
- (a) the transferee is a person (or a nominee for a person) whom the Majority Shareholders determine to be a competitor (or a Member of the Same Group as a competitor) of the business of any Group Company;
 - (b) the sale of the Sale Shares is not bona fide or the price is subject to a deduction, rebate or allowance to the transferee; or
 - (c) the Seller has failed or refused to promptly provide information available to him and reasonably requested to enable it to form the opinion referred to in Article 44.13(b).

45 VALUATION

- 45.1 The Transfer Price for each Sale Share the subject of a Transfer Notice (or Deemed Transfer Notice) shall, save where expressly provided otherwise in these Articles, be the price per Sale Share (in cash) agreed between the Directors, acting with Majority Shareholders' Consent, and the Seller or, in default of agreement within ten Business Days of the date of service of the Transfer Notice (or, in the case of a Deemed Transfer Notice, the date on which the board of Directors first has actual knowledge of the facts giving rise to such deemed service), the Fair Value of each Sale Share as determined by the Expert.
- 45.2 If the Fair Value is to be determined by an Expert:
- (a) the Company shall immediately instruct the Expert to determine the Transfer Price on the basis which, in the Expert's opinion, represents a fair price for the Sale Shares at the date such notice is deemed to be served as between a willing seller and a willing buyer and, in making that determination, the Expert shall have regard to the fact that the Sale Shares represent (if that is the case) a minority or majority interest in the share capital or in any class of share capital of the Company and reflecting any other factors which the Expert reasonably believes should be taken into account;
 - (b) the Expert shall certify the Transfer Price as soon as possible after being instructed by the Company and in so certifying the Expert shall be deemed to be acting as expert and not as arbitrator and the Arbitration Act 1996 shall not apply;
 - (c) the certificate of the Expert shall, in the absence of fraud or manifest error, be final and binding;
 - (d) the Company shall procure that any certificate required pursuant to this Article 45.2 is obtained as soon as possible and the cost of obtaining that certificate shall be borne equally by the Company and the Seller unless the Expert directs otherwise;
 - (e) if any difficulty arises in applying any of these assumptions or bases then the Expert shall resolve that difficulty in whatever manner it shall in its absolute discretion think fit; and
 - (f) the Directors will give the Expert access to all accounting records or other relevant documents of the Company, subject to it agreeing such confidentiality provisions as the Directors may reasonably impose.
- 45.3 The cost of obtaining the Expert's certificate shall be borne by the parties in such other proportions as the Expert directs unless:
- (a) the Seller withdraws the relevant Transfer Notice in accordance with Article 44.3; or
 - (b) in respect of a Deemed Transfer Notice, the Fair Value is less than the price per Sale

Share offered to the Seller by the Directors before the appointment of the Independent Expert,

in which case the Seller shall bear the cost.

46 COMPULSORY TRANSFERS

- 46.1 A person entitled to a Share in consequence of the bankruptcy of a Shareholder (or equivalent procedure in any jurisdiction outside England and Wales) shall be deemed to have given a Transfer notice in respect of that Share at such time as the Directors (acting with Majority Shareholders' Consent) may determine.
- 46.2 If an Employee becomes a Departing Employee a Transfer Notice shall, unless the Directors (with Majority Shareholders' Consent) otherwise direct in writing in respect of any particular Relevant Shares prior to or within 180 Business Days after the relevant Termination Date, be deemed to have been served on the relevant Termination Date in respect of all Relevant Shares (a **Compulsory Employee Transfer**) and any Transfer Notice served in respect of any of such Relevant Shares before the date such Employee becomes a Departing Employee shall automatically lapse.
- 46.3 Notwithstanding any other provisions of these Articles, the Transfer Price in respect of a Compulsory Employee Transfer shall, where the Departing Employee is:
- (a) a Bad Leaver, be restricted to a maximum of the lower of the aggregate Issue Price of such Sale Shares and the aggregate Fair Value of such Sale Shares; and
 - (b) a Good Leaver, be the aggregate Fair Value of such Sale Shares.
- 46.4 Notwithstanding the provisions of Article 46.3, the Majority Shareholders may, by notice in writing served on the Company and the relevant Seller(s), direct that some higher (but not lower) Transfer Price shall apply to any or all Sale Shares which would otherwise be subject to Article 46.3.
- 46.5 Forthwith upon a Transfer Notice being deemed to be served under Article 46 the Relevant Shares (**Restricted Shares**) shall cease to confer on the holder of them any rights:
- (a) to vote (whether on a show of hands, on a poll or otherwise and whether in person, by proxy or otherwise), including in respect of any resolution of any class of Shares;
 - (b) to receive dividends or other distributions otherwise attaching to those Shares; or
 - (c) to participate in any future issue of Shares.

