

Company No: 11704307

THE COMPANIES ACT 2006
COMPANY LIMITED BY SHARES
RESOLUTION IN WRITING

of

URBAN SPLASH NEWCO ONE LIMITED

("Company")

Passed the 28 day of April 2019

By a written resolution agreed to in accordance with Chapter 2 of Part 13 of the Companies Act 2006 by or on behalf of the required number of the members of the Company who, at the date of circulating the resolution, were entitled to vote on the resolution the following resolutions of the Company were duly passed:

ORDINARY RESOLUTION

1. THAT, the 90,000 A ordinary shares of £0.0005 each in the capital of the Company in issue be and are hereby redesignated as ordinary shares of £0.0005 each in the capital of the Company.

SPECIAL RESOLUTION

2. THAT, subject to and conditional on the passing of resolution 1 above, the Articles of Association attached to these resolutions be and are hereby approved and adopted as the Articles of Association of the Company in substitution for and to the exclusion of all existing Articles of Association of the Company.

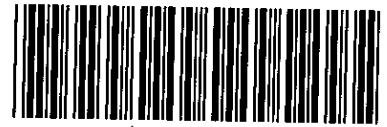
Signed

Director



Dated 28 / 04 / 2019

SATURDAY



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27/04/2019
COMPANIES HOUSE



Company No. 11704307

Articles of Association of Urban Splash Newco One Limited

Incorporated 29 November 2018

Adopted by written resolution passed on 25/04/2019

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THE COMPANIES ACT 2006

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

URBAN SPLASH NEWCO ONE LIMITED

Adopted by written resolution passed on 29/04/ 2019

1. **PRELIMINARY**

The model articles of association for private companies limited by shares contained in Schedule 1 to The Companies (Model Articles) Regulations 2008 in force on the date when these Articles become binding on the Company ("**Model Articles**") (a copy of which is annexed) apply to the Company except in so far as they are excluded or varied by these Articles.

2. **INTERPRETATION**

2.1 In these Articles the following expressions have the following meanings unless inconsistent with the context:

"2006 Act"	the Companies Act 2006 (as amended from time to time)
"these Articles"	these Articles of Association as amended from time to time
"auditors"	the auditors to the Company for the time being
"Bad Leaver"	a person who is a Leaving Shareholder (as defined in Article 14.9) at any time following the adoption of these Articles as a result of such Leaving Shareholder having been dismissed by the relevant Group Member and the Board (in its absolute discretion) stating that such Leaving Shareholder has been dismissed for gross misconduct (notwithstanding any statutory, judicial or other legal definition of what constitutes "gross misconduct")

"Board"	the board of directors of the Company from time to time
"Control"	the ability to exercise or control the exercise of in the aggregate more than half of the voting rights or the ability to appoint more than half of the directors and "Change in Control" shall be deemed to have occurred with respect to any company if any person or persons having Control of that company cease to do so or if any person or persons acquire Control of it
"electronic means"	have the meaning given in section 1168 of the 2006 Act
"eligible directors"	has the meaning given in Model Article 8(3)
"Good Leaver"	any Leaving Shareholder (as defined in Article 14.9) who is not a Bad Leaver
"Group"	the Company and each of its subsidiaries
"Group Member"	any company which is a member of the Group from time to time
"Majority Shareholder"	a shareholder or shareholders together holding a majority of the voting rights in the Company (within the meaning of section 1159(1) and paragraph (2) of Schedule 6 to the 2006 Act)
"Permitted Transfer"	as defined in Article 14.18
"Relevant Proportions"	the proportions in which the shareholders hold the shares from time to time
"Serious Ill Heath"	for the purpose of these Articles means an illness or disability certified by a general medical practitioner (nominated or approved by the Majority Shareholder) as rendering the departing person permanently incapable of carrying out his role as an employee and / or director save where such incapacity has arisen as a result of the abuse of drugs or alcohol
"subsidiary"	as defined in section 1159 of the 2006 Act at the date of the adoption of these Articles and for the purposes of section 1159(1) a company

(the first company) shall be treated as a member of another company if:

- i. any of its subsidiaries is a member of that other company; or
- ii. any shares in that other company are held by a person acting on behalf of the first company or any of its subsidiaries; or
- iii. any shares in that other company are registered in the name of a person (or its nominee) by way of security or in connection with the granting of security over those shares by the first company)

"the Statutes"

the Companies Acts as defined in Section 2 of the 2006 Act and every other statute, order, regulation or other subordinate legislation in force from time to time relating to companies and affecting the Company

"United Kingdom"

Great Britain and Northern Ireland

2.2 Unless the context otherwise requires, words or expressions contained in these Articles bear the same meaning as in the Statutes but excluding any statutory modification of the same not in force when these Articles become binding on the Company.

2.3 References to any statute or statutory provision include, unless the context otherwise requires, a reference to that statute or statutory provision as modified, replaced, re-enacted or consolidated and in force from time to time and any subordinate legislation made under the relevant statute or statutory provision.

3. UNANIMOUS DECISIONS OF DIRECTORS

A decision of the directors 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. Model Article 8(2) shall not apply to the Company.

4. CALLING A DIRECTORS' MEETING

Any director may call a directors' meeting by giving not less than five days' notice of the meeting (or such lesser notice as all the directors may agree) to the

directors or by authorising the company secretary (if any) to give such notice. Model Article 9(1) shall not apply to the Company.

5. NUMBER OF DIRECTORS AND APPOINTMENT

5.1 The number of directors shall not be more than twelve.

5.2 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:

5.2.1 by ordinary resolution; or

5.2.2 by a decision of the directors.

5.3 Model Article 17 shall not apply to the Company.

6. PARTICIPATION IN DIRECTORS' MEETINGS

6.1 Subject to these Articles, directors participate in a directors' meeting, or part of a directors' meeting, when:-

6.1.1 the meeting has been called and takes place in accordance with these Articles; and

6.1.2 they can each simultaneously communicate with and to the others participating in the meeting any information or opinions they have on any particular item of the business of the meeting.

6.2 In determining whether directors are participating in a directors' meeting, it is irrelevant where any director is or, subject to **Article 6.1.2**, how they communicate with each other.

6.3 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.

6.4 Model Article 10 shall not apply to the Company.

6.5 Model Article 9(2)(c) shall be amended by the insertion of the word "simultaneously" after the words "how it is proposed that they should" and before the words "communicate with each other during the meeting".

7. QUORUM FOR DIRECTORS' MEETINGS

7.1 The quorum for directors' meetings shall throughout each meeting be three directors provided that if at any time there are less than three directors appointed to the Board, the quorum shall equal the number of directors appointed the Board. Model Articles 11(2) and 11(3) shall not apply to the Company.

7.2 If there is no quorum participating in any meeting of the directors within one hour after the time fixed for the meeting, the meeting shall be adjourned to such time (not being earlier than seven days after the date of the original meeting) as the director or directors participating in the meeting shall determine. If there is no quorum participating within one hour after the time fixed for the adjourned meeting, the meeting shall be further adjourned as aforesaid. If there is no quorum participating within one hour after the time fixed for the further adjourned meeting the director or directors participating shall constitute a quorum.

