

COMPANY NO: 12088596

PRIVATE COMPANY LIMITED BY SHARES

WRITTEN RESOLUTION OF THE MEMBERS

of

X-FLOW II LIMITED

(the "Company")

(Passed on: 12 July 2019)

The directors of the Company propose that resolution 1 be passed as a special resolution (the "Resolution") pursuant to Chapter 2 of Part 13 of the Companies Act 2006 (the "Act").

SPECIAL RESOLUTION

1. ADOPTION OF NEW ARTICLES

THAT the articles of association attached to these Resolutions (the "New Articles") be adopted as the new articles of association of the Company to the exclusion of the existing articles of association.


Yuri Sudarau

Date: 12 July 2017


Sergey Kleschenko

Date: 12 July 2017

TUESDAY



A11


A8ARZP14
30/07/2019
COMPANIES HOUSE

#168



Aleksandr Malykhin

Date: 12 July 2017



Ilya Matushkin

Date: 12 July 2017

NOTES:

1. If you agree to the Resolution, please indicate your agreement by signing and dating this document where indicated above and returning it to the Company.
2. If you do not agree to the Resolution, you do not need to do anything: you will not be deemed to agree if you fail to reply.
3. Once you have indicated your agreement to the Resolution and returned it to us, you may not revoke your agreement.
4. Unless, by 28 days after the circulation date shown on page 1 of this document, sufficient agreement has been received for the Resolution to pass, it will lapse. If you agree to the Resolution, please ensure that your agreement reaches us before close of business on that date.

REGISTERED NUMBER: 12088596

ARTICLES OF ASSOCIATION OF X-FLOW II LIMITED
ADOPTED ON 12 July 2019

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ARTICLES OF ASSOCIATION

of

X-FLOW II LIMITED

(the Company)

(Adopted on *12 July* 2019)

1. Adoption of Model Articles

1.1 The Model Articles together with the regulations numbered 25 to 27 (inclusive) and 52 to 62 (inclusive) in the Model Articles of Association for Public Companies set out in schedule 3 of the Companies (Model Articles) Regulations 2008 (SI 2008 No. 3229) 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.

1.2 Articles 4 to 14 (inclusive), 19, 21, 22, 26, 30 and 39 to 41 (inclusive) of the Model Articles shall not apply to the Company.

2. Interpretation

2.1 In these Articles, where the context so admits, the following words and expressions shall have the following meanings:

Act the Companies Act 2006 as amended and in force immediately prior to the adoption of these Articles;

Acceptance Notice has the meaning set out in Article 21.3;

Adoption Date the date on which these Articles are adopted by the Company;

Business Day a day (other than a Saturday or Sunday) on which banks are generally open for business in London;

control in relation to a company, means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of that company, whether through the ownership of voting securities in that or any other company, by contract or otherwise;

Disposal shall include, without limitation, in respect of any Share:

(i) sale, assignment or transfer of any interest;

	<ul style="list-style-type: none"> (ii) creating or permitting to subsist any Encumbrance; (iii) any agreement, arrangement or understanding in respect of votes or the right to receive dividends; (iv) the renunciation or assignment of any right to receive a Share or any legal or beneficial interest in a Share; and (v) any agreement to do any of the above, except an agreement to transfer Shares which is conditional on compliance with these Articles, <p>and other cognate expressions shall be construed accordingly;</p>
Eligible Director	in respect of any matter a Director who would be entitled to vote on that matter at a meeting of directors;
Encumbrance	includes any mortgage, charge, pledge, hypothecation, lien, assignment by way of security, title retention, option, right to acquire, right of pre-emption, trust arrangement or other security, preferential right, equity or restriction;
Former Permitted Transferee	has the meaning given to it in Article 22.2;
Family Trust	<p>a trust (including a trust arising under a testamentary disposition or on an intestacy) under which:</p> <ul style="list-style-type: none"> (i) no beneficial interest in the trust property is vested or permitted to be vested in any person other than the settlor or any of his or her Privileged Relations; and (ii) no power of control over any trust property is or is capable of being exercised by, or is subject to the consent of, any person other than the settlor, any of his or her Privileged Relations or trustees of the trust;
Group Companies	the Company and its subsidiary undertakings from time to time, and a reference to a Group Company shall be a reference to any one of them;
Expert	a firm of accountants appointed under Article 24;
Market Value	the market value of a Share or other asset calculated in accordance with Article 25;
Model Articles	the model articles for private companies limited by shares contained in Schedule 1 of the Companies (Model Articles) Regulations 2008 (SI 2008/3229) as amended prior to the date of adoption of these Articles;
Other Shareholders	the meaning set out in Article 21.1.1;
Ordinary Shares	the ordinary shares of £1.00 each in the capital of the Company having

the rights and restrictions set out in these Articles;

