

Company number: 12340100

**PRIVATE COMPANY LIMITED BY SHARES**  
**RESOLUTIONS OF**  
**MEIJI KICKBOXING LIMITED (the Company)**  
**(passed on 27 February 2020)**


The following resolutions were duly passed as ordinary or special resolutions of the Company (as indicated) on February 2020 by way of written resolution in accordance with the provisions of Chapter 2 of Part 13 Companies Act 2006:

**SPECIAL RESOLUTIONS**

1. **THAT** the articles of association of the Company attached to this written resolution and initialled, for identification purposes only, by the chairman be adopted as the new articles of association of the Company in substitution for, and to the exclusion of, the existing articles of association of the Company (the **New Articles**).
2. **THAT**, subject to and conditional upon the passing of the resolution numbered 3 and in substitution for all existing and unexercised authorities and powers, the directors of the Company be empowered pursuant to section 570 Companies Act 2006 (the **Act**) to allot equity securities (as defined in section 560 of the Act) pursuant to the authority conferred upon them by resolution 3 as if section 561 of the Act did not apply to any such allotment provided that this authority and power shall expire on the day before the fifth anniversary of the date of the passing of this resolution, save that the Company may, before the expiry of such period, make an offer or agreement which would or might require equity securities to be allotted after such expiry and the directors may allot equity securities in pursuance of such offer or agreement as if the power conferred by this resolution had not expired.

**ORDINARY RESOLUTION**

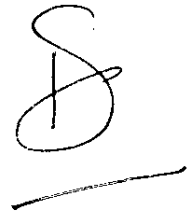
3. **THAT**, in substitution for all existing and unexercised authorities and powers, the directors of the Company be generally and unconditionally authorised for the purpose of section 551 Companies Act 2006 (the **Act**) to exercise all or any of the powers of the Company to allot shares in the Company or to grant rights to subscribe for, or to convert any security into, shares in the Company (such shares and rights being together referred to in this resolution as **Relevant Securities**) up to an aggregate nominal value of £700 to such persons at such times and generally on such terms and conditions as the directors may determine (subject always to the articles of association of the Company), provided that this authority shall, unless previously renewed, varied or revoked by the Company in general meeting, expire on the day before the fifth anniversary of the date on which this resolution is passed save that the directors of the Company may, before the expiry of such period, make an offer or agreement which would or might require Relevant Securities to be allotted after the expiry of such period and the directors of the Company may allot Relevant Securities in pursuance of such offer or agreement as if the authority conferred by this resolution had not expired.

  
Chair

Date: 27 February 2020



A08 03/03/2020 #338  
COMPANIES HOUSE

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**THE COMPANIES ACT 2006**  
**PRIVATE COMPANY LIMITED BY SHARES**  
**ARTICLES OF ASSOCIATION**  
**OF**  
**MEIJI KICKBOXING LIMITED**  
**Company No 12340100**

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**COMPANY HAVING A SHARE CAPITAL**  
**ARTICLES OF ASSOCIATION**  
**OF**  
**MEIJI KICKBOXING LTD**  
**PART 1**  
**INTERPRETATION AND LIMITATION OF LIABILITY**

**Defined Terms**

In these Articles, unless the context requires otherwise:

**Acceptance Period** has the meaning given to that term in Article 0;

**Accepting Shareholders** has the meaning given to that term in Article 0;

**Allocated Person** has the meaning given to that term in Article 1.1.144;

**Applicable Shares** has the meaning given to that term in Article 0;

**appointor** has the meaning given to that term in Article 0;

**Articles** means the Company's articles of association for the time being in force;

**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;

**Business** means business carried out by the Company and its Subsidiaries whose principal activities will be based on an app-based social casino;

**CA 2006** means the Companies Act 2006;

**call** has the meaning given to that term in Article 0;

**call notice** has the meaning given to that term in Article 0;

**call payment date** has the meaning given to that term in Article 1.1.93;

**capitalised sum** has the meaning given to that term in Article 1.1.190;

**chairman** has the meaning given to that term in Article 0;

**chairman of the meeting** has the meaning given to that term in Article 0;

**Clear Days** means (in relation to the period of a notice) that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect;

**Companies Acts** means the Companies Acts (as defined in section 2 of CA 2006), in so far as they apply to the Company;

**Company's lien** has the meaning given to that term in Article 0;

**Conflict** has the meaning given to that term in Article 0;

**conflicted director** means a director who has, or could have, a Conflict in a situation involving the Company and consequently whose vote is not to be counted in respect of any resolution to authorise such Conflict and who is not to be counted as participating in the quorum for the meeting (or part of the meeting) at which such resolution is to be voted upon;

**corporate representative** has the meaning given to that term in Article 0;

**Defaulting Member means** a shareholder in respect of whom a Mandatory Transfer Event occurs;

**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 to that term in Article 0;

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

**electronic form** has the meaning given to that term in section 1168 of CA 2006;

**Eligible Shareholder** has the meaning given to that term in Article 0;

**Encumbrance means** any mortgage, charge, security, interest, lien, pledge, assignment by way of security, equity, claim, right of pre-emption, option, covenant, restriction, reservation, lease, trust, order, decree, judgment, title defect (including, without limitation, any retention of title claim), conflicting claim or ownership or any other encumbrance of any nature (whether or not perfected, other than liens arising by operation of law);

**Family Trust** means, in relation to any shareholder, trusts (whether arising under a settlement *inter vivos* or a testamentary disposition by whomsoever made or on intestacy) under which:

- (a) no immediate beneficial interest in such trust shares is for the time being vested in any person other than the shareholder (or Privileged Relations of such shareholder); and
- (b) no power of control over the voting powers conferred by such trust shares is for the time being exercisable by or subject to the consent of any person other than the trustees as trustees for the shareholder (or Privileged Relations of such shareholder);

**Financial Year means** the Company's accounting reference period of 12 months;

**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;

**Group means** the Company, any subsidiary or any holding company from time to time of the Company, and any subsidiary from time to time of a holding company of the Company and each company in the Group is a Group Company;

**hard copy form** has the meaning given to that term in section 1168 of CA 2006;

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

**Indebtedness** any obligation for the future repayment of money (as principal) incurred in respect of (a) money borrowed from a bank or other lending institution, (b) any bond, note, loan stock, debenture or similar instrument or (c) foreign exchange options;

**instrument** means a document in hard copy form;

**Independent Expert** means an independent firm of accountants (acting as an expert and not as an arbitrator);

**Intellectual Property Rights** includes but is not limited to any copyright, confidential information, patents, registered designs, rights in databases, design rights, moral rights, rights in know-how, trademarks, domain names and business names, whether existing now or in the future as well as registrations or any applications to register any of the aforementioned in each case in relation to the Business or any underlying component thereof howsoever arising irrespective of when and where in the world it might be enforceable;

**lien enforcement notice** has the meaning given to that term in Article 0;

**Management means** shall, unless and until resolved otherwise by Shareholder Consent, be the three Founders or directors appointed by each of them who will be respectively A, B and C directors;

**Mandatory Transfer Event** has the meaning given to that term in Article [REDACTED];

**Mandatory Transfer Notice** shall mean a Transfer Notice following a Mandatory Transfer Event more fully described in Article [REDACTED];

**Mandatory Sale Shares** has the meaning given to that term in Article 0;

**member** has the meaning given to that term in section 112 of CA 2006;

**Minimum Transfer Condition** has the meaning given to that term in Article 1.1.141;

**Model Articles** means 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;

**non-conflicted director** means any director who is not a conflicted director;

**Offeror** has the meaning given to that term in Article **Error! Reference source not found.**;

**Offer Notice** has the meaning given to that term in Article 0;

**ordinary resolution** has the meaning given to that term in section 282 of CA 2006;

**Other Shareholders** has the meaning given to that term in Article 0;

**paid** means paid or credited as paid;

**participate**, in relation to a directors' meeting, has the meaning given to that term in Article 0;

**partly-paid** in relation to a share means that part of that share's nominal value or any premium at which it was issued has not been paid to the Company;

**Permitted Transfer** has the meaning given to that term in Article **Error! Reference source not found.**;

**Permitted Transferee** means any person to whom a Permitted Transfer is made;

**Privileged Relation means** a relative or spouse, or relative of a spouse, where 'relative' shall include, brothers, sisters, lineal ancestors or lineal descendants and lineal descendants of lineal ancestors, treating any relationship of half-blood as a relationship of the whole and any stepchild or adopted child of any persons as his or her child;



**Proposed Buyer** has the meaning given to that term in Article 0;

**Proposed Sale Date** has the meaning given to that term in Article 0;

**Proposed Sale Notice** has the meaning given to that term in Article 0;

**Proposed Sale Price** has the meaning given to that term in Article **Error! Reference source not found.**;

**Proposed Sale Shares** has the meaning given to that term in Article 0;

**Proposed Sellers** has the meaning given to that term in Article 0;

**persons entitled** has the meaning given to that term in Article 1.1.190;

**proxy notice** has the meaning given to that term in Article 0;

**proxy notification address** has the meaning given to that term in Article 0;

**Qualifying Offer** has the meaning given to that term in Article **Error! Reference source not found.**;

**Related Party means** a shareholder or person or company associated with a shareholder;

**Relevant Holding** has the meaning given to that term in Article 0;

**relevant loss** has the meaning given to that term in Article 1.1.244;

**relevant officer** has the meaning given to that term in Articles 1.1.242 or 1.1.243, as the case may be;

**relevant rate** has the meaning given to that term in Article 1.1.94;

**Reserved Matters are** the matters listed in Schedule 1;

**Sale Notice** has the meaning given to that term in Article 1.1.145;

**Sale Shares** has the meaning given to that term in Article **Error! Reference source not found.**;

**Seller** has the meaning given to that term in Article **Error! Reference source not found.**;

**shares** mean shares in the Company;

**Shareholder Consent** the consent (in writing or by e-mail) of the shareholders holding at least 50% respectively of the Ordinary 'A' shares, Ordinary 'B' shares and Ordinary 'C' shares and/or their Permitted Transferees, given after each such shareholder or shareholders has/have been given notice in writing or by e-mail of the matter requiring consent in accordance with these Articles;

