

Ashurst

The Companies Act 2006

Articles of Association

Freedom Fibre Limited

Company Number: 13006400

Private company limited by shares
(adopted by special resolution on 21 March 2024)

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1. **Definitions and interpretation**

1.1 **In these Articles:**

10%+ Shareholder means a Shareholder that, together with its Shareholder Group, holds Shares representing an Equity Percentage of at least ten (10) per cent.;

90%+ Shareholder means a Shareholder that, together with its Shareholder Group, holds Shares representing an Equity Percentage of at least ninety (90) per cent.;

Adoption Date means 21 March 2024;

Affiliate means:

- (a) in relation to any individual: (i) a Privileged Relation; and/or (ii) an undertaking (as such term is defined in section 1161 of CA 2006) Controlled by such individual;
- (b) in relation to a body corporate, any person which is from time to time a parent undertaking or a subsidiary undertaking of that person or a subsidiary undertaking of any such parent undertaking; and
- (c) in relation to a Shareholder (other than a Seed Shareholder), the Ultimate Controller and any person Controlled by or under common Control with its Ultimate Controller;

Anti-Bribery Legislation means all applicable anti-money laundering, anti-corruption, and similar laws, regulations and orders, including but not limited to the U.S. Foreign Corrupt Practices Act of 1977, as amended, the United Kingdom Bribery Act 2010, the anti-bribery legislation of the European Union, as adopted and made applicable by its individual member states, and any applicable legislation enacted by member states and signatories implementing the Organisation for Economic Co-operation and Development's Convention on Combating Bribery of Foreign Officials in International Business Transactions;

Applicable Law means any applicable statute, law rule, regulation, guideline, ordinance, code, policy or rule of common law issued, administered or enforced by any Governmental Authority, or any judicial or administrative interpretation thereof including the rules of any regulated investment exchange;

appointor has the meaning given to it in Article 18.1;

Articles means these articles of association;

associated has the meaning given to it in Article 30.2(a);

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

Board means the board of Directors of the Company for the time being;

Business Day means any day of the week other than a Saturday, Sunday or a public holiday in London, Luxembourg or the United States;

CA 2006 means the Companies Act 2006;

Company's Lien has the meaning given in Article 31.1;

Company means Freedom Fibre Limited;

Control means, with respect to a person, the possession, direct or indirect, of the power to direct or cause the direction of the management or policy of such person, whether through ownership of voting securities, by contract or otherwise, and includes:

- (a) if the person is a body corporate:
 - (i) the ownership of the majority of the shares and/or the possession of the majority of the voting rights in that body corporate; or
 - (ii) the right to appoint or remove a majority of the board of directors (or equivalent governing body) of that body corporate, or to appoint or remove directors able to exercise a majority of the votes exercisable by directors on all or substantially all matters at a meeting of the board of directors (or equivalent governing body) of that body corporate; or
- (b) if the person is a Fund, being, having the right to be appointed as, or having the right to appoint the general partner, manager, operator or adviser to that Fund. In this context, the term "adviser" means a person that is engaged by a Fund with advice on the making or the management of investments by or of that Fund (as the case may be),

(and the term **Controlled** shall be interpreted accordingly to the foregoing);

Deed of Adherence has the meaning given in the Shareholders' Agreement;

Deferred Shares means deferred shares in the capital of the Company, having the rights and being subject to the restrictions in these Articles;

Director Conflict means any matter in which a Director has a direct or indirect interest that conflicts or is likely to conflict with its duty to the Company;

Directors means the directors for the time being of the Company and **Director** means any one of them;

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

Drag Along Notice has the meaning set out in Article 13.2;

Drag Along Right has the meaning set out in Article 13.1;

Drag Along Securities has the meaning set out in Article 13.1;

Drag Transfer Shares has the meaning set out in Article 13.1;

Dragged Shareholders has the meaning set out in Article 13.1;

Dragging Shareholders has the meaning set out in Article 13.1;

electronic form has the meaning given in Section 1168 of CA 2006;

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

Equitix Investor has the meaning given in the Shareholders' Agreement;

Equity Percentage means, on the date of determination, with respect to any Shareholder and in respect of Shares, a figure, expressed as a percentage, calculated by dividing:

- (a) the aggregate number of the Shares of the Company then held by such Shareholder; by
- (b) the aggregate number of the Shares of the Company then outstanding;

equity security has the meaning given in section 560(1) of the CA 2006;

Excess Transfer Notice has the meaning set out in Article 12.8;

