

THE COMPANIES ACT 2006

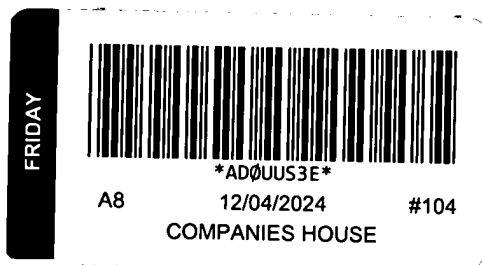
PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

VESYNTA LIMITED

Company No 11859034



Company number 11859034
THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
OF
VESYNTA LIMITED
(Adopted by special resolution passed on 4th April 2024)

INTRODUCTION

1. Interpretation

1.1 The following definitions and rules of interpretation apply in these Articles:

Act: the Companies Act 2006.

Adoption Date: the date of adoption of these Articles.

Adherence Agreement: means an adherence agreement in such form as the Board may require under which a person who acquires any Shares (whether by transfer or allotment) agrees to become a party to, and to be bound by the terms of the Shareholders Agreement.

Articles: the Company's articles of association for the time being in force.

Available Profits: means profits available for distribution within the meaning of Part 23 of the Act.

Board: means the board of Directors (or any committee of the Board of Directors for the purpose of taking any relevant action or decision).

Business Day(s): means, any day (other than Saturday and Sunday) which is not a bank or public holiday, on which ordinary clearing banks are open for their full range of normal business in London.

Company: means Vesynta Limited (Company number 11859034).

Controlling Interest: means an interest in Shares giving to the holder or holders control of the Company within the meaning of Section 1124 of the Corporation Tax Act 2010.

Deemed Transfer Notice: means a transfer notice deemed to have been served by a Shareholder pursuant to Article 10.1.

Deferred Shares: means the deferred shares of £0.000001 each in the capital of the Company from time to time.

Deferred Shareholder(s): means the holder(s) of the Deferred Shares.

Directors: the directors of the Company from time to time.

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).

Employee means any individual who is employed by or who provides consultancy services to, the Company.

Employee Shares: in relation to an Employee means all Shares held by:

- (a) the Employee in question; and
- (b) any Permitted Transferee of that Employee (other than those Shares held by those persons that the Board is satisfied were not acquired directly or indirectly from the Employee or by reason of their relationship with the Employee).

Equity Shares: the Ordinary Shares and the Ordinary A Shares (not the Deferred Shares).

Fair Value: as calculated in accordance with Article 10.3 and Article 10.4.

Family Trusts: means, in relation to a Shareholder who is an individual, a trust or settlement set up wholly for the benefit of that individual Shareholder and/or that individual Shareholder's Privileged Relations.

Financial Year: has the meaning given in section 390 of the Act.

Founders: means Stefan Guldin, Alaric Taylor-Roffey and Jugal Suthar and any other person who becomes party to any Shareholders' Agreement in the capacity as a Founder and reference to Founder shall be to any one of them.

Fund Manager: means a person whose principal business is to make, manage or advise upon investments in securities.

Investment Fund: means, a fund, partnership, company, syndicate or other entity whose principal business is to make investments and whose business is managed by a Fund Manager.

Investor Majority: means the holders of more than 51% (by nominal value) of the Ordinary A Shares in issue from time to time.

Investor Majority Consent: means the prior written consent of the Investor Majority.

Issue Price: in respect of any Share, the subscription price paid (or agreed to be paid) in respect of that Share, including any share premium.

Member of the Same Fund Group: means, if the Shareholder is an Investment Fund or a nominee of that Investment Fund:

- a) any participant or partner in or member of any such Investment Fund or the holder of any unit trust which is a participant or partner in or member of any such Investment Fund;
- b) any Investment Fund managed or advised by that Fund Manager or its affiliates;

c) any parent undertaking or subsidiary undertaking of that Fund Manager or its affiliates, or any subsidiary undertaking of any parent undertaking of that Fund Manager or its affiliates; or

d) any trustee, nominee or custodian of such Investment Fund and vice versa.

Model Articles: 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 prior to the Adoption Date and included in the Annex to these Articles.

New Securities: means any shares in the capital of the Company granted or issued (or to be granted or issued) by the Company after the Adoption Date.

Ordinary Shares: the ordinary shares of £0.000001 each in the capital of the Company.

Ordinary Shareholder(s): means the holder(s) of the Ordinary Shares.

Ordinary A Shares: the ordinary A shares of £0.000001 each in the capital of the Company.

Ordinary A Shareholder(s): means the holder(s) of the Ordinary A Shares.

Permitted Transfer: means a transfer of Shares which is permitted under Article 9.2.

Permitted Transferee: means in relation to a Shareholder:

- a) any of their Privileged Relations;
- b) Family Trusts (or the Trustees of those Family Trusts);
- c) if the Shareholder is a company, transferees that are undertakings (as defined in section 1161(1) of the Act) to any company which is from time to time a parent undertaking or a subsidiary undertaking of any such parent undertaking; or
- d) if the Shareholder is an Investment Fund, any Member of the Same Fund Group (and where the member is a nominee of an Investment Fund any custodian and/or nominee shareholders as may be nominated by the Investment Fund and the assigns of any such custodian or nominee).

Priority Amount: means the total Subscription Price of the Ordinary A Shares held by the Ordinary A Shareholders.