**special resolution** has the meaning given to that term in section 283 of CA 2006;

**subsidiary** means an undertaking in which another undertaking ("holding undertaking") (or persons acting on its or their behalf) directly or indirectly holds or controls either:

- (a) a majority of the voting rights exercisable at general meetings of the members of that undertaking on all, or substantially all, matters; or

- (b) the right to appoint or remove directors having a majority of the voting rights exercisable at meetings of the board of directors of that undertaking on all, or substantially all, matters,

and any subsidiary shall also be a subsidiary of any undertaking of which that holding undertaking is also a subsidiary;

**Transfer or transferring** has the meaning given to those terms respectively in Article 0;

**Transfer Notice** has the meaning given to this term in Article **Error! Reference source not found.**;

**Transfer Price** has the meaning given to this term in Article 1.1.140;

**transmittee** means a person entitled to a share by reason of the death or bankruptcy of a holder or otherwise by operation of law;

**United Kingdom** means Great Britain and Northern Ireland;

**Unsold Shares** has the meaning given to this term in Article **Error! Reference source not found.**;

**Unsold Shares Notice** has the meaning given to this term in Article **Error! Reference source not found.**;

**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, a reference to one gender shall include a reference to the other genders.

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 CA 2006 as in force on the date when these Articles become binding on the Company shall have the same meanings in these Articles.

Headings in these Articles are used for convenience only and shall not affect the construction or interpretation of these Articles.

Unless expressly provided otherwise, a reference to a statute, statutory provision or subordinate legislation is a reference to it as it is in force from time to time and shall include any orders, regulations or subordinate legislation from time to time made under it and any amendment or re-enactment of it or any such orders, regulations or subordinate legislation for the time being in force.

Any phrase introduced by the terms "including", "include", "in particular" or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.

No regulations set out in any statute or in any statutory instrument or other subordinate legislation concerning companies, including but not limited to the Model Articles, shall apply to the Company, but the following shall be the articles of association of the Company.

The Schedules form part of these Articles and shall have effect as if set out in full in the body of these Articles. Any reference to the Articles includes the Schedules.

## **Liability of members**

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**

Subject to the Articles and to the applicable provisions for the time being of the Companies Acts, the directors are responsible for the management of the Company's business, for which purpose they may exercise all the powers of the Company.

##### **Members' reserve power**

The directors shall not do or permit any of the matters or things set out in Schedule 1 without Shareholder Consent.

The members may, subject to Schedule 1, by special resolution, direct the directors to take, or refrain from taking, specified action.

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

##### **Directors may delegate**

Subject to the Articles, the directors may delegate any of the powers which are conferred on them under the Articles:

- 1.1.2 to such person or committee;
- 1.1.3 by such means (including by a power of attorney);
- 1.1.4 to such an extent;
- 1.1.5 in relation to such matters or territories; and
- 1.1.6 on such terms and conditions;

as they think fit.

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

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

##### **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.

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.

Where a provision of the Articles refers to the exercise of a power, authority or discretion by the directors and that power, authority or discretion has been delegated by the directors to a

committee, the provision shall be construed as permitting the exercise of the power, authority or discretion by the committee.

## **DECISION-MAKING BY DIRECTORS**

### **Directors to take decisions collectively**

The general rule about decision-making by directors is that any decision of the directors must be taken as a majority decision at a meeting or as a directors' written resolution in accordance with Article 0 (Directors' written resolutions) or otherwise as a unanimous decision taken in accordance with Article 0 (Unanimous decisions).

If:

1.1.7 the Company only has one director for the time being, and

1.1.8 no provision of the Articles requires it to have more than one director,

the general rule does not apply, and the director may (for so long as he remains the sole director) take decisions without regard to any of the provisions of the Articles relating to directors' decision-making.

Subject to the Articles, each director participating in a directors' meeting has one vote.

### **Directors' written resolutions**

Any director may propose a directors' written resolution by giving notice in writing of the proposed resolution to each of the other directors (including alternate directors).

If the company has appointed a company secretary, the company secretary must propose a directors' written resolution if a director so requests by giving notice in writing to each of the other directors (including alternate directors).

Notice of a proposed directors' written resolution must indicate:

1.1.9 the proposed resolution; and

1.1.10 the time by which it is proposed that the directors should adopt it.

A proposed directors' written resolution is adopted when a majority of the non-conflicted directors (or their alternates) have signed one or more copies of it, provided that those directors (or their alternates) would have formed a quorum at a directors' meeting were the resolution to have been proposed at such meeting.

Once a directors' written resolution has been adopted, it must be treated as if it had been a decision taken at a directors' meeting in accordance with the Articles.

### **Unanimous decisions**

A decision of the directors is taken in accordance with this Article 0 when all non-conflicted directors indicate to each other by any means that they share a common view on a matter.

A decision may not be taken in accordance with this Article 0 if the non-conflicted directors would not have formed a quorum at a directors' meeting had the matter been proposed as a resolution at such a meeting.

Once a directors' unanimous decision is taken in accordance with this Article 0 it must be treated as if it had been a decision taken at a directors' meeting in accordance with the Articles.

### **Calling a directors' meeting**

Any director may call a directors' meeting by giving notice of the meeting to each of the directors (including alternate directors), whether or not he is absent from the United Kingdom, or by authorising the company secretary (if any) to give such notice.

Notice of any directors' meeting must indicate:

- 1.1.11 its proposed date and time;
- 1.1.12 where it is to take place; and
- 1.1.13 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.

Subject to Article 0, notice of a directors' meeting must be given to each director but need not be in writing.

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 prior to or up to and including not more than seven days after the date on which the meeting is held. Where such notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it.

### **Participation in directors' meetings**

Subject to the Articles, directors participate in a directors' meeting, or part of a directors' meeting, when:

- 1.1.14 the meeting has been called and takes place in accordance with the Articles, and
- 1.1.15 they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.

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

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.

### **Chairing of directors' meetings**

The chairperson shall be appointed by the directors.

The person so appointed for the time being is known as the chairman.

The directors may terminate the chairman's appointment at any time.

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.

### **Chairman's casting vote at directors' meetings**

The chairman or other director chairing the meeting shall not have a casting vote.

### **Quorum for directors' meetings**

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

Subject to Article 0, the quorum for the transaction of business at a meeting of directors may be fixed from time to time by a decision of the directors but it must never be less than two directors, and unless otherwise fixed it is two. A person who holds office only as an alternate director shall, if his appointor is not present, be counted in the quorum. If and so long as there is a sole director, he may exercise all the powers and authorities vested in the directors by these Articles and accordingly the quorum for the transaction of business in these circumstances shall be one.

For the purposes of any meeting (or part of a meeting) held pursuant to Article 0 (Directors' conflicts of interests) to authorise a director's Conflict, if there is only one non-conflicted director in office in addition to the conflicted director(s), the quorum for such meeting (or part of a meeting) shall be one non-conflicted director.

### **Directors' conflicts of interests**

For the purposes of this Article 0, a **conflict of interest** includes a conflict of interest and duty and a conflict of duties, and interest includes both direct and indirect interests.

The directors may, in accordance with the requirements set out in this Article 0, authorise any matter proposed to them by any director which would, if not authorised, involve a director breaching his duty under section 175 of CA 2006 to avoid conflicts of interest ( such matter being hereinafter referred to as a **Conflict**).

A director seeking authorisation in respect of a Conflict shall declare to the other directors the nature and extent of his interest in a Conflict as soon as is reasonably practicable. The director shall provide the other directors with such details of the relevant matter as are necessary for the other directors to decide how to address the Conflict, together with such other information as may be requested by the other directors.

Any authorisation under this Article 0 will be effective only if:

- 1.1.16 the matter in question shall have been proposed by any director for consideration at a meeting of directors 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;
- 1.1.17 any requirement as to the quorum at any meeting of the directors at which the matter is considered is met without counting the director in question and any other conflicted director(s); and
- 1.1.18 the matter was agreed to without the director and any other conflicted director(s) voting or would have been agreed to if their votes had not been counted.

Any authorisation of a Conflict under this Article 0 may (whether at the time of giving the authorisation or subsequently):

- 1.1.19 extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the Conflict so authorised;
- 1.1.20 be subject to such terms and for such duration, or impose such limits or conditions as the directors may determine; or
- 1.1.21 be terminated or varied by the directors at any time.

This will not affect anything done by the director prior to such termination or variation in accordance with the terms of the authorisation.

In authorising a Conflict the directors may decide (whether at the time of giving the authorisation or subsequently) that if a director has obtained any information through his involvement in the Conflict otherwise than as a director of the Company and in respect of which he owes a duty of confidentiality to another person the director is under no obligation to:

1.1.22 disclose such information to the directors or to any director or other officer or employee of the Company; or

1.1.23 use or apply any such information in performing his duties as a director,

where to do so would amount to a breach of that confidence.