Permitted Group

in relation to a company (wherever incorporated), any wholly owned subsidiary of that company, any company of which it is a subsidiary (its holding company) and any other subsidiaries of any such holding company;

Permitted Transfer

- (i) a transfer of the entire legal and beneficial interest in any Shares by a member (being an individual who does not hold the Shares concerned as a trustee) to a Privileged Relation aged 18 or over or to trustees of a Family Trust acting in that capacity;
- (ii) a transfer of the entire legal and beneficial interest in any Shares by a member (being a company) to any member of *its Permitted Group*;
- (iii) a transfer of the legal interest in any Shares by any trustee(s) of a Family Trust acting in that capacity to any other or new trustee(s) of that Family Trust acting in that capacity; or
- (iv) a transfer of the entire legal and beneficial interest in any Shares by the trustee(s) of a Family Trust acting in that capacity to any beneficiary of that trust aged 18 or over who has become absolutely entitled to the Shares proposed to be transferred;

Permitted Transferee

a person to whom a Permitted Transfer may be or, as the context requires, is made;

Privileged Relation

in relation to any transfer of Shares, any spouse, civil partner, parent, sibling, child, adopted child, or stepchild (including a child of the civil partner) of the transferor, and for the purposes of these Articles, any individual who becomes divorced or whose civil partnership is dissolved shall on the grant of the decree absolute or final dissolution order in respect of that divorce or dissolution cease to be a Privileged Relation of his or her former spouse or civil partner;

Relevant Securities

any Shares or other securities convertible into or carrying the right to subscribe for Shares;

Sale Price

the meaning given to it in Article 21.2;

Selling Shareholder

has the meaning set out in Article 21.1; and

Share

a share in the capital of the Company, unless otherwise specified.

- 2.2 Words and expressions which bear particular meanings in the Model Articles shall, unless otherwise defined in these Articles, bear the same meanings in these Articles.
- 2.3 Headings are for convenience only and shall not affect construction.
- 2.4 References to subsidiary, subsidiary undertakings, group undertakings, wholly owned subsidiary, holding company or body corporate shall have the meanings given to them in the Act.
- 2.5 References to **persons** shall be deemed to include natural persons, companies and other bodies corporate, unincorporated associations, partnerships, firms and government bodies, governments, states and any other organisations (whether or not in each case having separate legal personality).
- 2.6 A corporate member represented at a general meeting by a duly authorised representative shall be deemed to be present in person.
3. **Directors' Decisions**
- Save where the Company has only one director, any decision of the directors must be taken by a majority decision at a meeting of directors in accordance with these Articles or must be a decision taken in accordance with Article 13.
4. **Members' Reserve Power**
- 4.1 The members may, by special resolution, direct the directors to take, or refrain from taking, special action.
- 4.2 No such special resolution invalidates anything which the directors have done before the passing of the resolution.
5. **Directors may Delegate**
- 5.1 Subject to these Articles, the directors may delegate any of the powers which are conferred on them under the Articles:
- 5.1.1 to such person or committee;
 - 5.1.2 by such means (including by power of attorney);
 - 5.1.3 to such an extent;
 - 5.1.4 in relation to such matters or territories; and
 - 5.1.5 on such terms and conditions
- as they think fit.
- 5.2 If the directors so specify, any such delegation may authorise further delegation of the directors' powers by any person to whom they are delegated.
- 5.3 The directors may revoke any delegation in whole or part, or alter its terms and conditions.
6. **Committees**
- 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.

7. **Convening Directors' Meetings**

7.1 A director may and the secretary of the Company (at such times as a secretary of the Company has been appointed) at the request of a director or member shall, call a meeting of the directors. The directors shall hold meetings at least once every three (3) months.