Privileged Relation: means, the spouse, civil partner, widow or widower of a Shareholder and the Shareholder's children and grandchildren (including step and adopted children), and step and adopted children of the Shareholder's children.

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 Scheme (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/or the Shareholders' Agreement; or

(c) any Shares or other securities issued in consideration of the acquisition by the Company of any company or business which has been approved with Investor Majority Consent.

Sale Proceeds: means the consideration payable (including any deferred and/or contingent consideration) whether in cash or otherwise to those Shareholders selling Shares under a Share Sale (less any fees and expenses payable by the selling Shareholders under that Share Sale).

Shareholder(s): a holder(s) for the time being of any Share or Shares.

Share Option Scheme: means the share option scheme or schemes of the Company from time to time.

Shares: shares (of any class) in the capital of the Company and **Share:** shall be construed accordingly.

Shareholders' Agreement: means the agreement between the Company and its Shareholders dated on or around the Adoption Date.

Share Sale: the sale of (or the grant of a right to acquire or to dispose of) any Shares (in one transaction or as a series of transactions) which would, if completed, result in the buyer of those Shares (or grantee of that right) and persons acting in concert with them together acquiring a Controlling Interest, except where the identities of the shareholders in the buyer and the proportion of shares of the buyer held by each of them following completion of the sale are the same as the identities of the Shareholders and their respective shareholdings in the Company immediately before the sale.

Subscription Price: means a price of £0.4834 per Ordinary A Share.

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, save that, in relation to a Transfer Notice (or Deemed Transfer Notice), "writing" or "written" shall not include the sending or supply of notices, documents or information in electronic form (other than by fax).

- 1.2 Headings in these Articles shall not affect the interpretation of these Articles.
- 1.3 Unless the context otherwise requires, words in the singular shall include the plural and the plural shall include the singular.
- 1.4 Unless the context otherwise requires, a reference to one gender shall include a reference to the other genders.
- 1.5 Save as otherwise specifically provided in these Articles, words and expressions which have particular meanings in the Model Articles shall have the same meanings in these Articles, subject to which and unless the context otherwise requires, words and expressions which have particular meanings in the Act shall have the same meanings in these Articles (but excluding any statutory modification of them not in force on the Adoption Date).

1.6 A reference in these Articles to:

- (a) an **Article** is a reference to the relevant numbered article of these Articles; and
- (b) a **model article** is a reference to the relevant article,

unless expressly provided otherwise.

1.7 A reference to a statute or statutory provision is a reference to it as amended, extended or re-enacted from time to time. A reference to a statute or statutory provision shall include all subordinate legislation made from time to time 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.

2. Adoption of the Model Articles

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

2.2 Model article 18 shall be modified by the addition of the following events upon the occurrence of which a person shall cease to be a Director:

- (a) they are convicted of a criminal offence (other than a minor motoring offence) and a majority of the other Directors resolve that they cease to be a Director;
- (b) in the case of an executive Director only, they shall cease to be employed by the Company.

3. Transactions or other arrangements with the Company

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

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

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

4. Directors' conflicts

- 4.1 The Directors may, in accordance with the requirements set out in this Article 4, authorise any matter or situation proposed to them by any Director which would, if not authorised, involve a Director (an "Interested Director") breaching their duty under section 175 of the Act to avoid conflicts of interest ("Conflict").
- 4.2 Any authorisation under this Article 4 will be effective only if:
 - (a) to the extent permitted by the Act, the matter in question shall have been proposed by any Director for consideration in the same way that any other matter may be proposed to the Directors under the provisions of these Articles or in such other manner as the Directors may determine;
 - (b) any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested Director; and
 - (c) the matter was agreed to without the Interested Director voting or would have been agreed to if the Interested Director's vote had not been counted.
- 4.3 Any authorisation of a Conflict under this Article 4 may (whether at the time of giving the authorisation or subsequently):

- (a) extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised;
 - (b) provide that the Interested Director be excluded from the receipt of documents and information and the participation in discussions (whether at meetings of the Directors or otherwise) related to the Conflict;
 - (c) provide that the Interested Director shall or shall not be an Eligible Director in respect of any future decision of the Directors in relation to any resolution related to the Conflict;
 - (d) impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the Directors think fit;
 - (e) provide that, where the Interested Director obtains, or has obtained (through their involvement in the Conflict and otherwise than through their position as a Director of the Company) information that is confidential to a third party, they will not be obliged to disclose that information to the Company, or to use it in relation to the Company's affairs where to do so would amount to a breach of that confidence; and/or
 - (f) permit the Interested Director to absent themselves from the discussion of matters relating to the Conflict at any meeting of the Directors and be excused from reviewing papers prepared by, or for, the Directors to the extent they relate to such matters.
- 4.4 Where the Directors authorise a Conflict, the Interested Director will be obliged to conduct themselves in accordance with any terms and conditions imposed by the Directors in relation to the Conflict.
- 4.5 The Directors may revoke or vary such authorisation at any time, but this will not affect anything done by the Interested Director, prior to such revocation or variation, in accordance with the terms of such authorisation.
- 4.6 A Director, notwithstanding their office, may be a Director or other officer of, employed by, or otherwise interested (including by the holding of shares) in their appointor(s) (or any Permitted Transferee of such appointor(s)) and no authorisation under Article 4.1 shall be necessary in respect of any such interest.
- 4.7 A Director is not required, by reason of being a Director (or because of the fiduciary relationship established by reason of being a Director), to account to the Company for any remuneration, profit or other benefit which they derive from or in connection with a relationship involving a Conflict which has been authorised by the Directors in accordance with these Articles or by the Company in general meeting (subject in each case to any terms and conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds.