The Directors may (with Majority Shareholders' Consent) reinstate the rights referred to in Article 46.5 at any time and, in any event, such rights shall be reinstated in respect of any Shares transferred pursuant to Article 46 on completion of such transfer.

47 TAG ALONG

- 47.1 In the event that a proposed transfer of Shares (other than a transfer of Shares made pursuant to Article 46 (Compulsory Transfers) or Article 61.2 (Purchase of own shares), but after the operation of the pre-emption procedure set out in Article 44), whether made as one or as a series of transactions (a **Proposed Transfer**) would, if completed, result in any person other than an existing Shareholder (the **Buyer**), together with any person acting in concert with the Buyer, acquiring a Controlling Interest, the remaining provisions of this Article 47 shall apply.
- 47.2 The Seller shall procure that, prior to the completion of the Proposed Transfer, the Buyer shall make an offer (the **Offer**) to each Shareholder (each an **Offeree**) on the date of the Offer to buy all of the Equity Shares held by such Offerees on the date of the Offer for a consideration in cash per Equity Share (the **Offer Price**) which is equal to the highest price per Equity Share offered, paid or to be paid by the Buyer, or any person acting in concert with the Buyer, for any Equity Shares in connection with the Proposed Transfer or any transaction in the 12 calendar months preceding the date of completion of the Proposed Transfer.
- 47.3 The Offer shall be made by notice in writing (an **Offer Notice**) addressed to each Offeree on the date of the Offer at least ten Business Days (the **Offer Period**) before the date fixed for

completion of the Proposed Transfer (the **Sale Date**). To the extent not described in any accompanying documents, the Offer Notice shall specify:

- (a) the identity of the Buyer (and any person(s) acting in concert with the Buyer);
- (b) the Offer Price and any other terms and conditions of the Offer;
- (c) the Sale Date; and
- (d) the number of Equity Shares which would be held by the Buyer (and persons acting in concert with the Buyer) on completion of the Proposed Transfer.

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

- (a) the making of an Offer in accordance with this Article 47; and
- (b) the completion of the transfer of any Equity Shares by any Offeree (each an **Accepting Offeree**) who accepts the Offer within the Offer Period,

and the Directors shall refuse to register any Proposed Transfer made in breach of this Article 47.4.

47.5 The Proposed Transfer is, but the purchase of Shares from Accepting Offerees pursuant to an Offer made under this Article 47 shall not be, subject to the pre-emption provisions of Article 44.

48 DRAG ALONG

48.1 If the Majority Shareholders want to transfer all their Shares (**Sellers' Shares**) on arm's length terms and in good faith to a bona fide Third Party Purchaser they shall have the option (the **Drag Option**) to require the other Shareholders (**Dragged Shareholders**) to transfer all their Shares (the **Dragged Shares**) to the Third Party Purchaser with full title guarantee in accordance with this Article 48.

48.2 To exercise the Drag Option the Majority Shareholders shall give an irrevocable notice in writing (the **Drag Notice**) to the Dragged Shareholders. The Drag Notice shall specify:

- (a) that the Dragged Shareholders are required to transfer their Dragged Shares to the Third Party Purchaser;
- (b) the price receivable by the Majority Shareholders for the Sellers' Shares (including details of any non-cash consideration (**Non-Cash Consideration**) receivable by the Majority Shareholders (or any of them) which, having regard to the substance of the transaction as a whole, can reasonably be regarded as an addition to the price paid or payable for the Sellers' Shares (or any of them));
- (c) the price the Dragged Shareholders will receive for each Dragged Share (the **Drag Price**) and details of how that price has been calculated;
- (d) the name of the Third Party Purchaser; and
- (e) the proposed date for completion of the transfer of the Sellers' Shares and the Dragged Shares (which shall be at least seven days after the date of the Drag Notice).