Where the directors authorise a Conflict they may provide, without limitation (whether at the time of giving the authorisation or subsequently) that the director:

1.1.24 is excluded from discussions (whether at meetings of directors or otherwise) related to the Conflict;

1.1.25 is not given any documents or other information relating to the Conflict;

1.1.26 may or may not vote (or may or may not be counted in the quorum) at any future meeting of directors in relation to any resolution relating to the Conflict.

Where the directors authorise a Conflict:

1.1.27 the director will be obliged to conduct himself in accordance with any terms, limits and/or conditions imposed by the directors in relation to the Conflict;

1.1.28 the director will not infringe any duty he owes to the Company by virtue of sections 171 to 177 of CA 2006 provided he acts in accordance with such terms, limits and/or conditions (if any) as the directors impose in respect of its authorisation.

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 receives as director or other officer or employee of the Company's subsidiaries or of any other body corporate in which the Company is interested or 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 nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of CA 2006.

Subject to the applicable provisions for the time being of the Companies Acts and to any terms, limits and/or conditions imposed by the directors in accordance with Article 1.1.20, and provided that he has disclosed to the directors the nature and extent of any interest of his in accordance with the Companies Acts, a director notwithstanding his office:

1.1.29 may be a party to, or otherwise interested in, any contract, transaction or arrangement with the Company or in which the Company is otherwise interested;

1.1.30 shall be counted as participating for voting and quorum purposes in any decision in connection with any proposed or existing transaction or arrangement with the Company, in which he is in any way directly or indirectly interested;

1.1.31 may act by himself or his firm in a professional capacity for the Company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a director;

1.1.32 may be a director or other officer of, or employed by, or a party to any contract, transaction or arrangement with, or otherwise interested in, anybody corporate promoted by the Company or in which the Company is otherwise interested; and

1.1.33 shall not, by reason of his office, be accountable to the Company for any benefit which he (or anyone connected with him (as defined in section 252 of CA 2006) derives from any such office or employment or from any such contract, transaction or arrangement or from any interest in any such body corporate and no such contract, transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit, nor shall the receipt of any such remuneration or benefit constitute a breach of his duty under section 176 of CA 2006.

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

Subject to Article 0, 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.

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**

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

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

#### **Directors' discretion to make further rules**

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 AND TERMINATION OF APPOINTMENT OF DIRECTORS**

#### **Number of directors**

Unless otherwise determined by ordinary resolution, the number of directors (other than alternate directors) shall not be subject to any maximum but shall not be less than one.

#### **Methods of appointing and removing directors**

The holders of the Ordinary 'A' shares, Ordinary 'B' shares and Ordinary 'C' shares shall, as separate classes, have the right to appoint and maintain in office two persons as A directors, B directors and C directors, respectively, and to remove any such directors so appointed and, upon removal (whether by their appointor or otherwise), to appoint other persons to act as such directors in their place.

The appointment or removal of a director in accordance with Article **Error! Reference source not found.** shall be made by giving notice in writing to the Company at its registered office and, in the case of removal of a director, to the director being removed. The appointment or removal takes effect on the date on which the notice is received by the Company or, if a later date is specified in the notice, on the date so specified. For the avoidance of doubt, there is no minimum notice period required.



In any case where, as a result of death or bankruptcy, the Company has no members and no directors, the transmittee(s) of the last member to have died or to have a bankruptcy order made against him (as the case may be) shall have the right, by notice in writing, to appoint a person (including a transmittee who is a natural person), who is willing to act and is permitted to do so, to be a director.

For the purposes of Article 0, where two or more members die in circumstances rendering it uncertain who was the last to die, a younger member is deemed to have survived an older member.

#### **Termination of director's appointment**

A person ceases to be a director as soon as:

- 1.1.34 that person ceases to be a director by virtue of any provision of CA 2006 or is prohibited from being a director by law;
- 1.1.35 a bankruptcy order is made against that person;
- 1.1.36 a composition is made with that person's creditors generally in satisfaction of that person's debts and the Company resolves that his office be vacated;
- 1.1.37 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;
- 1.1.38 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**

Subject to Schedule 1:

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

Directors are entitled to such remuneration as the directors determine:

- 1.1.39 for their services to the Company as directors, and
- 1.1.40 for any other service which they undertake for the Company.

Director's remuneration may:

- 1.1.41 take any form, and
- 1.1.42 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.

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

#### **Directors' expenses**

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

- 1.1.43 meetings of directors or committees of directors,
- 1.1.44 general meetings, or

1.1.45 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.

### **Alternate Directors**

#### **Appointment and removal of alternate directors**

Any director (**appointor**) may appoint as an alternate any other director, or any other person approved by resolution of the directors, to:

1.1.46 exercise that director's powers; and

1.1.47 carry out that director's responsibilities,

in relation to the taking of decisions by the directors in the absence of the alternate's appointor.

Any appointment or removal of an alternate must be effected by notice in writing to the Company signed by the appointor, or in any other manner approved by the directors.

The notice must:

1.1.48 identify the proposed alternate; and

1.1.49 in the case of a notice of appointment, contain a statement signed by the proposed alternate that the proposed alternate is willing to act as the alternate of the director giving the notice.

#### **Rights and responsibilities of alternate directors**

An alternate director may act as alternate director to more than one director and has the same rights in relation to any decision of the directors as the alternate's appointor.

Except as the Articles specify otherwise, alternate directors:

1.1.50 are deemed for all purposes to be directors;

1.1.51 are liable for their own acts and omissions;

1.1.52 are subject to the same restrictions as their appointors (including those set out in sections 172 to 177 CA 2006 inclusive and Article 0); and

1.1.53 are not deemed to be agents of or for their appointors,

and, in particular (without limitation), each alternate director shall be entitled to receive notice of all meetings of directors and of all meetings of committees of directors of which his appointor is a member.

A person who is an alternate director but not a director:

1.1.54 may be counted as participating for the purposes of determining whether a quorum is present (but only if that person's appointor is not participating and provided that no alternate may be counted as more than one director for these purposes);

1.1.55 may participate in a unanimous decision of the directors (but only if his appointor does not participate); and

1.1.56 may sign a written resolution (but only if it is not signed or to be signed by that person's appointor).

A director who is also an alternate director is entitled, in the absence of any of his appointors, to a separate vote on behalf of that appointor, in addition to his own vote on any decision of the directors but he shall count as only one for the purpose of determining whether a quorum is present.

An alternate director is not entitled to receive any remuneration from the Company for serving as an alternate director except such part of the alternate's appointor's remuneration as the appointor may direct by notice in writing made to the Company.

#### **Termination of alternate directorship**

An alternate director's appointment as an alternate for any appointor terminates:

when that appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate;

when notification is received by the Company from the alternate that the alternate is resigning as alternate for that appointor and such resignation has taken effect in accordance with its terms;

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

on the death of that appointor; or

when the alternate's appointor's appointment as a director terminates.

### **SECRETARY**

#### **Appointment and removal of secretary**

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

### **PART 3**

## **SHARES AND DISTRIBUTIONS**

### **SHARES**

#### **Share Capital**

The share capital of the Company shall be divided into the Ordinary shares, Ordinary 'A' shares, Ordinary 'B' shares and Ordinary 'C' shares. The shares have attached to them full voting, dividend and capital distribution (including on winding up) rights rights.

As regards distribution of capital (including winding up), on settling all creditors' claims, the Company may make distributions to the shareholders (or their Permitted Transferees) on a *pro rata* basis. For the purpose of the preceding, "*pro rata*" means in proportion to the number of shares held by shareholders at the relevant time.

As regards dividends, subject to the Company obtaining (a) the recommendation of the board of directors of the Company and any third parties as the board sees fit and (b) a prior Shareholder Consent, the Company shall pay interim dividends or make capital repayments to shareholders on a *pro rata* basis. "*Pro rata*" shall have the same meaning as in Article 0.

**Further issues of shares: authority (and pre-emption rights set out in Article Error! Reference source not found.)**

Subject to Schedule 1, and in accordance with Article Error! Reference source not found., the directors are generally and unconditionally authorised, for the purpose of section 551 of CA 2006 to exercise any power of the Company to:

1.1.57 offer or allot;

1.1.58 grant rights to subscribe for or to convert any security into;

1.1.59 otherwise create, deal in, or dispose of,

any shares in the Company to any person, at any time and subject to any terms and conditions as the directors think proper.

The authority referred to in Article 0:

1.1.60 shall be limited to a maximum aggregate nominal amount of £50,000 for shares;

1.1.61 shall only apply insofar as the Company has not renewed, waived or revoked it by ordinary resolution; and

1.1.62 may only be exercised for a period of five years commencing on the date on which the Company is incorporated or these Articles are adopted whichever is the later, save that the directors may make an offer or agreement which would, or might, require shares to be allotted after the expiry of such authority (and the directors may allot shares in pursuance of an offer or agreement as if such authority had not expired).

**Powers to issue different classes of share**

Subject to these Articles, but without prejudice to the rights attached to any existing share, the Company shall not, without a prior Shareholder Consent, issue shares with rights or restrictions determined by ordinary resolution.

With a prior Shareholder Consent, 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.

**Variation of class rights**

Subject to Schedule 1, the special rights attached to any class may only be varied or abrogated, either whilst the Company is a going concern or during or in contemplation of a winding up, with the consent of the holders of the issued shares of that class given in accordance with Article 0.