7.2 Wherever practicable, at least five (5) Business Days' notice of each meeting of the directors shall be given to each director entitled to attend and the notice shall specify the time and date of the meeting and communications details for those directors who wish to participate but will not be present and shall be accompanied by an agenda and a board paper setting out in such reasonable detail as may be practicable in the circumstances the subject matter of the meeting. If a director considers that he requires a longer period of notice of a meeting of the directors he shall be entitled, by delivering a notice to the other directors not later than two (2) Business Days after receiving the first notice of the meeting, to postpone the meeting to a date falling not more than five (5) Business Days after expiry of that first notice. Breach of this Article 7.2 shall not affect the validity of any meeting of the directors which has otherwise been validly convened.

7.3 Subject always to Article 0, notice of a meeting of the directors shall be given to all directors. A director may waive notice of any meeting either prospectively or retrospectively.

8. **Voting at Directors' Meetings**

Unless otherwise stated in these Articles, resolutions of the directors shall be decided by majority of the votes cast and each director shall have one (1) vote. An alternate director shall have one (1) vote for each director for whom he is acting as alternate. In the case of an equality of votes, the chairman of the meeting shall not have a second or casting vote.

9. **Participation at Directors' Meetings**

Any one (1) or more directors may participate in and vote at directors' meetings by means of a conference telephone or any communication equipment which allows all persons participating in the meeting to hear each other. Any director so participating in a meeting shall be deemed to be present in person and shall count towards the quorum. Such a meeting shall be deemed to take place where the largest group of those participating is assembled, or, if there is no such group, where the chairman of the meeting then is.

10. **Quorum at Directors' Meetings**

10.1 No business shall be transacted at any meeting of the directors or a committee of the directors unless a quorum is present. Subject to Article 10.2, a quorum shall exist at any directors' meeting or a meeting of a committee of the directors if a majority of directors appointed and in office are present or represented by an alternate.

10.2 If a quorum is not present at a meeting of the directors or a committee of the directors at the time when any business is considered any director may require that the meeting be reconvened. At least five (5) Business Days' notice of the reconvened meeting shall be given. At any reconvened meeting a quorum shall exist if two (2) directors are present or represented by an alternate.

11. **Directors' Conflicts of Interest**

11.1 The members may, in accordance with the requirements set out in this Article 11, authorise any matter or situation proposed to board by any director which would, if not authorised, involve a director (an **Interested Director**) breaching his duty under section 175 of the Act to avoid conflicts of interest (**Conflict**).

11.2 Any authorisation under this Article 11 will be effective only if, to the extent permitted by the Act, it is in writing and signed by all members.

11.3 Any authorisation of a Conflict under this Article 11 may (whether at the time of giving the authorisation or subsequently):

- 11.3.1 extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised;
 - 11.3.2 provide that the Interested Director be excluded from the receipt of documents and information and the participation in discussions (whether at meetings of the directors or otherwise) related to the Conflict;
 - 11.3.3 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;
 - 11.3.4 impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the members think fit; and
 - 11.3.5 provide that, where the Interested Director obtains, or has obtained (through his involvement in the Conflict and otherwise than through his position as a director of the company) information that is confidential to a third party, he will not be obliged to disclose that information to the Company, or to use it in relation to the Company's affairs where to do so would amount to a breach of that confidence.
- 11.4 Where the members authorise a Conflict, the Interested Director will be obliged to conduct himself in accordance with any terms and conditions imposed by the members in relation to the Conflict.
- 11.5 The members 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.
- 11.6 A director is not required, by reason of being a director (or because of the fiduciary relationship established by reason of being a director), to account to the Company for any remuneration, profit or other benefit which he derives from or in connection with a relationship involving a Conflict which has been authorised by the directors or by the Company in general meeting (subject in each case to any terms, limits or conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds.
12. **Transactions or other Arrangements with the Company**
- 12.1 Subject to sections 177(5) and 177(6) of the Act, a director who is in any way, whether directly or indirectly, interested in a proposed transaction or arrangement with the Company shall declare the nature and extent of his interest to the other directors before the Company enters into the transaction or arrangement in accordance with the Act.
- 12.2 Subject to sections 182(5) and 182(6) of the Act, a director who is in any way, whether directly or indirectly, interested in a transaction or arrangement that has been entered into by the Company shall declare the nature and extent of his interest to the other directors as soon as is reasonably practicable in accordance with the Act, unless the interest has already been declared under Article 12.1.
- 12.3 Subject to any terms and conditions imposed by the members in accordance with Article 11.3, and provided a director has declared the nature and extent of his interest in accordance with the requirements of the Act, a director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the Company:
- 12.3.1 may be a party to, or otherwise interested in, any such transaction or arrangement with the Company, or in which the Company is otherwise (directly or indirectly) interested;
 - 12.3.2 shall be an Eligible Director for the purposes of any proposed decision of the directors (or committee of directors) in respect of such transaction or arrangement or proposed transaction or arrangement in which he is interested;