7.3 Any decision of the directors shall either be a unanimous decision taken in accordance with Model Article 8 or shall be determined by a majority of votes. Model Article 7(1) shall not apply to the Company.

7.4 The following shall be added as paragraph (4) to Model Article 11:-

"(4) If, as a consequence of section 175(6) of the 2006 Act, a director cannot vote or be counted in the quorum at a directors' meeting then the following shall apply:-

(a) if the eligible directors participating in the meeting do not constitute a quorum then the quorum for the purposes of the meeting shall be reduced by one for each director who cannot vote or be counted in the quorum; and

(b) if despite sub-paragraph (a) the eligible directors participating in the meeting still do not constitute a quorum or there are no eligible directors then the meeting must be adjourned to enable the shareholders to authorise any situation in which a director has a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company."

7.5 Unless otherwise agreed, the directors may delegate any of their powers to any committee. The directors may also entrust to and confer upon any director any of the powers exercisable by them. Any such delegation may be made upon such terms and conditions and with such restrictions as they may think fit, and either collaterally with or to the exclusion of their own powers, and may from time to time revoke, withdraw, alter or vary all or any of such powers. Subject to any such conditions, the proceedings of such a committee shall be governed by these Articles regulating the proceedings of directors so far as they are capable of applying. Model Articles 5 and 6 shall not apply to the Company.

8. **CASTING VOTE AT DIRECTORS' MEETINGS**

8.1 If:

8.1.1 the numbers or votes for and against a proposal are equal; and

8.1.2 Mr. Thomas Bloxham is "present" within the quorum of the meeting,

Mr. Thomas Bloxham shall have a casting vote. Model article 13(1) shall not apply to the Company.

9. **DIRECTORS' INTERESTS**

9.1 Subject to these Articles and the 2006 Act, and provided that he has disclosed to the directors the nature and extent of any interest of his, a director:

9.1.1 may be a party to or otherwise interested in any transaction or arrangement with the Company or in which the Company is in any way interested;

9.1.2 may hold any other office or employment with the Company (other than the office of auditor);

9.1.3 may be a director or other officer of, or employed by, or be a party to any transaction or arrangement with or otherwise interested in any body corporate in which the Company is in any way interested;

9.1.4 may, or any firm or company of which he is a member or director may, act in a professional capacity for the Company or any body corporate in which the Company is in any way interested (other than as auditor);

9.1.5 shall not be accountable to the Company for any benefit which he receives or profits made as a result of anything permitted by **Articles 9.1.1 to 9.1.4** and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit.

9.2 Except for a vote under section 175(4) of the 2006 Act authorising any conflict of interest which a director or any other interested director may have or where the *terms of authorisation of such conflict provide that a director may not vote in situations prescribed by the directors when granting such authorisation*, a director will be entitled to participate in the decision making process for voting and quorum purposes on any of the matters referred to in **Articles 9.1.1 to 9.1.4** and in any of the circumstances set out in Model Articles 14(3) and 14(4).

9.3 For the purposes of these Articles references to decision making process includes any directors' meeting or part of a directors meeting.

9.4 For the purposes of **Article 9.1**:

9.4.1 a general notice given in accordance with the 2006 Act is to be treated as a *sufficient declaration of interest*; and

9.4.2 a director is not required to declare an interest either where he is not aware of such interest or is not aware of the transaction or arrangement in question.

9.5 Model Articles 14(1), 14(2) and 14(5) shall not apply to the Company.

10. **TERMINATION OF DIRECTOR'S APPOINTMENT**

In addition to the circumstances set out in Model Article 18 (a) to (f) (inclusive) a person ceases immediately to be a director if the Majority Shareholder gives notice to the Board that he wishes to terminate the directorship of any person currently appointed to the Board.

11. **DIRECTORS' PENSIONS AND GRATUITIES**

In addition to the provisions of Model Article 19(3)(b), the directors may exercise all the powers of the Company to give and provide pensions, annuities, gratuities or any other benefits whatsoever to or for present or former directors or employees (or their dependants) of the Company or any subsidiary undertaking (as defined in section 1162 of the 2006 Act) or associated undertaking (as defined in section 497(4) of the 2006 Act) of the Company and the directors shall be entitled to retain any benefits received by them or any of them by reason of the exercise of any such powers.

12. **SHARES**

12.1 For the purposes of section 551 of the 2006 Act, the directors are generally and unconditionally authorised to allot shares in the Company or to grant rights to subscribe for, or to convert any security into, shares in the Company up to a maximum nominal value of £1,000, provided that this authority shall expire five years after the adoption of these Articles, unless previously renewed, revoked or varied except that the Company may, before such expiry, make an offer or agreement which will or may require the allotment of shares or the grant of rights to subscribe for, or convert any security, into shares in the Company, after such expiry.

12.2 No shares shall unless otherwise determined by the directors be allotted to any employee, director, prospective employee or director unless such person has entered into a joint election with the Company under section 431 of the Income Tax (Earnings and Pensions) Act 2003.

12.3 If any share is issued to a shareholder, such share shall on and from the time of such issue (unless the directors otherwise agree) be designated as a share of the same class as those already held by that shareholder.

13. **VARIATION OF CLASS RIGHTS**

- 13.1 In circumstances where the share capital of the Company is split into different classes of shares, the rights attaching to each class of shares from time to time in issue may (whether or not the Company is being wound up) be varied or abrogated only with the consent in writing of the holders of not less than three-quarters in nominal value of the issued shares of the relevant class or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of the relevant class.
- 13.2 No person dealing with the Company or any subsidiary shall be concerned to see or enquire whether the requisite class consent for any relevant action has been obtained and no such action shall (as between the Company and any such person) be invalid or ineffectual unless such person had at the time of such action actual knowledge or notice that any such class consent had not been validly obtained.

14. **TRANSFER OF SHARES**

Restrictions on Transfer

- 14.1 In this **Article 14**, references to a transfer of a share include the transfer or assignment of a beneficial or other interest in that share or the creation of a trust or encumbrance over that share and reference to a share includes a beneficial or other interest in a share.
- 14.2 Except where the provisions of **Articles 14.9 to 14.11 (Employee and Director Shareholders / Good and Bad Leaver)**, **Articles 14.13 to 14.15 (Deemed Transfers)**, **Article 14.16 (Transmission of Shares)**, **Articles 14.17 to 14.19 (Permitted Transfers)**, **Articles 14.20 to 14.22 (Tag Along)** and **Articles 14.23 to 14.25 (Drag Along)** apply, any transfer of shares by any person shall be subject to the pre-emption rights in this **Article 14**.

Pre-emption Rights

- 14.3 Any person ("**proposing transferor**") proposing to transfer any shares of any class must give notice in writing ("**transfer notice**") to the Company that he wishes to transfer the same and specifying the price per share at which he is willing to sell them. The transfer notice shall constitute the Company the agent of the proposing transferor for the sale of all (but not some only) of the shares comprised in the transfer notice (together with all rights then attached to them) to any shareholder or shareholders holding shares of the same class as those comprised in the transfer notice and willing to purchase the same ("**purchasing class shareholders**") at the price specified in the transfer notice or at the fair value determined in accordance with **Article 14.5 (Fair Value)** (whichever shall

be the lower). A transfer notice shall not be revocable except with the sanction of the directors and shall comprise one class of shares only so that separate transfer notices are required in respect of proposed transfers of separate classes of shares.