48.3 The Drag Price shall be equal to the price per Sellers' Share receivable by the Majority Shareholders (including the cash equivalent of any Non-Cash Consideration). Any dispute about the calculation of the Drag Price shall immediately be referred to an Expert (whose decision shall, in the absence of manifest error, be final and binding) and pending its determination neither the Sellers' Shares nor the Dragged Shares shall be transferred to the Third Party Purchaser.

48.4 The Company is unconditionally and irrevocably authorised to appoint any person as agent of each Dragged Shareholder to execute the required Transfer Forms for the Dragged Shares in the name and on behalf of that Dragged Shareholder and to do such other things as are necessary to transfer the Dragged Shares pursuant to this Article 48.

48.5 Upon any person, following the issue of a Drag Notice, becoming a Shareholder (or increasing an existing shareholding) including, without limitation, pursuant to the exercise of

any option, warrant or other right to acquire or subscribe for, or to convert any security into Shares, whether or not pursuant to a share option scheme (a **New Shareholder**), a Drag Notice shall be deemed to have been served upon the New Shareholder, on the same terms as the previous Drag Notice, who shall then be bound to sell and transfer all such Shares acquired by him to the Third Party Purchaser (or as the Third Party Purchaser may direct) and the provisions of this Article 48 shall apply mutatis mutandis to the New Shareholder, save that completion of the sale of such Shares shall take place forthwith upon the later of the Drag Notice being deemed served on the New Shareholder and the date of completion of the sale of the Dragged Shares. References in this Article 48.5 to a person becoming a Shareholder (or increasing an existing shareholding) shall include the Company in respect of the acquisition of any of its own Shares.

- 48.6 A transfer of Dragged Shares to the Third Party Purchaser (or as the Third Party Purchaser may direct) pursuant to a sale in respect of which a Drag Notice has been duly served shall not be subject to any pre-emption provisions whether in these Articles or elsewhere.
- 48.7 Any Deemed Transfer Notice served in respect of the transfer of any Share which has not completed before the date of service of a Drag Notice shall automatically be revoked by the service of a Drag Notice.
- 48.8 The provisions of this Article 48 shall prevail over any contrary provisions of these Articles.

TRANSMISSION OF SHARES

49 TRANSMISSION OF SHARES

- 49.1 A Transmittree who produces such evidence of entitlement to Shares as the Directors may properly require may, subject to the Articles, choose either:
- (a) to become the holder of those Shares if the Transmittree is a Permitted Transmittree; or
 - (b) to have them transferred to another person provided that person is a Permitted Transmittree.
- 49.2 Except as provided by Article 16.2, a Permitted Transmittree does not have the right to attend or vote at a general meeting or agree to a proposed written resolution in respect of any Shares to which he is entitled unless that Permitted Transmittree becomes the Holder of those Shares.

50 EXERCISE OF TRANSMITTEES' RIGHTS

- 50.1 Permitted Transmittrees who wish to become Shareholders of Shares to which they have become entitled must notify the Company in writing of that wish.
- 50.2 If the Transmittree wishes to have a Share transferred to another person, the Transmittree must execute an instrument of transfer in respect of it.
- 50.3 Any transfer made or executed under this Article 50 is to be treated as if it were made or executed by the person from whom the Transmittree has derived rights in respect of the Share, and as if the event which gave rise to the transmission had not occurred.

51 TRANSMITTEES BOUND BY PRIOR NOTICES

If a notice is given to a Shareholder in respect of Shares and a Transmittree is entitled to those shares, the Transmittree is bound by the notice if it was given to the Shareholder before the Transmittree's name, or the name of any person(s) named as the transferee(s) in an instrument of transfer executed under Article 50.2, has been entered in the Shareholders' register.

CAPITAL VALUE

52 DISTRIBUTIONS OF CAPITAL

The Equity Shares shall rank *pari passu* with each other in respect of any distribution of capital.