SHARES AND DISTRIBUTIONS

5. Rights attaching to Shares

5.1 Dividends.

5.1.1 In respect of any Financial Year, the Company's Available Profits will be applied as set out in this Article 5.1.

5.1.2 Any Available Profits which the Company may determine, with Investor Majority Consent, to distribute in respect of any Financial Year shall be distributed to the holders of Equity Shares, subject to Article 5.1.4 (pari passu as if the Equity Shares constituted one class of shares) pro rata to their respective holdings of Equity Shares.

5.1.3 Subject to the Act and these Articles, the Board may, provided Investor Majority Consent is given, pay interim dividends if justified by the Available Profits in respect of the relevant period.

5.1.4 If there are nil paid or partly paid share(s), any holder of such share(s) shall only be entitled, in case of any dividend, to be paid an amount equal to the amount of the dividend multiplied by the percentage of the amount that is paid up (if any) on such share(s) during any portion or portions of the period in respect of which a dividend is paid.

5.2 Voting. The voting rights attached to the Shares are as follows:

- (a) Each Ordinary Shareholder shall have the right to attend and to vote at any general meeting or on any other resolution of the Shareholders;
- (b) Each Ordinary A Shareholder shall have the right to attend and to vote at any general meeting or on any other resolution of the Shareholders; and
- (c) Each Deferred Shareholder shall have no right to attend or vote at any general meeting or on any other resolution of the Shareholders.

5.3 Capital distributions

5.3.1 On any return of capital as a result of winding up the Company, the Shareholders shall be entitled to participate in any surplus assets of the Company (following the satisfaction of its liabilities):

- (a) firstly, in distributing to the holders of the Deferred Shares, if any, a total of one penny in aggregate for the entire class of Deferred Shares (which payment shall be deemed satisfied by distribution to any one holder of Deferred Shares); and
- (b) thereafter, in distributing on a pro rata basis as though the Ordinary Shares and the Ordinary A Shares were a single class of Shares.

6. Exit Provisions

6.1 In the event of a Share Sale, the Sale Proceeds, shall be distributed in the following order of priority (to the extent that the Company is lawfully permitted to do so):

- (a) in the event that the Sale Proceeds divided by the number of Equity Shares is the same or less than £0.4834 per Equity Share:
 - (i) firstly, in distributing to the holders of the Deferred Shares, if any, a total of one penny in aggregate for the entire class of Deferred Shares (which payment shall be deemed satisfied by distribution to any one holder of Deferred Shares);
 - (ii) secondly, in paying to each of the Ordinary A Shareholders 99.9% of the Sale Proceeds pro rata to their respective holding of any Ordinary A Shares and 0.1% of the Sale Proceeds to the Ordinary Shareholders pro rata to their respective holdings of any Ordinary Shares, up until the Ordinary A Shareholders have received their Priority Amount; and
 - (iii) thereafter, and once the Ordinary A Shareholders have received their Priority Amount, any remainder of the Sale Proceeds will be distributed to the Ordinary Shareholders on a pro rata basis to the number of Ordinary Shares held; or
- (b) in the event that the Sale Proceeds divided by the number of Equity Shares exceeds £0.4834 per Equity Share, the Sale Proceeds shall be distributed as follows:
 - (i) firstly, in distributing to the holders of the Deferred Shares, if any, a total of one penny in aggregate for the entire class of Deferred Shares (which payment shall be deemed satisfied by distribution to any one holder of Deferred Shares);
 - (ii) thereafter, to the holders of Equity Shares on a pro rata basis (as if the Equity Shares constituted one and the same class) to the number of Equity Shares held.

6.2 The Directors shall not register any transfer of Shares if the Sale Proceeds are not distributed in that manner (save in respect of any Shares not sold in connection with that Share Sale) provided that, if the Sale Proceeds are not settled in their entirety upon completion of the Share Sale:

- (a) the Directors may register the transfer of the relevant Shares, provided that the Sale Proceeds due on the date of completion of the Share Sale have been distributed in the order of priority set out in Article 6.1; and
- (b) each Shareholder shall take any reasonable action (to the extent lawful and within its control) required to ensure that the balance of the Sale Proceeds are distributed in the order of priority set out in Article 6.1.

7. Deferred Shares

7.1 Subject to the Act, all Deferred Shares in issue may be purchased by the Company at any time at its option for a total of one penny in aggregate for all such Deferred Shares (which amount shall be apportioned between the holders of Deferred Shares pro rata as to the number of Deferred

Shares held and may be paid to any one or more holders of Deferred Shares on behalf of all holders of Deferred Shares) without obtaining the sanction of the holder(s).

- 7.2 The allotment or issue of Deferred Shares or the conversion or re-designation of Shares into Deferred Shares shall be deemed to confer irrevocable authority on the Company at any time after their allotment, issue, conversion or re-designation, without obtaining the sanction of such holder(s), to:
- (a) appoint any person to execute any transfer (or any agreement to transfer) of such Deferred Shares to such person(s) as the Company may determine (as nominee or custodian or otherwise), including (subject to the Act) to the Company itself, in any such case for a price being not more than an aggregate sum of one penny for all the Deferred Shares registered in the name of such holder(s);
 - (b) receive the consideration for such a transfer or purchase (and give a good discharge for it) and hold the same on trust for the transferor(s);
 - (c) give, on behalf of such holder(s), consent to the cancellation of such Deferred Shares; and/or
 - (d) retain the certificate(s) (if any) in respect of such Deferred Shares pending their transfer, cancellation and/or purchase.