- 12.3.3 shall be entitled to vote at a meeting of directors (or of a committee of directors) or participate in any unanimous decision, in respect of such transaction or arrangement or proposed transaction or arrangement in which he is interested;
- 12.3.4 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
- 12.3.5 shall not, save as he may otherwise agree, be accountable to the Company for any benefit which he (or a person connected with him (as defined in section 252 of the Act)) derives from any such contract, transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such contract, transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the Act.
- 12.4 A director is not required, by reason of being a director (or because of the fiduciary relationship established by reason of being a director), to account to the Company for any remuneration, profit or other benefit which he derives from or in connection with a relationship involving a Conflict which has been authorised by the members in accordance with these Articles (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.
- 12.5 If the Company has or may have any claim or right against a member or any person connected with that member or if any claim is brought, threatened or asserted by a member or any person connected with that member against the Company, a director appointed by such member shall not be entitled to:
- 12.5.1 vote on any resolution relating to such matter or attend, speak or be counted in the quorum at any meeting of the directors or any committee of the directors to the extent considering or discussing any such matter; or
- 12.5.2 access or to receive or see copies of any board papers (including any agenda, board minutes and draft minutes) or other papers or legal advice provided to the Company in connection with any such matter.
- 12.6 The quorum at any meeting of the directors or a committee of the directors, to the extent considering and voting on any resolution in relation to which a director is not entitled to vote by virtue of Article 12.5, shall be any Eligible Director, and the Eligible Directors shall exercise all the powers of the Company in relation to the matter in question.
13. **Written Resolutions of Directors**
- A resolution in writing signed by all the Eligible Directors shall be as valid and effective for all purposes as a resolution passed by the directors at a meeting duly convened, held and constituted. The resolution may be contained in one (1) document or in several documents in like form each executed by one (1) or more of the Eligible Directors. A resolution signed by an alternate director need not also be signed by his appointer and, if it is signed by an Eligible Director who has appointed an alternate director, it need not be signed by the alternate director in that capacity.
14. **Number of Directors**
- There shall be no minimum or maximum limit on the number of directors.
15. **No Age Limit or Share Qualification**
- No director shall be required to retire or vacate his office, and no person shall be ineligible for appointment as a director, by reason of his having attained any particular age. No shareholding qualification for directors shall be required.

16. **Appointment and Removal of Directors**

16.1 Any person who is willing to act as a director, and is permitted by law to do so, may be appointed to be a director by ordinary resolution.

16.2 A person ceases to be a director as soon as:

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

16.2.2 a bankruptcy order is made against that person (or an analogous event occurs in a jurisdiction outside of England and Wales);

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

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

16.2.5 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.

17. **Remuneration of Directors and Directors' expenses**

17.1 Directors may undertake any services for the Company that the directors decide.

17.2 Subject to Article 17.3 and unless otherwise agreed by the members unanimously in writing, the directors are not entitled to remuneration:

17.2.1 for their services to the Company as directors; and/or

17.2.2 for any other service which they undertake for the Company.

17.3 The Company may pay any reasonable expenses which the directors (and alternate directors (if any) properly incur in connection with their attendance at:

17.3.1 meetings of directors or committees of Directors; or

17.3.2 general meetings,

or otherwise properly incur in connection with acting on Company business or the exercise of their powers and the discharge of their responsibilities in relation to the Company.

18. **Share Capital**

As at the Adoption Date, the share capital of the Company is comprised solely of Ordinary Shares.

19. **Issue of Shares**

19.1 Unless otherwise agreed by ordinary resolution, no Share, and no Relevant Security, shall be granted, allotted or issued.

19.2 In accordance with section 567(1) of the Act, sections 561 and 562 of the Act shall not apply to an allotment of equity securities (as defined in section 560(1) of the Act) where the consent to that allotment has been obtained as required by these Articles and that allotment otherwise conforms to the requirements of these Articles.