The consent of the holders of a class of shares may be given by:

1.1.63 a special resolution passed at a separate general meeting of the holders of the issued shares of that class; or

1.1.64 a written resolution in any form signed by or on behalf of the holders of three-quarters in nominal value of the issued shares of that class,

but not otherwise. To every such meeting, all the provisions of these Articles and CA 2006 relating to general meetings of the Company shall apply (with such amendments as may be necessary to give such provisions efficacy) but so that the necessary quorum shall be two holders of shares of the relevant class present in person or by proxy and holding or

representing not less than one third in nominal value of the issued shares of the relevant class; that every holder of shares of the class shall be entitled on a poll to one vote for every such share held by him; and that any holder of shares of the class, present in person or by proxy or (being a corporation) by a duly authorised representative, may demand a poll. If at any adjourned meeting of such holders such a quorum as aforesaid is not present, not less than one person holding shares of the class who is present in person or by proxy shall be a quorum.

#### **Company's lien over shares**

The Company has a lien (**Company's lien**) over every share, whether or not fully paid, which is registered in the name of any person indebted or under any liability to the Company, whether he is the sole registered holder of the share or one of several joint holders, for all monies payable by him (either alone or jointly with any other person) to the Company, whether payable immediately or at some time in the future and whether or not a call notice has been sent in respect of it.

The Company's lien over a share:

- 1.1.65 takes priority over any third party's interest in that share, and
- 1.1.66 extends to any dividend or other money payable by the company in respect of that share and (if the lien is enforced and the share is sold by the Company) the proceeds of sale of that share.

The directors may at any time decide that a share which is or would otherwise be subject to the Company's lien shall not be subject to it, either wholly or in part.

#### **Enforcement of the company's lien**

Subject to the provisions of this Article 0, if:

- 1.1.67 a lien enforcement notice has been given in respect of a share, and
  - 1.1.68 the person to whom the notice was given has failed to comply with it,
- the Company may sell that share in accordance with Article 0.

A lien enforcement notice:

- 1.1.69 may only be given in respect of a share which is subject to the Company's lien, in respect of which a sum is payable and the due date for payment of that sum has passed;
- 1.1.70 must specify the share concerned;
- 1.1.71 must be in writing and require payment of the sum payable within fourteen days of the notice;
- 1.1.72 must be addressed either to the holder of the share or to a transmittee of that holder; and
- 1.1.73 must state the Company's intention to sell the share if the notice is not complied with.

Where shares are sold under this Article 0:

- 1.1.74 the directors may authorise any person to execute an instrument of transfer of the shares to the purchaser or a person nominated by the purchaser, and

- 1.1.75 the transferee is not bound to see to the application of the consideration, and the transferee's title is not affected by any irregularity in or invalidity of the process leading to the sale.

The net proceeds of any such sale (after payment of the costs of sale and any other costs of enforcing the lien) must be applied:

- 1.1.76 first, in payment of so much of the sum for which the lien exists as was payable at the date of the lien enforcement notice,
- 1.1.77 second, to the person entitled to the shares at the date of the sale, but only after the certificate for the shares sold has been surrendered to the Company for cancellation or an indemnity in a form reasonably satisfactory to the directors has been given for any lost certificates, and subject to a lien equivalent to the Company's lien for any money payable (whether payable immediately or at some time in the future) as existed over the shares before the sale in respect of all shares registered in the name of such person (whether as the sole registered holder or as one of several joint holders) after the date of the lien enforcement notice.

A statutory declaration by a director or the company secretary (if any) that the declarant is a director or the company secretary (as the case may be) and that a share has been sold to satisfy the Company's lien on a specified date:

- 1.1.78 is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share, and
- 1.1.79 subject to compliance with any other formalities of transfer required by the Articles or by law, constitutes a good title to the share.

### **Call notices**

Subject to the Articles and the terms on which shares are allotted, the directors may send a notice (**call notice**) to a member requiring the member to pay the Company a specified sum of money (**call**) which is payable by that member to the Company at the date when the directors decide to send the call notice.

A call notice:

- 1.1.80 must be in writing;
- 1.1.81 may not require a member to pay a call which exceeds the total amount of his indebtedness or liability to the Company;
- 1.1.82 must state when and how any call to which it relates it is to be paid; and
- 1.1.83 may permit or require the call to be paid by instalments.

A member must comply with the requirements of a call notice, but no member is obliged to pay any call before fourteen days have passed since the notice was sent.

Before the Company has received any call due under a call notice the directors may:

- 1.1.84 revoke it wholly or in part, or
- 1.1.85 specify a later time for payment than is specified in the notice,
- by a further notice in writing to the member in respect of whose shares the call is made.

### **Liability to pay calls**

Liability to pay a call is not extinguished or transferred by transferring the shares in respect of which it is required to be paid.

Joint holders of a share are jointly and severally liable to pay all calls in respect of that share.

Subject to the terms on which shares are allotted, the directors may, when issuing shares, provide that call notices sent to the holders of those shares may require them:

1.1.86 to pay calls which are not the same, or

1.1.87 to pay calls at different times.

#### **When call notice need not be issued**

A call notice need not be issued in respect of sums which are specified, in the terms on which a share is issued, as being payable to the Company in respect of that share:

1.1.88 on allotment;

1.1.89 on the occurrence of a particular event; or

1.1.90 on a date fixed by or in accordance with the terms of issue.

But if the due date for payment of such a sum has passed and it has not been paid, the holder of the share concerned is treated in all respects as having failed to comply with a call notice in respect of that sum, and is liable to the same consequences as regards the payment of interest and forfeiture.

#### **Failure to comply with call notice: automatic consequences**

If a person is liable to pay a call and fails to do so by the call payment date:

1.1.91 the directors may issue a notice of intended forfeiture to that person, and

1.1.92 until the call is paid, that person must pay the Company interest on the call from the call payment date at the relevant rate.

For the purposes of this Article 0:

1.1.93 the call payment date is the time when the call notice states that a call is payable, unless the directors give a notice in writing specifying a later date, in which case the call payment date is that later date;

1.1.94 the relevant rate is:

- (a) the rate fixed by the terms on which the share in respect of which the call is due was allotted;
- (b) such other rate as was fixed in the call notice which required payment of the call, or has otherwise been determined by the directors; or
- (c) if no rate is fixed in either of these ways, five per cent. (5%) per annum.

The relevant rate must not exceed by more than five percentage points the base lending rate most recently set by the Monetary Policy Committee of the Bank of England in connection with its responsibilities under Part 2 of the Bank of England Act 1998.

The directors may waive any obligation to pay interest on a call wholly or in part.

### **Notice of intended forfeiture**

A notice of intended forfeiture:

- 1.1.95 must be in writing;
- 1.1.96 may be sent in respect of any share in respect of which a call has not been paid as required by a call notice;
- 1.1.97 must be sent to the holder of that share (or, in the case of joint holders of a share in accordance with Article 0) or to a transmittee of that holder in accordance with Article 0;
- 1.1.98 must require payment of the call and any accrued interest and all expenses that may have been incurred by the Company by reason of such non-payment by a date which is not less than fourteen days after the date of the notice;
- 1.1.99 must state how the payment is to be made; and
- 1.1.100 must state that if the notice is not complied with, the shares in respect of which the call is payable will be liable to be forfeited.

### **Directors' power to forfeit shares**

With a prior Shareholder Consent, if a notice of intended forfeiture is not complied with before the date by which payment of the call is required in the notice of intended forfeiture, the directors may decide that any share in respect of which it was given is forfeited, and the forfeiture is to include all dividends or other moneys payable in respect of the forfeited shares and not paid before the forfeiture.

### **Effect of forfeiture**

Subject to the Articles, the forfeiture of a share extinguishes:

- 1.1.101 all interests in that share, and all claims and demands against the Company in respect of it, and
- 1.1.102 all other rights and liabilities incidental to the share as between the person whose share it was prior to the forfeiture and the Company.

Any share which is forfeited in accordance with the Articles:

- 1.1.103 is deemed to have been forfeited when the directors decide that it is forfeited;
- 1.1.104 is deemed to be the property of the Company; and
- 1.1.105 may be sold, re-allotted or otherwise disposed of as the directors think fit in accordance with Article 0.

If a person's shares have been forfeited:

- 1.1.106 the Company must send that person written notice that forfeiture has occurred and record it in the register of members;
- 1.1.107 that person ceases to be a member in respect of those shares;
- 1.1.108 that person must surrender the certificate for the shares forfeited to the Company for cancellation;



1.1.109 that person remains liable to the Company for all sums payable by that person under the Articles at the date of forfeiture in respect of those shares, including any interest (whether accrued before or after the date of forfeiture); and

1.1.110 the directors may waive payment of such sums wholly or in part or enforce payment without any allowance for the value of the shares at the time of forfeiture or for any consideration received on their disposal.

At any time before the Company disposes of a forfeited share, the directors may decide to cancel the forfeiture on payment of all calls and interest due in respect of it and on such other terms as they think fit.

#### **Procedure following forfeiture**

If a forfeited share is to be disposed of by being transferred, the Company may receive the consideration for the transfer and the directors may authorise any person to execute the instrument of transfer.

A statutory declaration by a director or the Company secretary (if any) that the declarant is a director or the Company secretary (as the case may be) and that a share has been forfeited on a specified date:

1.1.111 is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share, and

1.1.112 subject to compliance with any other formalities of transfer required by the Articles or by law, constitutes a good title to the share.

A person to whom a forfeited share is transferred is not bound to see to the application of the consideration (if any) nor is that person's title to the share affected by any irregularity in or invalidity of the process leading to the forfeiture or transfer of the share.