- 7.3 No Deferred Share may be transferred without the prior consent of the Board.

8. Issue of Shares

- 8.1 Sections 561(1) and 562 (1) to (5) inclusive of the Act do not apply to an allotment of New Securities made by the Company.
- 8.2 Unless otherwise sanctioned by a special resolution, if the Company wishes to issue any New Securities, the Board shall procure that the Company shall give notice to each Shareholder stating the number of Shares to be issued and the price per Share to be subscribed for (the **"Company's Notice"**).
- 8.3 Each Shareholder shall have the option but not the obligation to subscribe at the price set forth in the Company's Notice for that proportion of the Shares proposed to be issued which the number of Shares held by them bears to the total number of issued Equity Shares at the time the Company gives its notice. This option may be exercised by notice to the Company given at any time within 28 days following the Company's Notice accompanied by payment in full for the Shares to be subscribed for.
- 8.4 Any Shares referred to in the Company's Notice with respect to which Shareholders do not exercise their options may be issued by the Company in the manner stated in the Company's Notice.

8.5 The provisions of this Article 8 shall not apply to the issue by the Company of Relevant Securities.

9. Transfer of Shares

9.1 No Shareholder shall sell, transfer, mortgage, charge, encumber, or otherwise dispose of any share or any interest therein, and the Directors shall refuse to register a transfer of any Share, unless it is made in accordance with these Articles.

9.2 A Shareholder may transfer all or any of his Shares to a Permitted Transferee subject to the Permitted Transferee agreeing forthwith to transfer all of the Shares back to the transferor Shareholder or another Permitted Transferee of the original transferor Shareholder forthwith upon the Permitted Transferee ceasing to be a Permitted Transferee of the transferor Shareholder.

9.3 Except for:

- (a) a Permitted Transfer;
 - (b) any transfer required to be made pursuant to the terms of the Shareholders Agreement or Article 10;
 - (c) a transfer approved by the Board (with Investor Majority Consent); or
 - (d) a transfer made pursuant to Articles 11.3— 11.5 (inclusive) (*Drag Along*),
- no Shares (or any interest in any Shares) shall be transferred until the following conditions of this Article 9 are complied with.

9.4 Any Shareholder proposing to transfer any amount of Shares (the “**Proposing Transferor**”) shall give notice in writing (a “**Transfer Notice**”) to the Board that the Proposing Transferor desires to transfer such Shares. In the Transfer Notice the Proposing Transferor shall specify:

- (a) the number of Shares which the Proposing Transferor wishes to transfer (the “**Transfer Shares**”) (which may be all or part only of the Shares then held by the Proposing Transferor);
- (b) the price at which the Proposing Transferor wishes to sell the Transfer Shares (the “**Transfer Price**”) and the identity of any person who has indicated a willingness to purchase the Transfer Shares at such price (the “**Proposed Transferee**”). A Transfer Notice, once given, shall not be revocable, except with the consent of the Board.

9.5 A Transfer Notice shall also state whether the Proposing Transferor wishes to impose a **Total Transfer Condition** (meaning a condition that unless all of the Transfer Shares are sold pursuant to the following provisions of this Article 9 none shall be so sold), but in the absence of such a statement the Transfer Notice shall be deemed not to contain a Total Transfer Condition.

- 9.6 The Transfer Notice shall constitute the Company (by the Board) as the agent of the Proposing Transferor with authority to sell the Transfer Shares (together with all rights attaching thereto at the date of the Transfer Notice or at any time thereafter) at the Transfer Price on the terms of this Article 9.
- 9.7 The Transfer Shares shall, within 10 days of receipt of the Transfer Notice, be offered to the remaining Shareholders in proportion to their holding of Equity Shares in the Company. If any Shareholder(s) do not wish to take their full allocation of Shares, the other Shareholders shall be entitled to purchase such Shares (and in the case of competition between Shareholders, in proportion to their relative holding of Shares). The Board shall, acting reasonably, determine the process and timescales within which the Transfer Shares shall be offered to the remaining Shareholders, save that the remaining Shareholders shall be given a period of no less than 10 Business Days and no greater than 30 Business Days to confirm the number of Shares they wish to purchase and to transfer cleared funds for the Shares to the Company.
- 9.8 At completion of any purchase of Transfer Shares, the Company shall (subject to receipt thereof from the relevant purchasers) pay the total Transfer Price for the Shares in cleared funds to the Proposing Transferor.
- 9.9 If, following the exhaustion of the above provisions, the Board does not receive acceptances in respect of all the Transfer Shares, the Proposing Transferor may, within one month sell all or any of those Transfer Shares which have not been accepted as aforesaid to the Proposed Transferee identified in the Transfer Notice (or its nominee) but to no other person at any price which is not less than the Transfer Price and otherwise on terms and conditions which are not more favourable to the relevant purchaser than those on which the Transfer Shares were offered to the Shareholders under this Article 9.
- 9.10 If a Proposing Transferor, having become bound to transfer any Transfer Shares pursuant to this Article 9, makes default in transferring the same the Board may authorise some person (who is (as security for the performance of the Proposing Transferor's obligations) hereby irrevocably and unconditionally appointed as the agent of the Proposing Transferor for the purpose) to execute the necessary instrument of transfer of such Transfer Shares and may deliver it on their behalf and the Company may receive the purchase money and shall thereupon (subject to such instrument being duly stamped with any necessary stamp duty) cause the transferee to be registered as the holder of such Transfer Shares and shall hold such purchase money on behalf of the Proposing Transferor. The Company shall not be bound to earn or pay interest on any money so held and shall not pay such money to the Proposing Transferor until they shall have delivered their share certificate(s) (or an appropriate indemnity in respect of any lost certificates) to the Company. The receipt of the Company for such purchase money shall be a good discharge to the transferee who shall not be bound to see to the application thereof, and after the name of the transferee has been entered in the register of members in purported exercise of the aforesaid power the validity of the proceedings shall not be questioned by any person.