- 14.4 Within 7 days of the receipt by the Company of any transfer notice, the shares comprised in such transfer notice shall be offered by the Company to the shareholders (other than the proposing transferor) holding shares of the same class as those comprised in the transfer notice ("**class members**") as nearly as may be in proportion to the number of shares of the said class held by them respectively ("**relevant class proportion**"). Such offer shall be made by the Company by notice in writing ("**offer notice**") which shall state:

- 14.4.1 the identity of the proposing transferor, the number and class of shares comprised in the transfer notice, the price per share specified in the transfer notice and that the shares are offered to class members in accordance with the provisions of this **Article 14.4**;
- 14.4.2 that the shares are offered in the first instance in the relevant class proportion but also invite each class member to state in his reply to the offer notice whether he wishes to purchase more or less shares than his relevant class proportion entitlement and if so what number;
- 14.4.3 that each class member has the right to request a determination of the fair value of the shares comprised in the transfer notice under **Article 14.5 (Fair Value)**;
- 14.4.4 that each of the shares in question is being offered to class members at the lower of (a) the price specified in the transfer notice and (b) (if applicable) its fair value as determined in accordance with **Article 14.5 (Fair Value)**;
- 14.4.5 the period in which the offer may be accepted (not being less than 22 days nor more than 42 days after the date of the offer notice); and
- 14.4.6 that, if such a determination of the fair value is requested, the offer will remain open for acceptance for a period of 14 days commencing on the date notice of the determination of the fair value is given to class members pursuant to **Article 14.5 (Fair Value)** or until the expiry of the period referred to in **Article 14.4.5** whichever is the later.

For the purpose of this Article an offer shall be deemed to be accepted on the day on which the acceptance is received by the Company and may, if so specified in the acceptance, be accepted by a class member in respect of a lesser number of shares than his full relevant class proportion entitlement. If all the class members do not accept the offer in respect of their respective relevant

class proportions in full the shares not so accepted shall be used to satisfy any claims for additional shares (notified in response to the invitation referred to in **Article 14.4.2**) as nearly as may be in proportion to the number of shares already held by the class members claiming additional shares, but no class member shall be obliged to take more shares than he shall have applied for. If any shares shall not be capable of being offered to the class members in the relevant class proportion, except by way of fractions, then such shares shall be offered to the class members, or some of them, in such proportions as the directors may think fit.

Fair Value

14.5 Any class member may, not later than 8 days after the date of the offer notice, serve on the Company a notice in writing ("**a fair value notice**") requiring that the Company appoints the auditors for the time being of the Company to determine and confirm to the Company in writing the sum which in their opinion represents the fair value ("**fair value**") of each of the shares comprised in the transfer notice as at the date of the transfer notice and the following provisions shall apply:

14.5.1 If the auditors decline such appointment a person agreed upon by the proposing transferor, the relevant class member and the directors or, failing agreement within 10 days of the service of the fair value notice, then a person nominated by the President for the time being of the Institute of Chartered Accountants in England and Wales on the application of the directors or any class member on behalf of the Company shall be appointed and instructed by the Company to determine the fair value and confirm the same to the Company in writing. Any following reference in these Articles to the auditors shall include any person so agreed or nominated;

14.5.2 Forthwith upon receipt of the fair value notice the Company shall appoint and instruct the auditors to determine the fair value and confirm the same to the Company in writing and the costs of such determination and producing such written confirmation shall be apportioned among the proposing transferor and the purchasing class shareholders and borne by any one or more of them as the auditors in their absolute discretion shall decide;

14.5.3 In determining and confirming the fair value, the auditors shall value each share on the basis of the value of the Company as a going concern at the date of the transfer notice and multiplying such valuation of the Company by the fraction the numerator of which shall be the nominal value of each share comprised in the transfer notice

and the denominator of which shall be the nominal value of all the shares of the Company in issue at such date;

- 14.5.4 In determining and confirming the fair value the auditors shall be entitled to obtain professional valuations in respect of any of the Company's assets, shall act as experts and not as arbitrators or arbiters and any provisions of law or statute relating to arbitration shall not apply and their determination and confirmation of the fair value shall be final and binding on the proposing transferor and the purchasing class shareholders (save for manifest error);
- 14.5.5 Forthwith upon receipt from the auditors of their written confirmation of their determination of the fair value, the Company shall by notice in writing inform all class members of the determined fair value of each share and of the price per share (being the lower of (a) the price specified in the transfer notice and (b) the determined fair value of each share) at which the shares comprised in the transfer notice are offered for sale ("**Transfer Price**").

14.6

- (a) If purchasing class shareholders shall be found for all the shares comprised in the transfer notice within the appropriate period specified in **Article 14.4**, the Company shall within 7 days after the expiry of such period give notice in writing ("**sale notice**") to the proposing transferor specifying the purchasing class shareholders and the number of shares to be purchased by each of them and the proposing transferor shall be bound upon payment of the price due in respect of all the shares comprised in the transfer notice to transfer the shares to the purchasing class shareholders.
- (b) If the Company shall not give a sale notice to the proposing transferor within the time specified in **Article 14.6(a)** or if at the date of the transfer notice there is no shareholder other than the proposing transferor who holds shares of the same class as those comprised in the transfer notice, the transfer notice shall then be deemed to constitute the Company the agent of the proposing transferor for the sale of all (but not some only) of the shares comprised in the transfer notice together with all rights then attached to them to any shareholder or shareholders willing to purchase the same (whether or not a class member) at the price specified in the transfer notice or at the fair value determined in accordance with **Article 14.5 (Fair Value)** (whichever shall be the lower). In any such case the provisions of **Articles 14.3 to 14.8 (Pre-emption Rights)** (inclusive) shall apply mutatis mutandis as if references therein to class members

were to shareholders (of whatever class) and references to purchasing class shareholders were to purchasing shareholders (of whatever class) and as if the period for service of the offer notice referred to in **Article 14.4** was the period of seven days immediately following the expiry of the appropriate period for service of a sale notice on purchasing class shareholders without such a sale notice being served.

- (c) Notwithstanding the provisions of **Article 14.6(b)**, if purchasing class shareholders shall have been found for some only of the shares comprised in the transfer notice pursuant to **Article 14.4** the claims of such purchasing class shareholders made pursuant to **Article 14.4** shall first be satisfied in preference to the claims of shareholders of any other class made pursuant to **Article 14.6(b)**.

- 14.7 If in any case the proposing transferor after having become bound makes default in transferring any shares, the Company may receive the purchase money on his behalf, and may authorise any person to execute a transfer of such shares on behalf of the proposing transferor (as its attorney or agent) in favour of the purchasing class shareholders or purchasing shareholders as the case may be. For the purposes of authorising an individual to execute a transfer on behalf of the proposing transferor, a meeting of the directors shall be treated as quorate and a resolution shall be capable of being duly passed without the need for the directors appointed or nominated by the proposing transferor being present, represented or voting. The receipt of the Company for the purchase money shall be a good discharge to the purchasing class shareholders or the purchasing shareholders as the case may be. The Company shall pay the purchase money into a separate bank account and shall hold the same on trust for the proposing transferor.