If the Company sells a forfeited share, the person who held it prior to its forfeiture is entitled to receive from the company the proceeds of such sale, net of any commission, and excluding any amount which:

1.1.113 was, or would have become, payable, and

1.1.114 had not, when that share was forfeited, been paid by that person in respect of that share,

but no interest is payable to such a person in respect of such proceeds and the Company is not required to account for any money earned on them.

All shares to be sold in the enforcement of the company's lien or rights of forfeiture shall be offered in accordance with Article **Error! Reference source not found.** (Transfer of Shares Subject to Pre-emption) as if they were Sale Shares in respect of which a Transfer Notice had been given and treating as the Seller the holder of those shares save that the Sale Price shall be the price determined by the Management and the board. For the avoidance of doubt, this Article 0 shall not apply where the Company wishes to cancel forfeited shares under a reduction of capital procedure.

#### **Surrender of shares**

A member may surrender any share:

1.1.115 in respect of which the directors may issue a notice of intended forfeiture;

1.1.116 which the directors may forfeit; or

1.1.117 which has been forfeited.

The directors may accept the surrender of any such share.

The effect of surrender on a share is the same as the effect of forfeiture on that share.

A share which has been surrendered may be dealt with in the same way as a share which has been forfeited.

#### **Payment of commission on subscription for shares**

The Company may pay any person a commission in consideration for that person:

1.1.118 subscribing, or agreeing to subscribe, for shares; or

1.1.119 procuring, or agreeing to procure, subscriptions for shares.

Any such commission may be paid:

1.1.120 in cash, or in fully paid or partly paid shares or other securities or partly in one way and partly in the other; and

1.1.121 in respect of a conditional or an absolute subscription.

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

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

#### **Share certificates**

The Company must issue each member, free of charge, with one or more certificates in respect of the shares which that member holds.

Every certificate must specify:

1.1.122 in respect of how many shares, of what class, it is issued;

1.1.123 the nominal value of those shares;

1.1.124 the extent to which shares are paid up; and

1.1.125 any distinguishing numbers assigned to them.

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

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

Certificates must be executed in accordance with the Companies Acts.

#### **Replacement share certificates**

If a certificate issued in respect of a member's shares is:

1.1.126 damaged or defaced, or

1.1.127 said to be lost, stolen or destroyed,

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

A member exercising the right to be issued with such a replacement certificate:

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

#### **Transfer of shares- general**

In these Articles, a reference to the **transfer** of or **transferring** shares shall include any transfer, assignment, disposition or proposed or purported transfer, assignment or disposition:

- 1.1.131 of any share or shares of the Company; or
- 1.1.132 of any interest of any kind in any share or shares of the Company; or
- 1.1.133 of any right to receive or subscribe for any share or shares of the Company.

The directors shall not register the transfer of any share or any interest in any share unless the transfer is made in accordance with Articles **Error! Reference source not found.**, 0, **Error! Reference source not found.**, and **Error! Reference source not found.**

#### **Permitted Transfers and Issue of Shares**

For the purposes of this Article **Error! Reference source not found.**, a Permitted Transfer shall mean one whereby:

- 1.1.134 a shareholder transfers any share to:
  - (a) a Privileged Relation or the trustees of a Family Trust, PROVIDED THAT if such a Permitted Transferee ceases to be a Privileged Relation or a trustee of a Family Trust such shares must forthwith be transferred back to the shareholder or to another Privileged Relation or a new or continuing trustee (as the case may be);
  - (b) a bare nominee such that no beneficial interest in such shares passed by reason of such transfer;
  - (c) his personal or other legal representatives (whether before or after the death of that shareholder);
  - (d) a company at least 75% beneficially owned by such shareholder and his Privileged Relations PROVIDED THAT if such a Permitted Transferee ceases to be at least 75% beneficially owned by the shareholder such shares must forthwith be transferred back to the shareholder; or
  - (e) where a shareholder is an incorporated entity (a) to such persons and their Privileged Relations who beneficially own at least 75% of such incorporated entity and (b) to any pension fund the beneficiaries of which are the persons and their Privileged Relations who beneficially own at least 75% of such incorporated entity PROVIDED THAT (in either case) if such a Permitted

Transferee ceases to beneficially own 75% of the incorporated entity such shares must forthwith be transferred back to the shareholder.

1.1.135 in relation to any share being held in the name or names of the trustees of a Family Trust, such share is transferred:

- (a) to a beneficiary of that Family Trust or returned to the shareholder whose Family Trust it is or to any of his Privileged Relations; or
- (b) to new or continuing trustees of that Trust.

A Permitted Transfer may be made without the transferor being subject or bound in any way to observe any applicable pre-emption provisions howsoever contained in these Articles. For the avoidance of doubt, the shareholders agree to waive any pre-emption rights in relation to a Permitted Transfer.

No share in the Company may be transferred or allotted to any person if he is not already a shareholder unless the transferee or allottee, as appropriate, has previously executed a deed of adherence to the shareholders' agreement (with such variations thereto as may be reasonably required by Shareholder Consent).

For the purposes of the above, a person shall be deemed to have transferred a share or any interest therein if in any circumstances whatsoever he ceases to be the beneficial owner thereof.

In accordance with section 567(1) of CA 2006, sections 561 and 562 of CA 2006 shall not apply to an allotment of equity securities (as defined in section 560(1) of CA 2006).

#### **Mandatory Transfer**

A Mandatory Transfer Event shall be deemed to occur, in relation to any shareholder if that shareholder:

1.1.136 being an individual

- (a) shall have a bankruptcy order made against him or shall be declared bankrupt by any court of competent jurisdiction;
- (b) commits a material or persistent breach of any provisions of these Articles which if capable of remedy has not been so remedied within 60 working days of being made aware of such breach; and/or
- (c) shall attempt to deal with or dispose of any share or interest in it otherwise than in strict accordance with the provisions of these Articles.

1.1.137 being a body corporate:

- (a) shall have a receiver, manager or administrative receiver appointed over all or any part of its undertaking or assets;
- (b) shall have an administrator appointed in relation to it;
- (c) shall enter into liquidation (other than a voluntary liquidation for the purpose of a bona fide scheme of solvent amalgamation or reconstruction);
- (d) shall have any equivalent action in respect of it taken in any jurisdiction;
- (e) commits a material or persistent breach of any provisions of these Articles which if capable of remedy has not been so remedied within 60 working days of being made aware of such breach; and/or

- (f) (save where the board determines otherwise) ceases to be controlled by the person or persons who were in control of a shareholder which is a body corporate at the time that it became a shareholder and for whose benefit that body corporate subscribed.

The board may issue the Defaulting Member with written notice at any time within twelve (12) months of the occurrence of a Mandatory Transfer Event.

Upon receipt of notice in accordance with Article **Error! Reference source not found.** above, the Defaulting Member and any other shareholder who has acquired shares from him by way of a Permitted Transfer (directly or by means of a series of two or more Permitted Transfers) shall be deemed to have immediately given a Mandatory Transfer Notice in respect of all the shares then held by the mandatory sellers.

The Mandatory Transfer Notice has the same effect as a Transfer Notice.

A Mandatory Transfer Notice shall supersede and cancel any then current Transfer Notice except in relation to shares which have then been validly transferred pursuant to that Transfer Notice.

For the purpose of this Article 0, any shares received by way of rights or on a capitalisation by any person to whom shares may have been transferred (directly or by means of a series of two or more Permitted Transfers) shall also be treated as included within the Mandatory Transfer Notice. If a shareholder who could be required to give a Mandatory Transfer Notice under this Article **Error! Reference source not found.** at the relevant time serves a Transfer Notice then such Transfer Notice shall be deemed to be and shall be treated as a Mandatory Transfer Notice.

#### Transfer of Shares Subject to Pre-emption

No shareholder shall create any Encumbrance over, transfer or otherwise dispose of or give any person any rights in or over any share or any interest in any share, except as permitted or required by these Articles or with Shareholder Consent.

Subject to Article 0, the board shall register any duly stamped transfer made in accordance with the Articles, unless it suspects that the proposed transfer may be fraudulent.

Except where the provisions of Articles **Error! Reference source not found.**, **Error! Reference source not found.**, and **Error! Reference source not found.** apply, any transfer of shares by a shareholder shall be subject to the pre-emption rights in this Article **Error! Reference source not found.**

A shareholder (the "**Seller**") wishing to transfer his shares (the "**Sale Shares**") must give notice in writing (the "**Transfer Notice**") to the Company giving details of the proposed transfer including:

1.1.138 the number of Sale Shares he wishes to sell

1.1.139 if he wishes to sell the Sale Shares to a third party, the name of the proposed buyer;

1.1.140 the price (in cash) at which he wishes to transfer the Sale Shares (which, if no cash price is agreed between the Seller and the board will be deemed to be the fair value of the Sale Shares (determined in accordance with Article **Error! Reference source not found.**) (the "**Transfer Price**");

1.1.141 whether the Transfer Notice is conditional on all, or a specific number of, the Sale Shares being sold to shareholders (the "**Minimum Transfer Condition**").

A Transfer Notice (or Mandatory Transfer Notice) constitutes the Company the agent of the Seller for the sale of the Sale Shares in accordance with the provisions of these Articles.

If a shareholder serves a Transfer Notice under Article **Error! Reference source not found.**, or is deemed to have served a Mandatory Transfer Notice under Article **Error! Reference source not found.**, any Permitted Transferee of that shareholder to whom shares have been transferred in accordance with Article **Error! Reference source not found.** is also deemed to have served a Transfer Notice in respect of all his shares on the same date as the Shareholder's Transfer Notice is served or is deemed to have been served (in the case of a Mandatory Transfer Notice).