- 9.11 The Board may make it a condition to the registration of any transfer (whether to a Permitted Transferee or otherwise) that the relevant transferee shall enter into an Adherence Agreement.

10. Obligatory Transfer Event

- 10.1 A Shareholder (excluding a Shareholder that is an Investment Fund and any of their respective Permitted Transferees) is deemed to have served a Transfer Notice under Article 9.4 immediately before any of the following events:

- (a) in the case of an individual, if he has a bankruptcy order made against him, enters into any composition or arrangement with or for the benefit of his creditors or allows his shares in the Company to be charged in any way; or
- (b) in the case of a company, if a liquidator, administrator or administrative receiver is appointed over it (or a material part of its business); or
- (c) if any Shareholder or their Permitted Transferees (excluding a Shareholder that is an Investment Fund and any of their Permitted Transferees) commits any material breach of any of his obligations under the Shareholders' Agreement and fails to remedy such a breach (if capable of remedy) within 30 days after being given notice by the other Shareholders to do so.

- 10.2 A deemed Transfer Notice has the same effect as a Transfer Notice, except that:

- (a) the deemed Transfer Notice takes effect on the basis that it relates to the Shareholder's entire holding of Shares, does not identify a proposed buyer, does not contain a Total Transfer Condition or state a price for the Shares;
- (b) in the case of an event falling under Article 10.1(a) and Article 10.1(b), the Transfer Price shall be the Fair Value of the Shares. The relevant Shareholder irrevocably appoints each Director, as appointed from time to time, as agent to execute on their behalf any documentation in relation to the transfer of any Shares in accordance with this Article 10.2(b);
- (c) in the case of an event falling under Article 10.1(c), the Transfer Price shall be deemed to be the lower of (i) the Fair Value of the relevant shareholder's shares, and (ii) the Issue Price for the Shares.

- 10.3 **Fair Value** for any Shares is that proportion of the amount a UK firm of Chartered Accountants ("the Accountants") appointed by the Board consider to be the fair value of the entire issued share capital of the Company that the relevant shareholder's shares bear to the entire issued share capital of the Company.

- 10.4 In determining the Fair Value of the entire issued share capital of the Company, the Accountants shall rely on the following assumptions:

- (a) the sale is between a willing seller and a willing buyer;

- (b) the shares are sold free of all restrictions, liens, charges and other encumbrances;
- (c) the sale is taking place on the date the Accountants were requested to determine the Fair Value; and
- (d) there shall be no discount applied to the valuation for a minority shareholding.

11. Tag Along and Drag Along

Tag Along

- 11.1 Subject to the prior compliance with the pre-emption procedure set out in Article 9 above and excluding any Permitted Transfers or transfers made pursuant to Article 10, in the event that any Shareholder(s) (the "**Selling Shareholders**") propose to sell the legal or beneficial interests in their shares which would result in the offeror (the "**Offeror**"), and any person acting in concert with the Offeror, acquiring in excess of 50% of the shares in the Company, the remaining Shareholders (the "**Remaining Shareholders**") shall have the right to require that the Selling Shareholders procure that the Offeror offers to purchase all their Shares at the same price and otherwise on the same terms offered to the Selling Shareholders (the "**Tag Along Right**").
- 11.2 The Tag Along Right may be exercised by the Remaining Shareholders serving notice to that effect on the Selling Shareholders at any time not less than 14 days prior to the date on which the Selling Shareholders sell their shares to the Offeror. A Tag Along Right once exercised shall be irrevocable but shall lapse (and the obligations thereunder shall lapse) in the event that for any reason the Selling Shareholders do not transfer such shares to the Offeror. Upon the exercise of the Tag Along Right, the Remaining Shareholders shall be bound to accept the offer made to them in respect of their entire holding of Shares and to comply with the obligations assumed by virtue of such acceptance.