Sale to a third party

- 14.8 If the Company shall not give a sale notice to the proposing transferor within the time specified in **Article 14.6** in respect of sales to purchasing shareholders of whatever class of share he shall, during the 30 days following the expiry of the time so specified, be entitled to transfer all (but not some only) of the shares comprised in the transfer notice to any person or persons provided that the price per share obtained shall not be less than the Transfer Price and the proposing transferor shall upon request furnish such information to the directors as they shall require in relation to the price per share obtained. The directors may require to be satisfied that such shares are being transferred in pursuance of a bona fide sale for the consideration stated in the transfer without deduction, rebate or allowance whatsoever to the purchaser, and if not so satisfied, may refuse to register the transfer.

Employee and Director Shareholders / Good and Bad Leaver

- 14.9 If any shareholder of the Company who is employed by a Group Member in any capacity or is a director of the Company (or both) ceases to be employed by that Group Member or to hold office in the Company for any reason (including the death of such shareholder) and as a consequence is no longer a director or employee of any Group Member (a **"Leaving Shareholder"**) the directors may at any time not later than 28 days after his ceasing to be employed by that Group Member or to hold office in the Company (as the case may be), resolve that such shareholder shall (unless he has already given a transfer notice) be bound, within such period as may be specified in such resolution, to give a transfer notice pursuant to **Article 14.3 (Pre-emption Rights)** in respect of his entire shareholding in the Company (and **Articles 14.3 to 14.7 (inclusive) (Pre-emption Rights)** shall mutatis mutandis apply at such date). Notice of the passing of any such resolution shall forthwith be given to the shareholder affected.
- 14.10 In the event of such shareholder failing to give a transfer notice within the period specified in the resolution referred to in **Article 14.9**, he shall upon the expiry of such period be deemed to have given a transfer notice in respect of all shares then held by him and the provisions of **Articles 14.3 to 14.7 (inclusive) (Pre-emption Rights)** shall mutatis mutandis apply, but only on the basis that the transfer notice shall be given on the date of expiry of such period specified in the resolution.
- 14.11 In respect of any transfer notice required to be given or deemed to have been given pursuant to **Articles 14.9** and / or **14.10**, the amount specified in such transfer notice as being the price per share shall be:
- 14.11.1 in the case of a Leaving Shareholder who is a Bad Leaver, the lower of:
(i) fair value (as determined and confirmed in accordance with **Article 14.5**) (Fair Value) or (ii) the par value of each share; or
- 14.11.2 in the case of a Leaving Shareholder who is a Good Leaver, the higher of: (i) fair value (as determined and confirmed in accordance with **Article 14.5**) (Fair Value) at the date such Leaving Shareholder becomes a Leaving Shareholder, or (ii) the par value of each share.

Unauthorised transfers null and void

- 14.12 Except for a Permitted Transfer (as defined in **Article 14.18**), any transfer or purported transfer of a share made otherwise than in accordance with the provisions of **Articles 14.3 to 14.8 (inclusive) (Pre-emption Rights)** shall be null and void and of no effect.

Deemed transfers

- 14.13 If a shareholder, or other person entitled to transfer a share, at any time attempts to transfer, deal with or dispose of a share or any legal or beneficial interest in such share otherwise than in accordance with the preceding provisions of this Article, or if any of the events specified in **Article 14.15** occurs in respect of a shareholder, the provisions of **Article 14.14** shall apply.
- 14.14 Where **Article 14.13** applies to any shareholder, such shareholder shall be deemed to have given a transfer notice on the occurrence of such attempt or event and to have specified in such transfer notice as the price per share, the fair value of each share to be determined and confirmed in accordance with **Article 14.5 (Fair Value)** and the provisions of **Articles 14.3 to 14.7 (inclusive) (Pre-emption Rights)** shall mutatis mutandis apply (on the basis that there is no requirement that all but not some only of the shares the subject of the deemed transfer notice must be sold to existing shareholders).
- 14.15 The events referred to in **Article 14.15** are:
- 14.15.1 a Change in Control occurring in respect of a shareholder (being a corporation) or its holding company;
 - 14.15.2 any shareholder (being a corporation) proposing or passing a resolution for its winding up, being subject to an order or notice issued by a court or other authority of competent jurisdiction for its winding up or striking off, having an administrator appointed in respect of it, proposing, making or being subject to an arrangement or composition with its creditors generally, applying to a court of competent jurisdiction for protection from its creditors generally or for a scheme of arrangement under section 895 of the 2006 Act (except in the latter case for the purpose of a voluntary reconstruction or amalgamation) or having a receiver or a provisional liquidator appointed over any of its assets, undertaking or income;
 - 14.15.3 any shareholder (being an individual) proposing, making or being subject to an arrangement or composition with his creditors generally or having a bankruptcy order made against him;
 - 14.15.4 any shareholder (being an individual) becoming a patient for the purposes of any statute relating to mental health;
 - 14.15.5 any direction (by way of renunciation nomination or otherwise) by a shareholder entitled to an allotment or transfer of shares to the effect that such shares or any of them be allotted or issued or transferred to some person other than himself;
 - 14.15.6 any sale, dealing with or other disposition of any beneficial interest in a share (whether or not for consideration or otherwise but excluding any

transmission of a share to any person becoming entitled to such share in consequence of the death of a shareholder) by whomsoever made and whether or not effected by an instrument in writing except where the disposition is by service of a transfer notice in accordance with these Articles;

14.15.7 the holding of a share as a bare nominee for any person.

Transmission of Shares

14.16 Paragraph (a) of Model Article 27(2) and Model Articles 28(1) and 28(2) shall not apply to the Company. In the event of the death of a shareholder (whether or not that shareholder is employed by any Group Member in any capacity or is a director of the Company (or both) at the time of his death), that shareholder shall be deemed to be a Leaving Shareholder for the purposes of **Articles 14.9 to 14.11 (Employee and Director Shareholders / Good and Bad Leaver)**.

Permitted Transfers

14.17 The provisions of **Articles 14.3 to 14.8 (inclusive) (Pre-emption Rights)** shall not apply to a Permitted Transfer (as defined in **Article 14.18**).

14.18 A "Permitted Transfer" means:

14.18.1 any transfer of any shares to which the Majority Shareholder consents in writing;

14.18.2 a purchase by the Company of its own shares in accordance with the provisions of the 2006 Act;

14.18.3 any transfer of shares pursuant to **Article 14.20 (Tag Along) or 14.23 (Drag Along)**.

14.19 For the purpose of **Article 14.13 to 14.15** inclusive, the word "shareholder" includes any former shareholder, and the executors, administrators or other personal representatives of a deceased shareholder or former shareholder.