Once given (or deemed to have been given) under these Articles, neither a Transfer Notice nor a Mandatory Transfer Notice may be withdrawn.

Within seven days of the service of a Transfer Notice or deemed service of a Mandatory Transfer Notice, the Company shall give notice in writing (the "**Offer Notice**") to the remaining shareholders (the "**Eligible Shareholder/s**") offering the shares subject to any Transfer Notice or Mandatory Transfer Notice (the "**Mandatory Sale Shares**") for sale to them for fair value (determined in accordance with Article **Error! Reference source not found.**). Each Offer Notice shall be in writing and give details of the number and Transfer Price (if known or determined) of the Sale Shares offered.

The Offer Notice shall specify that each of the Eligible Shareholders is entitled to apply for some or all of the Sale Shares, and that such Eligible Shareholder shall, if he wishes to apply, have a period of 25 days from the date of the Offer Notice (the "**Acceptance Period**") within which to deliver his application for Sale Shares to the Company.

On the expiry of the Acceptance Period:

1.1.142 if the total number of Sale Shares applied for is equal to or less than the total number of Sale Shares, the Company:

- (a) shall allocate to each Eligible Shareholder the number of Sale Shares he applied for; and
- (b) may allocate any remaining Sale Shares to itself (and it shall, subject to CA 2006, be entitled to acquire them); or

1.1.143 if the total number of Sale Shares applied for is greater than the total number of Sale Shares, the Company shall allocate:

- (a) the Sale Shares amongst the Eligible Shareholders who have applied for them, in the proportions (as nearly as circumstances permit) to their existing shareholdings (but without allocating to any Eligible Shareholder more Sale Shares than he applied for); and
- (b) any remaining Sale Shares, to those Eligible Shareholders whose applications for Sale Shares have not yet been satisfied in full, in the proportions (as nearly as circumstances permit) to their existing shareholdings (but without allocating to any Eligible Shareholder more Sale Shares than he applied for) and any remaining Sale Shares shall be allocated by re-applying the provisions of this Article 50.10.2 **Error! Reference source not found.**

If any of the Sale Shares are allocated by the Company pursuant to Article **Error! Reference source not found.**:

1.1.144 the persons to whom they are allocated (each an "**Allocated Person**") shall be bound to acquire the Sale Shares allocated to them on the terms on which they were offered for sale; and

1.1.145 the Company shall immediately on allocating any Sale Shares give notice in Writing (the "**Sale Notice**") to the Seller and to each Allocated Person specifying:

- (a) the number of Sale Shares allocated to that Allocated Person and the aggregate price payable for those Sale Shares; and
- (b) the time, date and place of sale (which shall be not less than seven and not more than 28 days after the date of the Sale Notice).

On sale:

1.1.146 each Allocated Person (other than the Company) shall pay the purchase price in respect of the relevant Mandatory Sale Shares:

- (a) to the Sellers; or
- (b) if the Sellers are not present to the Company to be held on trust (without interest) for the Sellers (and the receipt of the Company for the purchase price shall be a good discharge to that Allocated Person (who shall not be bound to see to the application of it));

1.1.147 if the Company is an Allocated Person, it shall:

- (a) pay the purchase price for the relevant Sale Shares to the Sellers; or
- (b) if the Sellers are not present, hold the purchase price for the relevant Sale Shares on trust (without interest) for the Sellers; and

1.1.148 the Sellers shall transfer the relevant Sale Shares to the relevant Allocated Person and deliver the relevant share certificates to the Company.

If the Sellers default in transferring any Sale Shares to an Allocated Person pursuant to Article **Error! Reference source not found.**, the Company is unconditionally and irrevocably authorised to appoint any person as agent of the Sellers to execute a transfer form for those Sale Shares in the name, and on behalf, of the Sellers (and to do such other things as are necessary to transfer the relevant Sale Shares pursuant to this Article **Error! Reference source not found.**) and when that transfer form has been duly stamped:

1.1.149 where the Allocated Person is not the Company, the Company shall cause the name of that Allocated Person to become the holder of those Sale Shares; or

1.1.150 where the Allocated Person is the Company, the Company shall cause those Sale Shares to be cancelled in accordance with CA 2006,

and after that, the validity of the proceedings shall not be questioned by any person.

Any money held on trust by the Company for the Sellers in respect of any Sale Shares shall only be released to the Sellers on production of the relevant share certificates (or an appropriate indemnity for any lost share certificates) for the Sale Shares that have been transferred to Allocated Persons.

If the Company cannot allocate all of the Sale Shares pursuant to Article **Error! Reference source not found.**, the Company shall notify the Seller in writing (the "**Unsold Shares Notice**"). The Seller may within three months of the date of the Unsold Shares Notice sell all or any of the Sale Shares that have not been allocated pursuant to Article **Error! Reference source not found.** (the "**Unsold Shares**") to any person at any price per share which is not less than the fair value. The directors may require the Seller to satisfy them that any transfer of Mandatory Shares pursuant to this **Error! Reference source not found.** is in pursuance of a sale in good faith for the consideration stated in the transfer and if they are not satisfied they may refuse to register the relevant transfer form.

Any shareholder holding shares in respect of which a Transfer Notice (or Mandatory Transfer Notice (other than pursuant to Articles 1.1.136(b) and 1.1.137(e) is given, deemed given or could be required at any time under Article **Error! Reference source not found.**) may exercise his voting rights at general meetings of the Company in respect of those shares until the entry in the register of members of the Company of another person as the holder of those shares.

For the purposes of this Article **Error! Reference source not found.**, the fair value shall be the sum agreed between the transferor and the board within ten days of the service of the Transfer Notice (or Mandatory Transfer Notice), in the absence of such agreement, as determined by an Independent Expert who shall be jointly agreed between the Company, the relevant vendor and the relevant purchaser (or, if no agreement is reached within 10 working days after the Company notifies the others of its proposed appointee, the Independent Expert shall be nominated by the President for the time being of the Institute of Chartered Accountants in England and Wales at the request of the Company) who shall report in writing as being in his opinion the fair value thereof on the basis of (i) a sale as between a willing vendor and a willing purchaser of all of the issued shares of the Company in the open market and (ii) the fair value per share of the Sale Shares by dividing the total value determined as aforesaid of all of the issued shares by the number of shares then in issue. The Independent Expert shall be deemed to be acting as expert and not as arbitrator and his report shall be in writing addressed and produced to the transferor and the Company and shall be final and binding, in the absence of manifest error therein. The board shall procure that any report of the Independent Expert required hereunder is obtained with due expedition and the cost of which shall be borne by the transferor.

#### **Drag-Along**

For the purpose of this Article **Error! Reference source not found.**, a “**Qualifying Offer**” shall mean an offer in writing on *bona fide* arms’ length terms by or on behalf of any person other than any of the initial subscribers to the **Company’s memorandum** on its incorporation or their Related Parties (the “**Offeror**”) to acquire the entire equity share capital in the Company.

If the holders of at least 60% (sixty percent) of the issued share capital in the Company wish to accept a Qualifying Offer (the “**Accepting Shareholders**”), then the Accepting Shareholders shall give written notice to the remaining holders of the equity share capital of the Company (the “**Other Shareholders**”) of their wish to accept the Qualifying Offer. The notice shall set out the identity of the Offeror, the price and other terms of such Offer. The Other Shareholders shall thereupon become bound to accept the Qualifying Offer and to transfer their shares to the Offeror (or his nominee) with full title guarantee on the date specified by the Accepting Shareholders on the same terms and conditions as the Accepting Shareholders.

If any Other Shareholder shall not, within five (5) working days of being required to do so, execute and deliver transfers in respect of the shares held by him and deliver the certificate(s) in respect of the same (or a suitable indemnity in lieu thereof), then any Accepting Shareholder shall be entitled to:

1.1.151 execute (and authorise and instruct such person as he thinks fit to execute) the necessary transfer(s) and indemnities on the Other Shareholder’s behalf; and,

1.1.152 against receipt by the Company (on trust for such Other Shareholder) of the consideration payable for the relevant shares, deliver such transfer(s) and certificate(s) or indemnities to the Offeror (or his nominee) and register such Offeror (or his nominee) as the holder thereof,

1.1.153 and the Accepting Shareholders shall be obliged to transfer all of their shares in the capital of the Company to the Offeror on the same terms and conditions as the Other Shareholders and, after such transfers and registrations, the validity of such proceedings shall not be questioned by any person.



Each shareholder acknowledges and agrees that a prospective Offeror may wish to pay the consideration therefor in non-cash form (such as in loan notes, publicly traded equities or shares in a privately-owned entity), or partly in cash and partly in non-cash form. Each shareholder agrees that provided the shareholder is offered cash or publicly traded equities for his own shares he shall not object to any Other Shareholder being offered any other form or forms or combination of forms of non-cash consideration for that or those Other Shareholders' Shares provided that the Management shall have determined that the consideration offered to all shareholders per shares is not of materially different value.

### **Tag-Along**

If, at any time, the holders of at least 50% (fifty percent) of the issued share capital in the Company (the "**Proposed Sellers**") propose to sell their shareholding (the "**Relevant Holding**") in one or a series of related transactions, to any person (not being an Offeror as defined above) other than in relation to a Permitted Transfer or a Mandatory Transfer Event under Article **Error! Reference source not found.** above, the Proposed Sellers may sell the Relevant Holding SUBJECT ONLY to the following provisions of this Article **Error! Reference source not found.** and where applicable may invoke Article **Error! Reference source not found.** For the avoidance of doubt, the shareholders agree to waive any pre-emption rights in relation to the sale of a Relevant Holding.