Drag Along

- 11.3 In the event that any Shareholder(s) (the "**Selling Shareholders**") propose to sell the legal or beneficial interests in 85% or more of the issued share capital of the Company, following the third anniversary of the Adoption Date, to a bona fide third party proposed purchaser (the "**Offeror**"), the Selling Shareholders and/or the Offeror may require the Remaining Shareholders to sell and transfer all their Shares to the Offeror (or as the Offeror directs) at the same price and otherwise on the same terms offered to the Selling Shareholders (the "**Drag Along Right**") (such transfers of Shares by the Selling Shareholders and the Remaining Shareholders being the "**Dragged Share Sale**")
- 11.4 The Selling Shareholders or the Offeror may exercise the Drag Along Right by serving notice to the Remaining Shareholders at any time not less than 14 days prior to the date on which the Selling Shareholders sell their shares to the Offeror. A Drag Along Right once exercised shall be

irrevocable but shall lapse (and the obligations thereunder shall lapse) in the event that for any reason the Selling Shareholders do not transfer such shares to the Offeror. Upon the exercise of the Drag Along Right, the Remaining Shareholders shall be bound to accept the offer made to them in respect of their entire holding of Shares and to comply with the obligations assumed by virtue of such acceptance.

- 11.5 If any Shareholder does not, on completion of the sale of Shares pursuant to Articles 11.3 and 11.4 above, deliver share certificates and execute transfer(s) in respect of all of the Shares held, the defaulting Shareholder shall be deemed to have irrevocably appointed any person nominated for the purpose by the Dragging Shareholders to be their agent to execute all necessary transfer(s) on their behalf, against receipt by the Company (on trust for such holder) of the consideration payable for the Shares, and deliver such transfer(s) to the Offeror (or as they may direct) as the holder thereof. After the Offeror (or its nominee) has been registered as the holder, the validity of such proceedings shall not be questioned by any such person. Failure to produce a share certificate shall not impede the registration of shares under this Article 11.

12. Co-Sale right

- 12.1 No transfer (other than a Permitted Transfer, any transfer required to be made pursuant to the terms of the Shareholders' Agreement or Article 10, or a transfer approved by the Board (with Investor Majority Consent)) of any Shares may be made or validly registered unless the relevant Shareholder (each a "**Selling Co-Seller**") shall have observed the following procedures of this Article.
- 12.2 After the Selling Co-Seller has gone through the pre-emption process set out in Article 9, the Selling Co-Seller shall give to each holder of Equity Shares (an "**Equity Holder**") not less than 15 Business Days' notice in advance of the proposed sale (a "**Co-Sale Notice**"). The Co-Sale Notice shall specify:
- (a) the identity of the proposed purchaser (the "**Buyer**");
 - (b) the price per share which the Buyer is proposing to pay;
 - (c) the manner in which the consideration is to be paid;
 - (d) the number of Equity Shares which the Selling **Co-Seller** proposes to sell; and
 - (e) the address where the counter-notice should be sent.

For the purposes of this Article 12, it is acknowledged that Shares of different classes will be transferable at different prices, such price per class of Share being a sum equal to that to which they would be entitled if the consideration payable by the Buyer to the Selling Co-Seller were used to determine the valuation of the entire issued share capital of the Company and such valuation was then allocated as between the Shares in accordance with Article 6.1.

- 12.3 Each Equity Holder shall be entitled within five Business Days after receipt of the Co-Sale Notice, to notify the Selling Co-Seller that they wish to sell a certain number of Equity Shares held by them at the proposed sale price, by sending a counter-notice which shall specify the number of Equity Shares which such Equity Holder wishes to sell. The maximum number of shares which an Equity Holder can sell under this procedure shall be:

$$\left(\frac{X}{Y} \right) \times Z$$

where:

X is the number of Equity Shares held by the Equity Holder;

Y is the total number of Equity Shares held by the Equity Holders;

Z is the number of Equity Shares the Selling Co-Seller proposes to sell.

Any Equity Holder who does not send a counter-notice within such five Business Day period shall be deemed to have specified that they wish to sell no shares.

- 12.4 Following the expiry of five Business Days from the date the Equity Holders receive the Co-Sale Notice, the Selling Co-Seller shall be entitled to sell to the Buyer on the terms notified to the Equity Holders a number of shares not exceeding the number specified in the Co-Sale Notice less any shares which Equity Holders have indicated they wish to sell, provided that at the same time the Buyer (or another person) purchases from the Equity Holders the number of shares they have respectively indicated they wish to sell on terms no less favourable than those obtained by the Selling Co-Seller from the Buyer.
- 12.5 No sale by the Selling Co-Seller shall be made pursuant to any Co-Sale Notice more than three months after service of that Co-Sale Notice.
- 12.6 Sales made in accordance with this Article 12 shall not be subject to Article 9.

ANNEX

MODEL ARTICLES FOR PRIVATE COMPANIES LIMITED BY SHARES

INDEX TO THE ARTICLES

PART 1

INTERPRETATION AND LIMITATION OF LIABILITY

1. Defined terms
2. Liability of members

PART 2

DIRECTORS

DIRECTORS' POWERS AND RESPONSIBILITIES

3. Directors' general authority
4. Shareholders' reserve power
5. Directors may delegate
6. Committees

DECISION-MAKING BY DIRECTORS

7. Directors to take decisions collectively
8. Unanimous decisions
9. Calling a directors' meeting
10. Participation in directors' meetings
11. Quorum for directors' meetings
12. Chairing of directors' meetings
13. Casting vote
14. Conflicts of interest
15. Records of decisions to be kept