- 19.3 If the Company proposes to allot any Relevant Securities, those Relevant Securities shall not be allotted to any person unless the Company has first offered them to the holders (on the date of the offer) of the Shares (each an **Offeree**) on a *pari passu* basis (as if they constituted Shares of the same class) and in the respective proportions that the number of Shares held by each such holder bears to the total number of Shares held by all such holders (as nearly as possible without involving fractions) and on the same terms, and at the same price, as those Relevant Securities are being, or are to be, offered to any other person.
- 19.4 An offer made under Article 19.3 shall:
- 19.4.1 be in writing and give details of the number, class and subscription price (including any share premium) of the Relevant Securities being offered;
 - 19.4.2 remain open for a period of at least 15 Business Days from the date of service of the offer; and
 - 19.4.3 stipulate that any Offeree who wishes to subscribe for a number of Relevant Securities in excess of the number to which he is entitled under Article 19.3 shall, in his acceptance, state the number of excess Relevant Securities (**Excess Securities**) for which he wishes to subscribe.
- 19.5 If, on the expiry of an offer made in accordance with Article 19.3, the total number of Relevant Securities applied for is less than the total number of Relevant Securities so offered, the Directors shall allot the Relevant Securities to the Offerees in accordance with their applications, subject to a maximum of each Offeree's proportionate entitlement.
- 19.6 Any Relevant Securities not accepted by Offerees pursuant to an offer made in accordance with Article 19.3 shall be used to satisfy any requests for Excess Securities made pursuant to Article 19.4.3. If there are insufficient Excess Securities to satisfy such requests, the Excess Securities shall be allotted to the applicants in the respective proportions that the number of such Shares held by all applicants (as nearly as possible without involving fractions or increasing the number of Excess Securities allotted to any Shareholder beyond that applied for by him). After those allotments, any Excess Securities may, subject to Article 19.7, be offered to any other person(s) as the Directors determine, at the same price and on the same terms as the offer to the Shareholders.
- 19.7 No Shares shall be allotted to any current or prospective employee or director of any Group Company unless such person shall first have entered into a joint election with the relevant Group Company under section 431 of the Income Tax (Earnings and Pensions) Act 2003.
20. **Restriction on Dealing with Shares**
- 20.1 No Disposal of any Share or any legal or beneficial interest in a Share shall be permitted except:
- 20.1.1 in accordance with Article 21 (Pre-emption Rights on Transfer); or
 - 20.1.2 to a Permitted Transferee in accordance with Article 22 (Permitted Transfers); or
 - 20.1.3 with the prior written consent of the holders of 75% or more of the issued Shares.
21. **Pre-emption Rights on Transfer**
- 21.1 If, save in respect of a Disposal pursuant to Article 20, a holder of Shares wishes to Dispose of the entire legal and beneficial ownership of any or all of its Shares (such Shareholder being a **Selling Shareholder**, such transaction referred to in this Article 21 as a **Transfer** and such Shares being the **Sale Shares**) to an identified third party, the Selling Shareholder shall serve on the Company a notice in writing of the proposed Transfer accompanied by the relevant share certificates. Such notification (a **Transfer Notice**) shall be irrevocable and unconditional and shall:
- 21.1.1 constitute the Company as the Selling Shareholder's agent for the sale of the Sale Shares at the Sale Price (as defined below) to the other holders of Shares (the **Other Shareholders**); and