Tag Along

14.20 Subject to **Article 14.21 and 14.25**, if the effect of any transfer of shares would, if completed, result in the transferee together with persons connected with that transferee obtaining Control of the Company, the transferor shall procure the making, by the proposed transferee, of a Come Along Offer to all shareholders. Every holder or recipient of such offer, on receipt of a Come Along Offer, shall be bound within 30 days of the date of such offer (which date shall be specified in the offer) either to accept or reject such offer in writing (and in default of so doing shall be deemed to have rejected the offer). Until such Come

Along Offer has been made and completed, the directors shall not approve the making and registration of the relevant share transfer or transfers.

- 14.21 The provisions of **Article 14.20 (Tag Along)** and **14.23 (Drag Along)** shall not apply to any transfer of Shares pursuant to **Article 14.18 (Permitted Transfers)** (other than **Article 14.18.3**).
- 14.22 **"Come Along Offer"** means an unconditional offer, open for acceptance for not less than 30 days, to purchase all shares held by the recipients of a Come Along Offer free from all liens, charges and encumbrances at a price per share equal to the highest price per share (exclusive of stamp duty, stamp duty reserve tax and commission) paid or to be paid by any transferee referred to in **Article 14.20** (or any person with whom such transferee is connected or with whom such transferee is acting in concert) for shares (inclusive of the shares giving rise to the obligation to make the Come Along Offer) within the period of one year ending on the proposed date of completion of such transfer of shares.

Drag Along

- 14.23 If any shareholder or shareholders holding in aggregate 50.1% or more of the voting rights in the Company (the **"Sellers"**) wish to transfer their shares to any independent third party (the **"Buyer"**) pursuant to a bona fide arms length transaction, then the Sellers shall also have the option to require all of the other holders of shares to transfer their shares to the Buyer, or as the Buyer directs, by giving notice in writing (the **"Drag Along Notice"**) to that effect to all such other holders or persons (the **"Called Shareholders"**) specifying that the Called Shareholders are or will be required to transfer their shares pursuant to **Articles 14.23** and **14.24** free from all liens, charges and encumbrances and the price (the **"Proposed Price"**) at which such shares are proposed to be transferred such price being the same price per share which the Buyer is offering to the Sellers.
- 14.24 If the Called Shareholders (or any of them) shall make default in transferring their shares pursuant to **Article 14.23**, the provisions of **Article 14.7** shall apply to the transfer of such shares mutatis mutandis except that the Transfer Price shall be the Proposed Price.
- 14.25 Following the service of a Drag Along Notice and for as long as such notice remains in effect, shares held by Called Shareholders may not be transferred other than under **Article 14.23** and the provisions of **Article 14.20 (Tag Along)** shall not apply.

Right to require evidence

- 14.26 For the purpose of ensuring that a transfer of shares is duly authorised under this **Article 14** and that no circumstances have arisen whereby a transfer notice

is deemed to be given or is required to be served, the directors may from time to time require any shareholder or past shareholder or the personal representatives, trustee in bankruptcy, receiver, administrative receiver, liquidator, administrator or similar officer of any shareholder or any person named as a transferee in any instrument of transfer lodged for registration, to furnish to them such information and evidence as the directors may reasonably think fit regarding any matter which they consider relevant to establish whether such transfer is duly authorised or whether any circumstances have arisen whereby a transfer notice is required to be served. Failing such information being furnished to the reasonable satisfaction of the directors within a reasonable time after it has been requested, or if in the reasonable opinion of the directors any such information or evidence is false in any material respect, the directors may refuse to register the relevant transfer and/or declare by notice in writing to the relevant shareholder, personal representatives, trustees in bankruptcy, receiver, administrative receiver or administrator or similar officer that a transfer notice shall be deemed to have been given in respect of any relevant shares. Such deemed transfer notice shall be deemed to have specified that the price per share for such relevant shares shall be the fair value of each share to be determined and confirmed in accordance with **Article 14.5 (Fair Value)** and the provisions of **Articles 14.3 to 14.7 (inclusive) (Pre-emption Rights)** shall mutatis mutandis apply (on the basis that there is no requirement that all but not some only of the shares the subject of transfer notice must be sold to existing shareholders).

Re-designation of shares

- 14.27 If any share of any class is transferred pursuant to any of the provisions of these Articles to a shareholder holding shares of a different class, such share shall on and from the time of registration of the transfer of that share in the register of members of the Company be re-designated as a share of the same class as those already held by that shareholder.

Registration of Transfers

- 14.28 The directors may refuse to register the transfer of a share unless:

14.28.1 it is made in compliance with the provisions of this **Article 14**; and

14.28.2 it is in respect of only one class of shares; and

14.28.3 it is lodged at the registered office of the Company or at such other place as the directors may appoint and is accompanied by the certificate for the shares to which it relates and such other evidence as the directors may reasonably require to show the right of the transferor to make the transfer; and

14.28.4 it is in favour of not more than four transferees.

- 14.29 The directors shall register a transfer of shares made in compliance with the provisions of this **Article 14**. Model Article 26(5) shall not apply to the Company.

15. **TRANSMITTEES BOUND BY PRIOR NOTICES**

Model Article 29 shall be amended by the insertion of the words “, or the name of any person nominated under Model Article 27(2), “after the words “the transmittee’s name”.

16. **NOTICE OF GENERAL MEETINGS**

Every notice convening a general meeting shall:

- 16.1 comply with section 325(1) of the 2006 Act as to giving information to shareholders relating to their right to appoint proxies; and
- 16.2 be given in accordance with section 308 of the 2006 Act, that is in hard copy form, electronic form or by means of a website.

17. **PROCEEDINGS AT GENERAL MEETINGS**

- 17.1 No resolution shall be voted on and no other business shall be transacted at any general meeting of the Company unless a quorum is present when such vote is taken or other business is transacted and no resolution or transaction shall be effective unless a quorum is so present.
- 17.2 A quorum shall consist of two shareholders present in person or by proxy or (in the case of a shareholder being a corporation) by representative, provided always that if and for so long as the Company has only one person as a shareholder, one shareholder present in person or by proxy or (in the case of a shareholder being a corporation) by representative, shall be a quorum.
- 17.3 If a quorum is not present within half an hour from the time appointed for a general meeting or if, during any general meeting, a quorum ceases to be present, the general meeting shall stand adjourned to the same day in the next week at the same time and place or to such other day and at such other place as the directors may determine; and if at the adjourned general meeting a quorum is not present within half an hour from the time appointed for the same, one or more shareholders holding 50.1% or more of the shares in the capital of the Company shall constitute a quorum. Model Article 41(1) to (5) inclusive shall not apply to the Company.

18. **VOTES OF SHAREHOLDERS**

- 18.1 Subject to any rights or restrictions for the time being attached to any class or classes of shares, on a written resolution every shareholder has one vote in respect of each share held by him, on a show of hands every shareholder entitled to vote who (being an individual) is present in person or by proxy (not being himself a shareholder entitled to vote) or (being a corporation) is present by a representative or proxy (not being himself a shareholder entitled to vote) has one vote and, on a poll, each shareholder has one vote for each share held by him.
- 18.2 Upon a shareholder becoming a Leaving Shareholder, such shareholder (or the executors, administrators or other personal representatives of a deceased shareholder (as applicable)) shall not, whilst any shares in the capital of the Company are still registered in his name (or the name of the executors, administrators or other personal representatives of a deceased shareholder (as applicable)), be entitled to exercise any voting rights attaching to such shares, unless the Majority Shareholder otherwise consents in writing.