DISTRIBUTIONS OF INCOME

53 DIVIDENDS OR OTHER DISTRIBUTIONS OF INCOME

It is agreed by each holder of Equity Shares that any dividend or other form of distribution may, with the prior approval of the Board, be declared, paid and/or made on any of the Equity Shares:

- (a) without any dividend or other form of distribution being declared, paid and/or made at the same time on any of the other Equity Shares; or
- (b) with a dividend or other form of distribution being declared, paid and/or made at the same time for a different amount on any of the other Equity Shares,

and that none of the aforesaid shall amount in any way to any variation of any of the class rights of the Equity Shares.

54 PROCEDURE FOR DECLARING DIVIDENDS

- 54.1 No dividend can be paid otherwise than out of profits available for distribution under the Act.
- 54.2 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.
- 54.3 No dividend may be declared or paid unless it is in accordance with Shareholders' respective rights.
- 54.4 Unless the Directors' decision to pay a dividend, or the terms on which shares are issued, specify otherwise, the dividend 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.
- 54.5 If the Company's share capital is divided into different classes, no dividend may be paid on Shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrear.
- 54.6 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.
- 54.7 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.

55 PAYMENT OF DIVIDENDS AND OTHER DISTRIBUTIONS

- 55.1 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.
- 55.2 In the Articles, **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

Shareholders' register, 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 Transmittree.

55.3 For joint Shareholders, the Company can rely on a receipt for a dividend or other money paid on shares from any one of them.

55.4 Cheques are sent, and payment in any other way is made, at the risk of the Shareholder entitled to the money. The Company is treated as having paid a dividend if such a cheque is cleared or if a payment using the relevant system or bank transfer is made in accordance with instructions given by the Company. The Company will not be responsible for a payment which is lost or delayed.

56 NO INTEREST ON DISTRIBUTIONS

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

- (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.

57 UNCLAIMED DISTRIBUTIONS

57.1 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.

57.2 The payment of any such dividend or other sum into a separate account does not make the Company a trustee in respect of it and no interest will be payable on such sum.

57.3 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.

58 NON-CASH DISTRIBUTIONS

58.1 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).

58.2 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.

59 WAIVER OF DISTRIBUTIONS

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

- (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

60 AUTHORITY TO CAPITALISE AND APPROPRIATION OF CAPITALISED SUMS

60.1 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.

60.2 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.

60.3 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.

60.4 A Capitalised Sum which was appropriated from profits available for distribution may be applied:

- (a) in or towards paying up any amounts unpaid on existing shares held by the Persons Entitled; or
- (b) 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.

60.5 Subject to the Articles the Directors may:

- (a) apply Capitalised Sums in accordance with paragraphs 60.3 and 60.4 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.

61 PURCHASE OF OWN SHARES

61.1 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.

61.2 On a purchase of Shares in accordance with Chapter 4 of Part 18 of the Act, the Company may:

- (a) hold the Shares (or any of them) in treasury; or

- (b) deal with any of the Shares, at any time, in accordance with section 727; or
- (c) cancel any of the Shares, at any time, in accordance with section 729 of the Act.

ADMINISTRATIVE ARRANGEMENTS

62 MEANS OF COMMUNICATION TO BE USED

- 62.1 Subject to the Articles, anything sent or supplied by or to the Company under the Articles may be sent or supplied in any way in which the Act provides for documents or information which are authorised or required by any provision of the Act to be sent or supplied by or to the Company.
- 62.2 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.
- 62.3 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.

63 NO RIGHT TO INSPECT ACCOUNTS AND OTHER RECORDS

Except as provided by law or authorised by the Directors or an ordinary resolution of the Company, no person is entitled to inspect any of the Company's accounting or other records or documents merely by virtue of being a Shareholder.

64 PROVISION FOR EMPLOYEES ON CESSATION OF BUSINESS

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

DIRECTORS' INDEMNITY AND INSURANCE

65 INDEMNITY

- 65.1 Subject to paragraph 65.2, a Relevant Director of the Company or its Associated Companies 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 its Associated Companies;
 - (b) any liability incurred by that Director in connection with the activities of the Company or its Associated Companies in its capacity as a trustee of an occupational pension scheme (as defined in section 235(6) of the Act);
 - (c) any other liability incurred by that Director as an officer of the Company or its Associated Companies.
- 65.2 This Article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Act or by any other provision of law.

66 INSURANCE

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.