- 21.1.2 specify the identity of the third party that has indicated a willingness to buy any of the Sale Shares and details of the terms of purchase put forward by such third party including, without limitation, details of the nature and amount of consideration offered by such third party.
- 21.2 If the consideration offered by the third party is solely cash, the price (the **Sale Price**) at which each Sale Share shall be offered to the Other Shareholders shall be equal to the consideration per Share offered by the third party. If the consideration offered by the third party includes non-cash consideration, the Sale Price shall be as agreed by the Selling Shareholder and the Company or, failing agreement within 10 Business Days (or such longer time period as may be agreed by those persons), the Company shall refer the matter for determination of the Market Value of such non-cash consideration by the Expert.
- 21.3 On or before the tenth (10th) Business Day after the date of service of the Transfer Notice or, if later, agreement or determination of the Sale Price, the Company shall give notice (the **Offer Notice**) to the Other Shareholders on behalf of the Selling Shareholder offering the Sale Shares to the Other Shareholders and giving details in writing of the Sale Price and, if applicable, the person to whom the Selling Shareholder wishes to transfer the Sale Shares and the consideration being offered by such person. Each Other Shareholder may give notice (an **Acceptance Notice**) in writing to the Company on or before the thirtieth (30th) Business Day after the date of the Offer Notice (the **Offer Period**) accepting the offer in respect of such number of the Sale Shares as they shall specify. If Acceptance Notices are received in respect of more than the total number of Sale Shares, the directors shall allocate the Sale Shares to the Other Shareholders who shall have served Acceptance Notices pro rata in direct proportion to their existing holdings of Shares but subject to any maximum number of Shares stated. If Acceptance Notices are received in respect of less than the total number of Sale Shares, the Company shall serve a further Offer Notice to those Other Shareholders who served an Acceptance Notice in the first Offer Period and the process shall be repeated in respect of the remaining Sale Shares and a further Offer Period shall run from the date of such further Offer Notice. An Acceptance Notice shall be irrevocable and unconditional. Any Shareholder who does not serve an Acceptance Notice during an Offer Period shall be deemed to have declined the offer. The Company shall at the end of an Offer Period notify the Selling Shareholder either that Acceptance Notices have not been received in respect of all the Sale Shares or that Acceptance Notices have been received in respect of all Sale Shares (the **Accepted Sale Shares**) and that the Selling Shareholder shall be bound to transfer the Accepted Sale Shares to each Other Shareholder in accordance with the Acceptance Notices and the Selling Shareholder shall be bound to complete the sale of the Accepted Sale Shares to each such Other Shareholder at the Sale Price.
- 21.4 If the Other Shareholders do not serve an Acceptance Notice in respect of all of the Sale Shares in an Offer Period, the Selling Shareholder may within 3 months of expiry of the Offer Period, Dispose of all (but not some only) of the Sale Shares to the third party named in the Transfer Notice (the **Proposed Buyer**) at a price per Share which is not less than that specified in the Transfer Notice.
- 21.5 If the Other Shareholders serve an Acceptance Notice in respect of all of the Sale Shares in the applicable period, the Selling Shareholder and the Other Shareholders in question shall each comply with the provisions of Article 23.6 in relation to the completion of the sale and purchase of the relevant Shares.
22. **Permitted Transfers**
- 22.1 Any member may at any time make a Permitted Transfer of all or some of his Shares (**Relevant Shares**). Any such Permitted Transfer will be without restriction, including as to price.
- 22.2 If Relevant Shares have been transferred under Article 22.1 (whether directly or by a series of transfers) by a member (the **Original Transferor**, which expression shall not include a second or subsequent transferor in a series of transfers) to its Permitted Transferee and subsequently the Permitted Transferee ceases to be a Permitted Transferee (otherwise than by reason of the death of the Original Transferor) then that Permitted Transferee (a **Former Permitted Transferee**) shall within 14 days transfer the Relevant Shares to the Original Transferor or, at the Original Transferor's option, to a Permitted Transferee of the Original Transferor.
- 22.3 The directors may require the holder of any Shares to be transferred pursuant to this Article 22 or the person named as Permitted Transferee in any transfer of Relevant Shares lodged for registration as to which they

consider this Article 22 may apply, to furnish the directors with such information as the directors may reasonably consider necessary for the purposes of ensuring that a transfer of Shares is permitted under this Article 22. If the information is not provided within twenty-eight (28) days of the request the directors may refuse to register the transfer of the Relevant Shares.

23. **Procedure for Transferring of Shares**

23.1 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.

23.2 No fee may be charged for registering any instrument of transfer or other document relating to or affecting the title of any Share.

23.3 The Company may retain any instrument of transfer which is registered.

23.4 The transferor remains the holder of a Share until the transferee's name is entered in the register of members as holder of it.

23.5 Any transfer of Shares made in accordance with these Articles shall, subject to any express right of the directors to refuse to register the transfer, be registered promptly. The directors shall decline to register any transfer of Shares which is not made in accordance with these Articles.

23.6 If any Shares are to be transferred to any member(s) in accordance with Article 21, the Company shall specify by notice given to the relevant member(s) a time and place for completion of the sale and purchase of the relevant Shares, being not less than 10 days after the date of receipt of an Acceptance Notice. Completion of that sale and purchase shall take place at the time and place specified in the Company's notice, when:

23.6.1 each buying member shall pay the relevant selling member the purchase price for the Shares bought by that buying member; and

23.6.2 each selling member shall deliver to each buying member a transfer in respect of the Shares bought by it, duly executed in its favour by the relevant selling member, together with the certificate(s) for the Shares or an indemnity in lieu of the certificate(s) in a form satisfactory to the directors.