Before selling the Relevant Holding, the Proposed Sellers shall procure that the Proposed Buyer (as defined below) makes an offer to the other shareholders to buy all of the shares held by them for a consideration in cash per share that is at least equal to the highest price per share offered or paid by the Proposed Buyer, or any person acting in concert with the Proposed Buyer, for the Relevant Holding or in any related previous transaction ("**Proposed Sale Price**").

The Proposed Sellers shall give written notice (the "**Proposed Sale Notice**") to each shareholder of such intended sale at least ten (10) working days prior to the date thereof.

The Proposed Sale Notice shall set out, to the extent not described in any accompanying documents:

- 1.1.154 the identity of the proposed buyer (the "**Proposed Buyer**");
- 1.1.155 the Proposed Sale Price;
- 1.1.156 other terms and conditions of payment;
- 1.1.157 the proposed date of sale (the "**Proposed Sale Date**"); and,
- 1.1.158 the number of shares proposed to be purchased by the Proposed Buyer (the "**Proposed Sale Shares**")

If the Buyer fails to make the offer to all of the holders of shares in accordance with Article **Error! Reference source not found.**, the Proposed Sellers shall not be entitled to complete the transfer of the Relevant Holding and the Company shall not register any transfer of shares effected in accordance with the Relevant Holding.

Each shareholder (other than the Proposed Sellers) shall be entitled, by written notice given to the Proposed Sellers within five working days of receipt of the Proposed Sale Notice, to be permitted to sell the number of shares detailed (the "**Applicable Shares**") to the Proposed Buyer on the same terms and conditions as those set out in the Proposed Sale Notice.

Each shareholder that so notifies the Proposed Sellers shall have the right to sell an amount of Applicable Shares and completion shall be conditional on completion of the purchase of the Relevant Holding and the Applicable Shares.

### **Transmission of shares**

If title to a share passes to a transmittee, the Company may only recognise the transmittee as having any title to that share.

Nothing in these Articles releases the estate of a deceased member from any liability in respect of a share solely or jointly held by that member.

A transmittee who produces such evidence of entitlement to shares as the directors may properly require:

1.1.159 may, subject to the Articles, choose either to become the holder of those shares or to have them transferred to another person, and

1.1.160 subject to the Articles, and pending any transfer of the shares to another person, has the same rights as the holder had.

But, subject to Article 0 (Methods of appointing directors), 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**

Transmittees who wish to become the holders of shares to which they have become entitled must notify the Company in writing of that wish.

If the transmittee wishes to have a share transferred to another person, the transmittee must execute an instrument of transfer in respect of it.

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**

If a notice is given to a member 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 member before the transmittee's name or the name of any person nominated under Article 0 (Transmission of shares), has been entered in the register of members.

#### **Procedure for disposing of fractions of shares**

This Article applies where:

1.1.161 there has been a consolidation or division of shares; and

1.1.162 as a result, members are entitled to fractions of shares.

The directors may:

1.1.163 sell the shares representing the fractions to any person including the Company for the best price reasonably obtainable;

1.1.164 authorise any person to execute an instrument of transfer of the shares to the purchaser or a person nominated by the purchaser; and

1.1.165 distribute the net proceeds of sale in due proportion among the holders of the shares.

The person to whom the shares are transferred is not obliged to ensure that any purchase money is received by the person entitled to the relevant fractions.

The transferee's title to the shares is not affected by any irregularity in or invalidity of the process leading to their sale.

## **DIVIDENDS AND OTHER DISTRIBUTIONS**

### **Procedure for declaring dividends**

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.

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

Unless the members' 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 member's holding of shares on the date of the resolution or decision to declare or pay it.

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.

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.

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.

### **Calculation of dividends**

Except as otherwise provided by the Articles or the rights attached to shares, all dividends must be paid in proportion to the number of shares held by shareholders at the relevant time.

### **Payment of dividends and other distributions**

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:

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

1.1.167 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;

1.1.168 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

1.1.169 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.

In these Articles, the distribution recipient means, in respect of a share in respect of which a dividend or other sum is payable:

1.1.170 the holder of the share; or

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

1.1.172 if the holder is no longer entitled to the share by reason of death or bankruptcy, or otherwise by operation of law, the transmittee.

#### **Deductions from distributions in respect of sums owed to the company**

If:

1.1.173 a share is subject to the Company's lien; and

1.1.174 the directors are entitled to issue a lien enforcement notice in respect of it,

they may, instead of issuing a lien enforcement notice, deduct from any dividend or other sum payable in respect of the share any sum of money which is payable to the Company in respect of that share to the extent that they are entitled to require payment under a lien enforcement notice.

Money so deducted must be used to pay any of the sums payable in respect of that share.

The Company must notify the distribution recipient in writing of:

1.1.175 the fact and amount of any such deduction;

1.1.176 any non-payment of a dividend or other sum payable in respect of a share resulting from any such deduction; and

1.1.177 how the money deducted has been applied.

#### **No interest on distributions**

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

1.1.178 the terms on which the share was issued, or

1.1.179 the provisions of another agreement between the holder of that share and the Company.

#### **Unclaimed distributions**

All dividends or other sums which are:

1.1.180 payable in respect of shares, and

1.1.181 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.

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

If:

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

1.1.183 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**

Subject to the terms of issue of the share in question and with a prior Shareholder Consent, 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).

For the purposes of paying a non-cash distribution, the directors may, with a prior Shareholder Consent, make whatever arrangements they think fit, including, where any difficulty arises regarding the distribution:

1.1.184 fixing the value of any assets;

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

1.1.186 vesting any assets in trustees.

#### **Waiver of distributions**

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

1.1.187 the share has more than one holder, or

1.1.188 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**

Subject to the Articles, the directors may, if they are so authorised by an ordinary resolution:

1.1.189 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

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

Capitalised sums must be applied:

1.1.191 on behalf of the persons entitled, and

1.1.192 in the same proportions as a dividend would have been distributed to them.

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.

A capitalised sum which was appropriated from profits available for distribution may be applied:

1.1.193 in or towards paying up any amounts unpaid on existing shares held by the persons entitled; or

1.1.194 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.

Subject to the Articles the directors may:

1.1.195 apply capitalised sums in accordance with paragraphs 0 and 0 partly in one way and partly in another;

1.1.196 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

1.1.197 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 0.

## **PART 4**

### **DECISION-MAKING BY MEMBERS**

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

##### **Reserved Matters**

Each shareholder shall procure that the Company shall not, without Shareholder Consent, carry out any of the Reserved Matters.

##### **Convening general meetings**

The directors may call general meetings and, on the requisition of members pursuant to the provisions of CA 2006, shall forthwith proceed to convene a general meeting in accordance with CA 2006. If there are not within the United Kingdom sufficient directors to call a general meeting, any director or the members requisitioning the meeting (or any of them representing more than one half of the total voting rights of them all) may call a general meeting. If the Company has only a single member, such member shall be entitled at any time to call a general meeting.

##### **Notice of general meetings**

General meetings (other than an adjourned meeting) shall be called by at least fourteen Clear Days' notice but a general meeting may be called by shorter notice if it is so agreed by a majority in number of the members having a right to attend and vote, being a majority together holding not less than ninety per cent (90%) in nominal value of the shares at the meeting, giving that right.

The notice shall specify the time, date and place of the meeting, the general nature of the business to be transacted and the terms of any resolution to be proposed at it.

Subject to the provisions of these Articles and to any restrictions imposed on any shares, the notice shall be given to all members, to all persons entitled to a share in consequence of the death

or bankruptcy of a member (if the company has been notified of their entitlement) and to the directors, alternate directors and the auditors for the time being of the Company.

The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate the proceedings at that meeting.

### **Resolutions requiring special notice**

If CA 2006 requires special notice to be given of a resolution, then the resolution will not be effective unless notice of the intention to propose it has been given to the Company at least twenty-eight Clear Days before the general meeting at which it is to be proposed.

Where practicable, the Company must give the members notice of the resolution in the same manner and at the same time as it gives notice of the general meeting at which it is to be proposed. Where that is not practicable, the Company must give the members at least fourteen Clear Days' before the relevant general meeting by advertisement in a newspaper with an appropriate circulation.

If, after notice to propose such a resolution has been given to the Company, a meeting is called for a date twenty-eight days or less after the notice has been given, the notice shall be deemed to have been properly given, even though it was not given within the time required by Article 0.

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

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.

A person is able to exercise the right to vote at a general meeting when:

1.1.198 that person is able to vote, during the meeting, on resolutions put to the vote at the meeting, and

1.1.199 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.

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.

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.

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**

No business shall be transacted at any meeting unless a quorum is present. Subject to section 318(2) of CA 2006, two qualifying persons (as defined in section 318(3) of CA 2006) entitled to vote upon the business to be transacted shall be a quorum; provided that if the Company has only a single member, the quorum shall be one such qualifying person.

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**

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

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:

1.1.200 the directors present, or

1.1.201 (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.

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-members**

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

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

1.1.202 members of the Company, or

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

to attend and speak at a general meeting.

### **Adjournment**

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. If, at the adjourned meeting, a quorum is not present within half an hour from the time appointed for the meeting, the meeting shall be dissolved.

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

1.1.204 the meeting consents to an adjournment, or

1.1.205 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.