19. **WRITTEN RESOLUTIONS**

- 19.1 A written resolution, proposed in accordance with section 288(3) of the 2006 Act, will lapse if it is not passed before the end of the period of 28 days beginning with the circulation date.
- 19.2 For the purposes of this **Article 19** "circulation date" is the day on which copies of the written resolution are sent or submitted to shareholders or, if copies are sent or submitted on different days, to the first of those days.

20. **COMPANY COMMUNICATION PROVISIONS**

20.1 Where:-

- 20.1.1 a document or information is sent by post (whether in hard copy or electronic form) to an address in the United Kingdom; and
- 20.1.2 the Company is able to show that it was properly addressed, prepaid and posted,

it is deemed to have been received by the intended recipient 24 hours after it was posted.

20.2 Where:-

- 20.2.1 a document or information is sent or supplied by electronic means; and
- 20.2.2 the Company is able to show that it was properly addressed,

it is deemed to have been received by the intended recipient immediately after it was sent.

- 20.3 Where a document or information is sent or supplied by means of a website, it is deemed to have been received by the intended recipient:

20.3.1 when the material was first made available on the website; or

20.3.2 if later, when the recipient received (or is deemed to have received) notice of the fact that the material was available on the website.

- 20.4 Pursuant to section 1147(6) of the 2006 Act, subsections (2) (3) and (4) of that section shall be deemed modified by **Articles 20.1, 20.2 and 20.3.**

- 20.5 Subject to any requirements of the 2006 Act, only such documents and notices as are specified by the Company may be sent to the Company in electronic form to the address specified by the Company for that purpose and such documents or notices sent to the Company are sufficiently authenticated if the identity of the sender is confirmed in the way the Company has specified.

21. **DIRECTORS' INDEMNITY AND INSURANCE**

- 21.1 Subject to, and so far as may be permitted by the 2006 Act, and without prejudice to any indemnity to which the person concerned may be otherwise entitled, the Company may indemnify every director, former director, secretary or other officer of the Company or of any associated company (as defined in section 256 of the 2006 Act) against any liabilities incurred by him in the execution and discharge of his duties or the exercise of his powers or otherwise in relation to or in connection with his duties, powers or office, including any liability which may attach to him in respect of any negligence, default, breach of duty or breach of trust in relation to anything done or omitted to be done or alleged to have been done or omitted to be done by him as a director, former director, secretary or other officer of the Company or of any such associated company.

- 21.2 Subject to the 2006 Act the directors may purchase and maintain at the cost of the Company insurance cover for or for the benefit of every director, former director, secretary or other officer of the Company or of any associated company (as defined in section 256 of the 2006 Act) against any liability which may attach to him in respect of any negligence, default, breach of duty or breach of trust by him in relation to the Company (or such associated company), including anything done or omitted to be done or alleged to have been done or omitted to be done by him as a director, former director, secretary or other officer of the Company or associated company.

- 21.3 Subject to, and so far as may be permitted by the 2006 Act, the Company shall be entitled to fund the expenditure of every director, former director or other officer of the Company incurred or to be incurred:
- 21.3.1 in defending any criminal or civil proceedings; or
- 21.3.2 in connection with any application under sections 661(3), 661(4) or section 1157 of the 2006 Act.
- 21.4 Model Articles 52 and 53 shall not apply to the Company.

APPENDIX 1

ANNEXURE - Model Articles

2008 No. 3229

COMPANIES

The Companies (Model Articles) Regulations 2008

SCHEDULE 1

MODEL ARTICLES FOR PRIVATE COMPANIES LIMITED BY

SHARES

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PART 1

INTERPRETATION AND LIMITATION OF LIABILITY

Defined terms

1. *In the articles, unless the context requires otherwise-*

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

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

"chairman" has the meaning given in article 12;

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

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

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

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

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

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

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

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

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

"instrument" means a document in hard copy form;

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

"paid" means paid or credited as paid;

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

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

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

"shares" means shares in the company;

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

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

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

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

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

Liability of members

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

PART 2

DIRECTORS

DIRECTORS' POWERS AND RESPONSIBILITIES

Directors' general authority

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

Shareholders' reserve power

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

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

Directors may delegate

- 5. (1) Subject to the articles, the directors may delegate any of the powers which are conferred on them under the articles:
 - (a) to such person or committee;
 - (b) by such means (including by power of attorney);
 - (c) to such an extent;
 - (d) in relation to such matters or territories; and
 - (e) on such terms and conditions;as they think fit.
- (2) If the directors so specify, any such delegation may authorise further delegation of the directors' powers by any person to whom they are delegated.
- (3) The directors may revoke any delegation in whole or part, or alter its terms and conditions.

Committees

- 6. (1) Committees to which the directors delegate any of their powers must follow procedures which are based as far as they are applicable on those provisions of the articles which govern the taking of decisions by directors.
- (2) *The directors may make rules of procedure for all or any committees, which prevail over rules derived from the articles if they are not consistent with them.*

DECISION-MAKING BY DIRECTORS

Directors to take decisions collectively

- 7. (1) The general rule about decision-making by directors is that any decision of the directors must be either a majority decision at a meeting or a decision taken in accordance with article 8.
- (2) If:
 - (a) the company only has one director, and

- (b) no provision of the articles requires it to have more than one director,

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

Unanimous decisions

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

Calling a directors' meeting

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

held, that does not affect the validity of the meeting, or of any business conducted at it.

Participation in directors' meeting

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

Quorum for directors' meetings

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

Chairing of directors' meetings

12. (1) The directors may appoint a director to chair their meetings.
- (2) The person so appointed for the time being is known as the chairman.
- (3) The directors may terminate the chairman's appointment at any time.

- (4) If the chairman is not participating in a directors' meeting within ten minutes of the time at which it was to start, the participating directors must appoint one of themselves to chair it.

Casting vote

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

Conflicts of interest

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

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

Records of decisions to be kept

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

Directors' discretion to make further rules

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

APPOINTMENT OF DIRECTORS

Methods of appointing directors

- 17. (1) Any person who is willing to act as a director, and is permitted by law to do so, may be appointed to be a director:
 - (a) by ordinary resolution, or
 - (b) by a decision of the directors.
- (2) In any case where, as a result of death, the company has no shareholders and no directors, the personal representatives of the last

shareholder to have died have the right, by notice in writing, to appoint a person to be a director.

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

Termination of director's appointment

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

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

Directors' remuneration

19. (1) Directors may undertake any services for the company that the directors decide.
- (2) Directors are entitled to such remuneration as the directors determine:
- (a) for their services to the company as directors, and
 - (b) for any other service which they undertake for the company.
- (3) Subject to the articles, a director's remuneration may:
- (a) take any form, and

- (b) include any arrangements in connection with the payment of a pension, allowance or gratuity, or any death, sickness or disability benefits, to or in respect of that director.
- (4) Unless the directors decide otherwise, directors' remuneration accrues from day to day.
- (5) Unless the directors decide otherwise, directors are not accountable to the company for any remuneration which they receive as directors or other officers or employees of the company's subsidiaries or of any other body corporate in which the company is interested.