23.7 If any member who is required to sell Shares under Article 21 and does not cause the Company to receive on any relevant date specified by the Company any documents required to be executed by that member, then any director shall be entitled to:

23.7.1 execute the documents in question on that member's behalf;

23.7.2 against receipt by the Company on trust for that member of the consideration payable for the relevant Shares, deliver those documents to the purchaser of the Shares.

Following receipt by the Company of the consideration payable for those Shares, the Company shall (subject to the payment of any stamp duty) cause the purchaser of the Shares to be registered as the holder of those Shares and, after such registration, the validity of such proceedings shall not be questioned by any person.

24. **Expert**

24.1 Where these Articles provide for a valuation to be determined by an Expert:

24.1.1 the Company shall appoint a firm of chartered accountants (which may be the Company's auditors if they are able and willing to act) and determine their terms of engagement within the specified period of time; or

24.1.2 if no such firm is appointed within the period of time specified, a firm of chartered accountants shall be appointed on the application of any director or member by the President for the time being of the Institute of Chartered Accountants in England and Wales who shall decide the terms of engagement of such firm.

24.2 The Company shall use all reasonable efforts to ensure that the valuation is determined by the Experts and their certificate issued to all the members as quickly as possible. The Experts shall act as experts and not as arbitrators, their certificate shall, save in the case of fraud or manifest error, be final and binding on the Company and all members, and their costs shall be borne by the Company. The Company shall ensure that a notice containing details of any determination under this Article 24 is promptly given to each member.

25. **Market Value**

25.1 Where the market value of any Share is to be determined under these Articles, it shall be its market value as at the date when the Transfer Notice is deemed to be given. In making any such determination, the Expert shall:-

25.1.1 value the Shares on the basis of a willing seller and buyer at arm's length;

25.1.2 assume that if the Company is then carrying on business as a going concern, that it will continue to do so;

25.1.3 assume that the Shares are capable of being sold without restriction; and

25.1.4 value the Shares at a rateable proportion of the total value of all the issued Shares without any premium or discount being attributable to the percentage of the issued Shares which they represent.

25.2 Where the market value of any asset other than a Share is to be determined the Expert shall apply such valuation methodology as it sees appropriate.

26. **Procedure for Declaring Dividends**

26.1 The Company may by ordinary resolution declare dividends, and the directors may decide to pay interim dividends.

26.2 A dividend must not be declared unless the directors have made a recommendation. Such dividend must not exceed the amount recommended by the directors.

26.3 No dividend may be declared or paid unless it is in accordance with members' respective rights.

26.4 A dividend must be paid by reference to each member's holding of Shares on the date of the resolution or decision to declare or pay it.

26.5 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 arrears.

26.6 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.

26.7 If the directors act in good faith, they shall 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.

27. **Quorum at General Meetings**

27.1 Except when the Company has only one (1) member, a quorum at any general meeting shall consist of two (2) members in person (which shall include, for the purpose of this Article 27, representation by an attorney or corporate representative) or by proxy.

27.2 If a quorum is not present within half an hour (or such longer time as the persons present may all agree to wait) from the time appointed for any general meeting, or if during a general meeting a quorum ceases to be present, the meeting shall stand adjourned to the same day in the next week at the same time and place or to such other time and place as the chairman of the meeting may determine.

28. **Chairing General Meetings**

28.1 If the directors have appointed a chairman, the chairman shall chair general meetings if present and willing to do so.

28.2 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:

28.2.1 the directors present, or

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

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

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

29. **Attendance at General Meetings by Directors and Non-Shareholders**

29.1 Directors may attend and speak at general meetings, whether or not they are members.

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

29.2.1 members of the Company; or

29.2.2 otherwise entitled to exercise the rights of members in relation to general meetings,

to attend and speak at a general meeting.

30. **Adjournment of General Meetings**

30.1 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.

30.2 The chairman of the meeting may adjourn a general meeting at which a quorum is present if:

30.2.1 the meeting consents to an adjournment; or

30.2.2 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.

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

- 30.4 When adjourning a general meeting, the chairman of the meeting must:
- 30.4.1 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
 - 30.4.2 *have regard to any directions as to the time and place of any adjournment which have been given by the meeting.*
- 30.5 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 days' clear notice of it (that is, excluding the day of the adjourned meeting and the day on which the notice is given):
- 30.5.1 to the same persons to whom notice of the Company's general meetings is required to be given; and
 - 30.5.2 containing the same information which such notice is required to contain.
- 30.6 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.