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

When adjourning a general meeting, the chairman of the meeting must:

1.1.206 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

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

If the continuation of an adjourned meeting is to take place more than fourteen days after it was adjourned, the Company must give at least seven Clear Days' notice of it (that is, excluding the day of the adjourned meeting and the day on which the notice is given):



1.1.208 to the same persons to whom notice of the Company's general meetings is required to be given, and

1.1.209 containing the same information which such notice is required to contain.

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**

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. Subject to any rights or restrictions attached to any shares, on a show of hands, every member who (being an individual) is present in person or (being a corporation) is present by a duly authorised representative (unless the representative is himself a member, in which case he shall have more than one vote) shall have one vote. A proxy shall not be entitled to vote on a show of hands.

No member shall vote at any general meeting or at any separate meeting of the holder of any class of shares, either in person or by proxy, in respect of any share held by him unless all monies presently payable by him in respect of that share have been paid.

In the case of joint holders the vote of the senior who tenders a vote shall be accepted to the exclusion of the votes of the other joint holders; and seniority shall be determined by the order in which the names of the holders stand in the register of members.

Unless a poll is duly demanded, a declaration by the chairman that a resolution has been carried or carried unanimously, or by a particular majority, or lost, or not carried by a particular majority and an entry to that effect in the minutes of the meeting shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.

### **Errors and disputes**

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.

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

### **Poll votes**

On a poll every member who (being an individual is present in person or by proxy) or (being a corporation) is present by a duly authorised representative or by proxy shall have one vote for every share of which he is the holder. On a poll, a member entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way.

A poll on a resolution may be demanded:

1.1.210 in advance of the general meeting where it is to be put to the vote, or

1.1.211 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.

A poll may be demanded by:

1.1.212 the chairman of the meeting;

1.1.213 the directors;

1.1.214 two or more persons having the right to vote on the resolution;

1.1.215 a person or persons representing not less than one tenth of the total voting rights of all the members having the right to vote on the resolution; or

1.1.216 a person or persons holding shares conferring a right to vote on the resolution on which not less than one tenth of the total sum paid up on all the shares conferring that right.

A demand for a poll may be withdrawn if:

1.1.217 the poll has not yet been taken, and

1.1.218 the chairman of the meeting consents to the withdrawal.

A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made.

A poll demanded on the election of a chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken either forthwith or at such time and place as the chairman directs not being more than thirty days after the poll is demanded. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll was demanded. If a poll is demanded before the declaration of the result of a show of hands and the demand is duly withdrawn, the meeting shall continue as if the demand had not been made.

No notice need be given of a poll not taken forthwith if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case at least seven Clear Days' notice shall be given specifying the time and place at which the poll is to be taken.

The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

### **Content of proxy notices**

Subject to the provisions of these Articles, a member is entitled to appoint another person as his proxy to exercise all or any of his rights to attend and to speak and vote at a general meeting. A member may appoint more than one proxy in relation to a meeting, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that member.

Proxies may only validly be appointed by a notice in writing (proxy notice) which:

1.1.219 states the name and address of the member appointing the proxy;

1.1.220 identifies the person appointed to be that member's proxy and the general meeting in relation to which that person is appointed;

1.1.221 is signed by or on behalf of the member appointing the proxy, or is authenticated in such manner as the directors may determine; and

1.1.222 is delivered to the Company in accordance with the Articles and in accordance with any instructions contained in the notice of the general meeting (or adjourned meeting) to which they relate and received by the Company:

subject to Articles 0 and 0 in the case of a general meeting or adjourned meeting, not less than forty-eight hours before the time for holding the meeting or adjourned meeting at which the right to vote is to be exercised;

in the case of a poll taken more than forty-eight hours after it is demanded, after the poll has been demanded and not less than twenty-four hours before the time appointed for the taking of the poll; or

where the poll is not taken forthwith but is taken not more than forty-eight hours after it was demanded, at the time at which the poll was demanded or twenty-four hours before the time appointed for the taking of the poll, whichever is the later,

and a proxy notice which is not delivered and received in such manner shall be invalid.

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

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 and the proxy is obliged to vote or abstain from voting in accordance with the specified instructions. However, the Company is not obliged to check whether a proxy votes or abstains from voting as he has been instructed and shall incur no liability for failing to do so. Failure by a proxy to vote or abstain from voting as instructed at a meeting shall not invalidate proceedings at that meeting.

Unless a proxy notice indicates otherwise, it must be treated as:

1.1.223 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

1.1.224 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**

Any notice of a general meeting must specify the address or addresses (**proxy notification address**) at which the Company or its agents will receive proxy notices relating to that meeting, or any adjournment of it, delivered in hard copy or electronic form.

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 to a proxy notification address.

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.

A notice revoking a proxy appointment only takes effect if it is received by the Company:

1.1.225 in the case of a general or adjourned meeting, not less than forty-eight hours before the time for holding the meeting or adjourned meeting at which the right to vote is to be exercised;

1.1.226 in the case of a poll taken more than forty-eight hours after it was demanded, not less than twenty-four hours before the time appointed for the taking of the poll; or

1.1.227 in the case of a poll not taken forthwith but not more than forty-eight hours after it was demanded, at the time at which it was demanded or twenty-four hours before the time appointed for the taking of the poll, whichever is later,

and a notice which is not delivered and received in such manner shall be invalid.

In calculating the periods referred to in Article 0 (Content of proxy notices) and this Article 0, no account shall be taken of any part of a day that is not a working day.

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.

### **Representation of corporations at meetings**

Subject to CA 2006, a company which is a member may, by resolution of its directors or other governing body, authorise one or more persons to act as its representative or representatives at a meeting of the company or at a separate meeting of the holders of a class of shares of the company (**corporate representative**). A director, secretary or other person authorised for the purpose by the directors may require a corporate representative to produce a certified copy of the resolution of authorisation before permitting him to exercise his powers.

### **Amendments to resolutions**

An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if:

1.1.228 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

1.1.229 the proposed amendment does not, in the reasonable opinion of the chairman of the meeting, materially alter the scope of the resolution.

A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if:

1.1.230 the chairman of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed, and

1.1.231 the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.

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.

### **Written Resolutions**

A resolution of the members (or a class of members) may be passed as a written resolution in accordance with chapter 2 of part 13 of CA 2006.

## **PART 5**

### **MISCELLANEOUS PROVISIONS**

#### **Communications**

##### **Means of communication to be used**

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 of CA 2006 provides for documents or information which are authorised or required by any provision of CA 2006 to be sent or supplied by or to the Company.

Any notice, document or other information shall be deemed served on or delivered to the intended recipient:

1.1.232 if properly addressed and sent by prepaid United Kingdom first class post to an address in the United Kingdom, 48 hours after it was posted (or fifth working day if sent to or from a different country from that of the recipient);

1.1.233 if properly addressed and delivered by hand, when it was given or left at the appropriate address;

1.1.234 if properly addressed and sent or supplied by electronic means 48 hours after the document or information was sent or supplied; and

1.1.235 if sent or supplied by means of a website, when the material is first made available on the website or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on the website.

For the purposes of this Article 0, no account shall be taken of any part of a day that is not a working day.

In proving that any notice, document or other information was properly addressed, it shall be sufficient to show that the notice, document or other information was delivered to an address permitted for the purpose by of CA 2006.

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.

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.

In the case of joint holders of a share, all notices or documents shall be given to the joint holder whose name stands first in the register in respect of the joint holding. Notice so given shall be sufficient notice to all of the joint holders. Where there are joint holders of a share, anything which needs to be agreed or specified in relation to any notice, document or other information to be sent or supplied to them can be agreed or specified by any one of the joint holders. The agreement or specification of the joint holder whose name stands first in the register will be accepted to the exclusion of the agreement or specification of any other joint holder (s) whose name(s) stand later in the register.

The Company may give notice to the transmittee of a member, by sending or delivering it in any manner authorised by these Articles for the giving of notice to a member, addressed to that person by name, or by the title, of representative of the deceased or trustee of the bankrupt or representative by operation of law or by any like description, at the address (if any) within the United Kingdom supplied for the purpose by the person claiming to be so entitled. Until such an address has been so supplied, a notice may be given in any manner in which it might have been given if the death or bankruptcy or operation of law had not occurred.

## **ADMINISTRATIVE ARRANGEMENTS**

### **Company seals**

Any common seal may only be used by the authority of the directors.

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

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 either at least two authorised persons or by at least one authorised person in the presence of a witness who attests the signature.

For the purposes of this Article, an authorised person is:

1.1.236 any director of the Company;

1.1.237 the Company secretary (if any); or

1.1.238 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**

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 member.

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

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

## **DIRECTORS' INDEMNITY AND INSURANCE**

### **Indemnity**

Subject to Article 0, but without prejudice to any indemnity to which a relevant officer is otherwise entitled:

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

- (a) in the actual or purported execution and/or discharge of his duties, or in relation to them; and
- (b) in relation to the company's (or any associated company's) activities as trustee of an occupational pension scheme (as defined in section 235(6) of CA 2006),

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

1.1.240 the Company may provide any relevant officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings or application referred to in Article 1.1.239 and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure.

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.

In this Article 0:

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

1.1.242 a **relevant officer** means any director or alternate director or other officer or former director or other officer of the Company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of CA 2006) and may, if the members so decide, include any person engaged by the Company (or any associated company) as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor).

### **Insurance**

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

In this Article 0:

1.1.243 a **relevant officer** means any director or alternate director or other officer or former director or other officer of the Company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of CA 2006;

1.1.244 a **relevant loss** means any loss or liability which has been or may be incurred by a relevant officer in connection with that officer's duties or powers in relation to the Company, any associated company or any pension fund or employees' share scheme of the Company or associated company; and

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