Directors' expenses

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

- (a) meetings of directors or committees of directors,
- (b) general meetings, or
- (c) separate meetings of the holders of any class of shares or of debentures of the company,

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

PART 3

SHARES AND DISTRIBUTIONS

SHARES

All shares to be fully paid up

21. (1) *No share is to be issued for less than the aggregate of its nominal value and any premium to be paid to the company in consideration for its issue.*
- (2) This does not apply to shares taken on the formation of the company by the subscribers to the company's memorandum.

Powers to issue different classes of share

22. (1) *Subject to the articles, but without prejudice to the rights attached to any existing share, the company may issue shares with such rights or restrictions as may be determined by ordinary resolution.*
- (2) *The company may issue shares which are to be redeemed, or are liable to be redeemed at the option of the company or the holder, and the directors may determine the terms, conditions and manner of redemption of any such shares.*

Company not bound by less than absolute interests

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

Share certificates

24. (1) *The company must issue each shareholder, free of charge, with one or more certificates in respect of the shares which that shareholder holds.*
- (2) *Every certificate must specify:*
- (a) *in respect of how many shares, of what class, it is issued;*
 - (b) *the nominal value of those shares;*
 - (c) *that the shares are fully paid; and*
 - (d) *any distinguishing numbers assigned to them.*

- (3) No certificate may be issued in respect of shares of more than one class.
- (4) If more than one person holds a share, only one certificate may be issued in respect of it.
- (5) Certificates must:
 - (a) have affixed to them the company's common seal, or
 - (b) be otherwise executed in accordance with the Companies Acts.

Replacement share certificates

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

- (a) damaged or defaced, or
- (b) said to be lost, stolen or destroyed,

that shareholder is entitled to be issued with a replacement certificate in respect of the same shares.

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

Share transfers

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

with the notice of refusal unless they suspect that the proposed transfer may be fraudulent.

Transmission of shares

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

Exercise of transmittees' rights

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

Transmittees bound by prior notices

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

DIVIDENDS AND OTHER DISTRIBUTIONS

Procedure for declaring dividends

30. (1) The company may by ordinary resolution declare dividends, and the *directors may decide to pay interim dividends.*
- (2) A dividend must not be declared unless the directors have made a recommendation as to its amount. Such a dividend must not exceed the amount recommended by the directors.
- (3) No dividend may be declared or paid unless it is in accordance with shareholders' respective rights.
- (4) Unless the shareholders' resolution to declare or directors' decision to pay a dividend, or the terms on which shares are issued, specify otherwise, it must be paid by reference to each shareholders' holding of shares on the date of the resolution or decision to declare or pay it.
- (5) If the company's share capital is divided into different classes, no interim dividend may be paid on shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrear.
- (6) The directors may pay at intervals any dividend payable at a fixed rate if it appears to them that the profits available for distribution justify the payment.
- (7) If the directors act in good faith, they do not incur any liability to the holders of shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on shares with deferred or non-preferred rights.

Payment of dividends and other distributions

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

- (a) transfer to a bank or building society account specified by the distribution recipient either in writing or as the directors may otherwise decide;
 - (b) sending a cheque made payable to the distribution recipient by post to the distribution recipient at the distribution recipient's registered address (if the distribution recipient is a holder of the share), or (in any other case) to an address specified by the distribution recipient either in writing or as the directors may otherwise decide;
 - (c) sending a cheque made payable to such person by post to such person at such address as the distribution recipient has specified either in writing or as the directors may otherwise decide; or
 - (d) any other means of payment as the directors agree with the distribution recipient either in writing or by such other means as the directors decide.
- (2) In the articles, "the distribution recipient" means, in respect of a share in respect of which a dividend or other sum is payable:
- (a) the holder of the share; or
 - (b) if the share has two or more joint holders, whichever of them is named first in the register of members; or
 - (c) if the holder is no longer entitled to the share by reason of death or bankruptcy, or otherwise by operation of law, the transmittee.

No interest on distributions

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

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

Unclaimed distributions

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

- (a) payable in respect of shares, and
- (b) unclaimed after having been declared or become payable,

may be invested or otherwise made use of by the directors for the benefit of the company until claimed.

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

(3) If:

- (a) twelve years have passed from the date on which a dividend or other sum became due for payment, and

- (b) the distribution recipient has not claimed it,

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

Non-cash distributions

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

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

- (a) fixing the value of any assets;

- (b) paying cash to any distribution recipient on the basis of that value in order to adjust the rights of recipients; and

- (c) vesting any assets in trustees.

Waiver of distributions

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

- (a) the share has more than one holder, or

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

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

CAPITALISATION OF PROFITS

Authority to capitalise and appropriation of capitalised sums

36. (1) Subject to the articles, the directors may, if they are so authorised by an ordinary resolution:
- (a) decide to capitalise any profits of the company (whether or not they are available for distribution) which are not required for paying a preferential dividend, or any sum standing to the credit of the company's share premium account or capital redemption reserve; and
 - (b) appropriate any sum which they so decide to capitalise (a "capitalised sum") to the persons who would have been entitled to it if it were distributed by way of dividend (the "persons entitled") and in the same proportions.
- (2) Capitalised sums must be applied:
- (a) on behalf of the persons entitled, and
 - (b) in the same proportions as a dividend would have been distributed to them.
- (3) Any capitalised sum may be applied in paying up new shares of a nominal amount equal to the capitalised sum which are then allotted credited as fully paid to the persons entitled or as they may direct.
- (4) A capitalised sum which was appropriated from profits available for distribution may be applied in paying up new debentures of the company which are then allotted credited as fully paid to the persons entitled or as they may direct.
- (5) Subject to the articles the directors may:
- (a) apply capitalised sums in accordance with paragraphs (3) and (4) partly in one way and partly in another;

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

PART 4

DECISION-MAKING BY SHAREHOLDERS

ORGANISATION OF GENERAL MEETINGS

Attendance and speaking at general meetings

37. (1) A person is able to exercise the right to speak at a general meeting when that person is in a position to communicate to all those attending the meeting, during the meeting, any information or opinions which that person has on the *business of the meeting*.
- (2) A person is able to exercise the right to vote at a general meeting when:
- (a) that person is able to vote, during the meeting, on resolutions put to the vote at the meeting, and
 - (b) that person's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting.
- (3) The directors may make whatever arrangements they consider appropriate to enable those attending a general meeting to exercise their rights to speak or vote at it.
- (4) In determining attendance at a general meeting, it is immaterial whether any two or more members attending it are in the same place as each other.
- (5) Two or more persons who are not in the same place as each other attend a general meeting if their circumstances are such that if they have (or were to have) rights to speak and vote at that meeting, they are (or would be) able to exercise them.