31. **Participation at General Meetings**

Any one (1) or more members may participate in and vote at general meetings by means of a conference telephone or any communication equipment which allows all persons participating in the meeting to hear each other. Any member so participating in a meeting shall be deemed to be present in person and shall count towards the quorum. Such a meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no such group, where the chairman of the meeting then is.

32. **Class Meetings**

Save as otherwise provided by the Act, the provisions of these Articles relating to general meetings shall apply, with any necessary modifications, to any separate general meeting of the holders of the Shares of any class required to take place by the Act or these Articles, except that the necessary quorum at any such meeting shall be one member holding Shares of the relevant class present (in the case of an individual) in person or by proxy or (in the case of a company) by duly authorised representative or by proxy.

33. **Matters requiring member consent**

- 33.1 Each member shall exercise all voting rights and powers of control available to him in relation to the Company to procure that save with unanimous prior written consent of all members, the Company shall not effect any of the matters referred to in Annex A.
- 33.2 As a separate obligation, severable from the obligations in Article 33.1, the Company agrees that save with the unanimous prior written consent of all members, it shall not effect any of the matters referred to in Annex A.

34. **Information rights**

The Company shall provide to each member to such information (and in such form and detail) as it may from time to time reasonably require for the purposes of enabling it to monitor its investment in the Company.

35. **Official Seal**

The Company may exercise all the powers conferred by the Act with regard to having any official seal for use abroad and such powers shall be vested in the directors. Subject to the provisions of the Act, any instrument to which an official seal is affixed shall be signed by such persons, if any, as the directors may from time to time determine.

36. **Notices**
- 36.1 Any notice to be given to or by any person pursuant to these Articles shall only be effective if it is in writing.
- 36.2 Any notice may be validly served on or delivered to any person under these Articles:
- 36.2.1 personally; or
- 36.2.2 by leaving it for, or sending it by post (first class if inland and airmail if overseas) addressed to, a member at his registered address or, if an individual member, to an address provided by the member for this purpose, the Company at its registered office or a director at an address provided by the director for this purpose; or
- 36.2.3 provided sent as set out in Article 36.3, by email to the email address provided by the member, Company or director for this purpose; or
- 36.2.4 by any other means authorised in writing by the member, Company or director.
- 36.3 Where a notice is to be given by email, the email shall be in ASCII plain text digital format or in a digital format previously confirmed by the intended recipient to be readable by such recipient and shall attach a pdf (Adobe portable document format) version of the notice produced by scanning a hard copy of the notice (which hard copy notice should be in writing, legible and signed in manuscript by the person or persons giving it.) The email shall clearly identify in the body of the email who the email is from and to whom it is addressed (the email address shall not be enough to indicate this) and that the attachment is a notice which is given under this Agreement.
- 36.4 In the case of joint holders of a Share, service or delivery of any notice or other document on or to one of the joint holders shall for all purposes be deemed a sufficient service on or delivery to all the joint holders.
- 36.5 A member or director present in person or by proxy or alternate at any meeting of the Company or at any meeting of directors shall be deemed to have received notice of the meeting and, where requisite, of the purposes for which it was called.
- 36.6 Any notice given under these Articles shall, unless earlier receipt is proved and subject to Article 36.2, be deemed to have been duly given as follows:
- 36.6.1 if delivered personally or left at an address in accordance with Article 36.2.2, on delivery;
- 36.6.2 if sent by first class inland post, at 9.30 am on the second Business Day after the date of posting;
- 36.6.3 if sent by airmail at 9.30 am on the fifth Business Day after the date of posting; or
- 36.6.4 if sent by email, at the expiration of 48 hours after the email was sent.
- 36.7 Any notice given under these Articles on a day which is not a Business Day or at a time after 5.30 pm on a Business Day shall be deemed to be given at 9.30 am on the next Business Day.

Annex A

Consent Matters

1. Making any change in the nature of the Company's business.
2. Selling all or a majority of the assets or undertaking of the Company.
3. Borrowing (other than from a subsidiary undertaking) sums in aggregate exceeding £100,000 other than an unsecured overdraft facility in an amount not exceeding £100,000 or varying the terms of any borrowings.
4. Appointing any auditors.
5. Entering into or varying any joint venture, profit-sharing or partnership agreement.