16. Directors' discretion to make further rules

APPOINTMENT OF DIRECTORS

17. Methods of appointing directors

18. Termination of director's appointment

19. Directors' remuneration

20. Directors' expenses

PART 3

SHARES AND DISTRIBUTIONS

SHARES

21. All shares to be fully paid up

22. Powers to issue different classes of share

23. Company not bound by less than absolute interests

24. Share certificates

25. Replacement share certificates

26. Share transfers

27. Transmission of shares

28. Exercise of transmitters' rights

29. Transmitters bound by prior notices

DIVIDENDS AND OTHER DISTRIBUTIONS

30. Procedure for declaring dividends

31. Payment of dividends and other distributions

32. No interest on distributions

33. Unclaimed distributions

34. Non-cash distributions

35. Waiver of distributions

CAPITALISATION OF PROFITS

- 36. Authority to capitalise and appropriation of capitalised sums

PART 4

DECISION-MAKING BY SHAREHOLDERS

ORGANISATION OF GENERAL MEETINGS

- 37. Attendance and speaking at general meetings
- 38. Quorum for general meetings
- 39. Chairing general meetings
- 40. Attendance and speaking by directors and non-shareholders
- 41. Adjournment

VOTING AT GENERAL MEETINGS

- 42. Voting: general
- 43. Errors and disputes
- 44. Poll votes
- 45. Content of proxy notices
- 46. Delivery of proxy notices
- 47. Amendments to resolutions

PART 5

ADMINISTRATIVE ARRANGEMENTS

- 48. Means of communication to be used
- 49. Company seals
- 50. No right to inspect accounts and other records
- 51. Provision for employees on cessation of business

DIRECTORS' INDEMNITY AND INSURANCE

52. Indemnity

53. Insurance

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 (for so long as they remain the sole Director) may take decisions without regard to any of the provisions of these Articles relating to Directors' decision-making. For the purpose of Article 11, the quorum for the transaction of business by a sole Director is one, and all other provisions of these Articles apply with any necessary modification (unless a provision expressly provides otherwise).

Unanimous decisions

8.—(1) A decision of the directors is taken in accordance with this article when all eligible directors indicate to each other by any means that they share a common view on a matter.

(2) Such a decision may take the form of a resolution in writing, copies of which have been signed by each eligible director or to which each eligible director has otherwise indicated agreement in writing.

(3) References in this article to eligible directors are to directors who would have been entitled to vote on the matter had it been proposed as a resolution at a directors' meeting.

(4) A decision may not be taken in accordance with this article if the eligible directors would not have formed a quorum at such a meeting.

Calling a directors' meeting

9.—(1) Any director may call a directors' meeting by giving notice of the meeting to the directors or by authorising the company secretary (if any) to give such notice.

(2) Notice of any directors' meeting must indicate—

(a) its proposed date and time;

(b) where it is to take place; and

(c) if it is anticipated that directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting.

(3) Notice of a directors' meeting must be given to each director, but need not be in writing.

(4) Notice of a directors' meeting need not be given to directors who waive their entitlement to notice of that meeting, by giving notice to that effect to the company not more than 7 days after the date on which the meeting is held. Where such notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it.

Participation in directors' meetings

10.—(1) Subject to the articles, directors participate in a directors' meeting, or part of a directors' meeting, when—

(a) the meeting has been called and takes place in accordance with the articles, and

(b) they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.

(2) In determining whether directors are participating in a directors' meeting, it is irrelevant where any director is or how they communicate with each other.

(3) If all the directors participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is.

Quorum for directors' meetings

11.—(1) At a directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.

(2) The quorum for directors' meetings may be fixed from time to time by a decision of the directors. If there is a sole director, the quorum is one. If there are two or more directors it is two, unless otherwise fixed.

(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 disapples the provision of the articles which would otherwise prevent a director from being counted as participating in the decision-making process;
- (b) the director's interest cannot reasonably be regarded as likely to give rise to a conflict of interest; or
- (c) the director's conflict of interest arises from a permitted cause.

(4) For the purposes of this article, the following are permitted causes—

- (a) a guarantee given, or to be given, by or to a director in respect of an obligation incurred by or on behalf of the company or any of its subsidiaries;
- (b) subscription, or an agreement to subscribe, for shares or other securities of the company or any of its subsidiaries, or to underwrite, sub-underwrite, or guarantee subscription for any such shares or securities; and
- (c) arrangements pursuant to which benefits are made available to employees and directors or former employees and directors of the company or any of its subsidiaries which do not provide special benefits for directors or former directors.

(5) For the purposes of this article, references to proposed decisions and decision-making processes include any directors' meeting or part of a directors' meeting.

(6) Subject to paragraph (7), if a question arises at a meeting of directors or of a committee of directors as to the right of a director to participate in the meeting (or part of the meeting) for voting or quorum purposes, the question may, before the conclusion of the meeting, be referred to the chairman whose ruling in relation to any director other than the chairman is to be final and conclusive.

(7) If any question as to the right to participate in the meeting (or part of the meeting) should arise in respect of the chairman, the question is to be decided by a decision of the directors at that meeting, for which purpose the chairman is not to be counted as participating in the meeting (or that part of the meeting) for voting or quorum purposes.

Records of decisions to be kept

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

Directors' discretion to make further rules

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

APPOINTMENT OF DIRECTORS

Methods of appointing directors

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

(a) by ordinary resolution, or

(b) by a decision of the directors.

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

(3) For the purposes of paragraph (2), where 2 or more shareholders die in circumstances

rendering it uncertain who was the last to die, a younger shareholder is deemed to have survived an older shareholder.