Quorum for general meetings

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

Chairing general meetings

39. (1) If the directors have appointed a chairman, the chairman shall chair general meetings if present and willing to do so.
- (2) If the directors have not appointed a chairman, or if the chairman is unwilling to chair the meeting or is not present within ten minutes of the time at which a meeting was due to start:
- (a) the directors present, or
- (b) (if no directors are present), the meeting,
- must appoint a director or shareholder to chair the meeting, and the appointment of the chairman of the meeting must be the first business of the meeting.
- (3) The person chairing a meeting in accordance with this article is referred to as "the chairman of the meeting".

Attendance and speaking by directors and non-shareholders

40. (1) Directors may attend and speak at general meetings, whether or not they are shareholders.
- (2) The chairman of the meeting may permit other persons who are not:
- (a) shareholders of the company, or
- (b) otherwise entitled to exercise the rights of shareholders in relation to general meetings, to attend and speak at a general meeting.

Adjournment

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

- (2) The chairman of the meeting may adjourn a general meeting at which a quorum is present if:
 - (a) the meeting consents to an adjournment, or
 - (b) it appears to the chairman of the meeting that an adjournment is necessary to protect the safety of any person attending the meeting or ensure that the business of the meeting is conducted in an orderly manner.
- (3) The chairman of the meeting must adjourn a general meeting if directed to do so by the meeting.
- (4) When adjourning a general meeting, the chairman of the meeting must:
 - (a) either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the directors; and
 - (b) have regard to any directions as to the time and place of any adjournment which have been given by the meeting.
- (5) *If the continuation of an adjourned meeting is to take place more than 14 days after it was adjourned, the company must give at least 7 clear days' notice of it (that is, excluding the day of the adjourned meeting and the day on which the notice is given):*
 - (a) to the same persons to whom notice of the company's general meetings is required to be given, and
 - (b) containing the same information which such notice is required to contain.
- (6) No business may be transacted at an adjourned general meeting which could not properly have been transacted at the meeting if the adjournment had not taken place.

VOTING AT GENERAL MEETINGS

Voting: general

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

Errors and disputes

43. (1) No objection may be raised to the qualification of any person voting at a general meeting except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting is valid.
- (2) Any such objection must be referred to the chairman of the meeting, whose decision is final.

Poll Votes

44. (1) A poll on a resolution may be demanded:
- (a) in advance of the general meeting where it is to be put to the vote, or
 - (b) *at a general meeting, either before a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared.*
- (2) A poll may be demanded by:
- (a) the chairman of the meeting;
 - (b) the directors;
 - (c) two or more persons having the right to vote on the resolution; or
 - (d) a person or persons representing not less than one tenth of the total voting rights of all the shareholders having the right to vote on the resolution.
- (3) A demand for a poll may be withdrawn if:
- (a) the poll has not yet been taken, and
 - (b) the chairman of the meeting consents to the withdrawal.
- (4) Polls must be taken immediately and in such manner as the chairman of the meeting directs.

Content of proxy notices

45. (1) Proxies may only validly be appointed by a notice in writing (a "proxy notice") which:
- (a) states the *name and address of the shareholder appointing the proxy*;
 - (b) identifies the person appointed to be that shareholder's proxy and the general meeting in relation to which that person is appointed;
 - (c) is signed by or on behalf of the shareholder appointing the proxy, or is authenticated in such manner as the directors may determine; and
 - (d) is delivered to the company in accordance with the articles and any instructions contained in the notice of the general meeting to which they relate.
- (2) the company may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes.
- (3) Proxy notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions.
- (4) Unless a proxy notice indicates otherwise, it must be treated as:
- (a) allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting, and
 - (b) appointing that person as a proxy in relation to any *adjournment of the general meeting to which it relates as well as the meeting itself*.

Delivery of proxy notices

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

- (2) *An appointment under a proxy notice may be revoked by delivering to the company a notice in writing given by or on behalf of the person by whom or on whose behalf the proxy notice was given.*
- (3) *A notice revoking a proxy appointment only takes effect if it is delivered before the start of the meeting or adjourned meeting to which it relates.*
- (4) *If a proxy notice is not executed by the person appointing the proxy, it must be accompanied by written evidence of the authority of the person who executed it to execute it on the appointor's behalf.*

Amendments to resolutions

47. (1) An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if:
- (a) notice of the proposed amendment is given to the company in writing by a person entitled to vote at the general meeting at which it is to be proposed not less than 48 hours before the meeting is to take place (or such later time as the chairman of the meeting may determine), and
 - (b) the proposed amendment does not, in the reasonable opinion of the chairman of the meeting, materially alter the scope of the resolution.
- (2) A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if:
- (a) the chairman of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed, and
 - (b) the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.
- (3) If the chairman of the meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the chairman's error does not invalidate the vote on that resolution.

PART 5

ADMINISTRATIVE ARRANGEMENTS

Means of communication to be used

48. (1) Subject to the articles, anything sent or supplied by or to the company under the articles may be sent or supplied in any way in which the Companies Act 2006 provides for documents or information which are authorised or required by any provision of that Act to be sent or supplied by or to the company.
- (2) Subject to the articles, any notice or document to be sent or supplied to a director in connection with the taking of decisions by directors may also be sent or supplied by the means by which that director has asked to be sent or supplied with such notices or documents for the time being.
- (3) A director may agree with the company that notices or documents sent to that director in a particular way are to be deemed to have been received within a specified time of their being sent, and for the specified time to be less than 48 hours.

Company seals

49. (1) Any common seal may only be used by the authority of the directors.
- (2) The directors may decide by what means and in what form any common seal is to be used.
- (3) Unless otherwise decided by the directors, if the company has a common seal and it is affixed to a document, the document must also be signed by at least one authorised person in the presence of a witness who attests the signature.
- (4) For the purposes of this article, an authorised person is:
- (a) any director of the company;
 - (b) the company secretary (if any); or
 - (c) any person authorised by the directors for the purpose of signing documents to which the common seal is applied.

No right to inspect accounts and other records

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

Provision for employees on cessation of business

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

DIRECTORS' INDEMNITY AND INSURANCE

Indemnity

52. (1) Subject to paragraph (2), a relevant director of the company or an associated company may be indemnified out of the company's assets against:
- (a) any liability incurred by that director in connection with any negligence, default, breach of duty or breach of trust in relation to the company or an associated company.
 - (b) any liability incurred by that director in connection with the activities of the company or an associated company in its capacity as a trustee of an occupational pension scheme (as defined in section 235(6) of the Companies Act 2006),
 - (c) any other liability incurred by that director as an officer of the company or an associated company.
- (2) This article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law.
- (3) In this article:
- (a) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate, and
 - (b) a "relevant director" means any director or former director of the company or an associated company.

Insurance

53. (1) The directors may decide to purchase and maintain insurance, at the expense of the company, for the benefit of any relevant director in respect of any relevant loss.
- (2) In this article:
- (a) a "relevant director" means any director or former director of the company or an associated company.
 - (b) a "relevant loss" means any loss or liability which has been or may be incurred by a relevant director in connection with that director's duties or powers in relation to the company, any

associated company or any pension fund or employees' share scheme of the company or associated company, and

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