Termination of director's appointment

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

(a) that person ceases to be a director by virtue of any provision of the Companies Act 2006 or is prohibited from being a director by law;

(b) a bankruptcy order is made against that person;

(c) a composition is made with that person's creditors generally in satisfaction of that person's debts;

(d) a registered medical practitioner who is treating that person gives a written opinion to the company stating that that person has become physically or mentally incapable of acting as a director and may remain so for more than three months;

(e) *[paragraph omitted pursuant to The Mental Health (Discrimination) Act 2013]*

(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 shareholder's holding of shares on the date of the resolution or decision to declare or pay it.

(5) If the company's share capital is divided into different classes, no interim dividend may be paid on shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrear.

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

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

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

Payment of dividends and other distributions

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

(a) transfer to a bank or building society account specified by the distribution recipient either in writing or as the directors may otherwise decide;

(b) sending a cheque made payable to the distribution recipient by post to the distribution recipient at the distribution recipient's registered address (if the distribution recipient is a holder of the share), or (in any other case) to an address specified by the distribution recipient either in writing or as the directors may otherwise decide;

(c) sending a cheque made payable to such person by post to such person at such address as the distribution recipient has specified either in writing or as the directors may otherwise decide; or

(d) any other means of payment as the directors agree with the distribution recipient either in writing or by such other means as the directors decide.

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

(a) the holder of the share; or

(b) if the share has two or more joint holders, whichever of them is named first in the register of members; or

(c) if the holder is no longer entitled to the share by reason of death or bankruptcy, or

otherwise by operation of law, the 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 assets of equivalent value (including, without limitation, shares or other securities in any company).

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

(a) fixing the value of any assets;

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

(c) vesting any assets in trustees.

Waiver of distributions

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

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

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

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

CAPITALISATION OF PROFITS

Authority to capitalise and appropriation of capitalised sums

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

(a) decide to capitalise any profits of the company (whether or not they are available for distribution) which are not required for paying a preferential dividend, or any sum standing to the credit of the company's share premium account or capital redemption reserve; and

(b) appropriate any sum which they so decide to capitalise (a "capitalised sum") to the persons who would have been entitled to it if it were distributed by way of dividend (the "persons entitled") and in the same proportions.

(2) Capitalised sums must be applied—

(a) on behalf of the persons entitled, and

(b) in the same proportions as a dividend would have been distributed to them.

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

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

(5) Subject to the articles the directors may—

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

PART 4

DECISION-MAKING BY SHAREHOLDERS

ORGANISATION OF GENERAL MEETINGS

Attendance and speaking at general meetings

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

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

(a) that person is able to vote, during the meeting, on resolutions put to the vote at the meeting, and

(b) that person's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting.

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

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

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

Quorum for general meetings

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

Chairing general meetings

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

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

(a) the directors present, or

(b) (if no directors are present), the meeting,

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

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

Attendance and speaking by directors and non-shareholders

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

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

(a) shareholders of the company, or

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

to attend and speak at a general meeting.

Adjournment

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

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

(a) the meeting consents to an adjournment, or

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

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

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

(a) either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the directors, and

(b) have regard to any directions as to the time and place of any adjournment which have been given by the meeting.

(5) If the continuation of an adjourned meeting is to take place more than 14 days after it was adjourned, the company must give at least 7 clear days' notice of it (that is, excluding the day of the adjourned meeting and the day on which the notice is given)—

(a) to the same persons to whom notice of the company's general meetings is required to be given, and

(b) containing the same information which such notice is required to contain.

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

VOTING AT GENERAL MEETINGS

Voting: general

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

Errors and disputes

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

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

Poll votes

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

(a) in advance of the general meeting where it is to be put to the vote, or

(b) at a general meeting, either before a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared.

(2) A poll may be demanded by—

(a) the chairman of the meeting;

(b) the directors;

(c) two or more persons having the right to vote on the resolution; or

(d) a person or persons representing not less than one tenth of the total voting rights of all the shareholders having the right to vote on the resolution.

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

(a) the poll has not yet been taken, and

(b) the chairman of the meeting consents to the withdrawal.

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

Content of proxy notices

45.—(1) Proxies may only validly be appointed by a notice in writing (a “proxy notice”)

which—

(a) states the name and address of the shareholder appointing the proxy;

(b) identifies the person appointed to be that shareholder’s proxy and the general meeting in relation to which that person is appointed;

(c) is signed by or on behalf of the shareholder appointing the proxy, or is authenticated in such manner as the directors may determine; and

(d) is delivered to the company in accordance with the articles and any instructions contained in the notice of the general meeting to which they relate.

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

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

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

(a) allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting, and

(b) appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself.

Delivery of proxy notices

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

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

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

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

Amendments to resolutions

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

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

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

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

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

PART 5

ADMINISTRATIVE ARRANGEMENTS

Means of communication to be used

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

(2) Subject to the articles, any notice or document to be sent or supplied to a director in

connection with the taking of decisions by directors may also be sent or supplied by the means by which that director has asked to be sent or supplied with such notices or documents for the time being.

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

Company seals

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

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

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

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

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

No right to inspect accounts and other records

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

Provision for employees on cessation of business

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

DIRECTORS' INDEMNITY AND INSURANCE

Indemnity

52.—(1) Subject to paragraph (2), a relevant director of the company or an associated company may be indemnified out of the company's assets against—

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

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

(3) In this article—

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

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

Insurance

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

(2) In this article—

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

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

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