Excess Transfer Shares has the meaning set out in Article 12.8;

Fair Market Value means the fair market value of any Shares calculated or determined by the Board or, where applicable, by an Independent Expert, applying the principles set out in Article 1.7 and Article 15.6;

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

Fund means any unit trust, investment trust, investment company, limited partnership, general partnership, collective investment scheme, pension fund, insurance company or any sole corporate or other person, in each case the assets of which are managed professionally for investment purposes;

Governmental Authority means:

- (a) the government of any jurisdiction (or any political or administrative subdivision thereof), whether provincial, state or local, and any department, ministry, agency, instrumentality, court, central bank or other authority thereof, including any entity directly or indirectly owned or controlled thereby;
- (b) any public international organisation or supranational body (including, the European Union or the United Kingdom) and its institutions, departments, agencies and instrumentalities; or
- (c) any quasi-governmental or private body or agency lawfully exercising, or entitled to exercise, any administrative, executive, judicial, legislative, regulatory, licensing, competition, tax or other governmental or quasi-governmental authority including, any Recognised Investment Exchange;

Group means the Company and its Subsidiaries from time to time, and **member of the Group** shall be construed accordingly;

InfraBridge Investor has the meaning given in the Shareholders' Agreement;

Independent Expert means a valuation expert (acting as an expert and not as an arbitrator) nominated by the Board and appointed by them on the basis set out in Article 15.9 or, in the event of disagreement as to nomination, appointed upon application by the Directors by the President at the relevant time of the Institute of Chartered Accountants in England and Wales;

Investor means any Shareholder that, together with its Shareholder Group, holds Shares representing an Equity Percentage of at least twenty (20) per cent.;

Majority Shareholder means any Shareholder which holds or whose Shareholder Group holds in aggregate Shares representing an Equity Percentage of more than fifty (50) per cent.;

Minority Shareholder means any Shareholder that, together with its Shareholder Group (where applicable), holds Shares representing an Equity Percentage ten (10) per cent. or less;

New Shares means any Shares of the Company issued after the Adoption Date;

ordinary resolution has the meaning given in Section 282 of CA 2006;

paid means paid or credited as paid;

Permitted Transferee means:

- (a) in respect of a Shareholder that is not a Seed Shareholder, any Affiliate of such Shareholder, including any funds, vehicles or accounts advised, managed and/or otherwise Controlled by such Shareholder or its Affiliates;
- (b) in respect of a Seed Shareholder:
 - (i) that Seed Shareholder's Privileged Relation(s) or transmittee; or
 - (ii) the Seed Shareholder's Qualified Family Vehicle for so long as such Qualified Family Vehicle remains controlled by the relevant Seed Shareholder;

person means a natural person, partnership, corporation, limited liability company, business trust, joint stock company, trust, unit trust, Fund, unincorporated association, joint venture or other entity or organisation;

Privileged Relation means a parent, step parent, spouse or civil partner and any children including step and adopted children of that Seed Shareholder who is not a minor;

Pro Rata Portion means, with respect to any Shareholder, in relation to any New Shares to be issued to a Shareholder, the Equity Percentage represented by the Shares held by such Shareholder prior to the issue of the New Shares;

Qualified Family Vehicle means a limited partnership, limited liability partnership, company, trust or other vehicle organised to achieve the estate or lifetime planning objective of a Seed Shareholder and which is Controlled by such Seed Shareholder;

Recognised Investment Exchange means any market of a recognised investment exchange as defined in section 1005(1) of the Income Tax Act 2007;

Related Party Contract has the meaning given to that term in the Shareholders' Agreement;

Sanctions means economic or financial sanctions or trade embargoes imposed, administered or enforced from time to time by any Sanctions Authority;

Sanctions Authority means the United Nations Security Council (as a whole and not its individual members), the U.S. government, including the list of Specially Designated Nationals and other sanctions administered by the Office of Foreign Assets Control of the United States Department of the Treasury, the United States Department of Commerce Bureau of Industry and Security, the United States Department of State, the European Union, and His Majesty's Treasury of the United Kingdom and any other national or supranational sanctions authority which has jurisdiction over a Shareholder (or any holding company thereof);

Sanctions Target means:

- (a) any individual or entity identified on any list maintained by a Sanctions Authority of parties with whom or with which transactions are prohibited or restricted; or
- (b) any entity majority-owned or Controlled by any of the foregoing;

Second Acceptance Notice has the meaning set out in Article 12.9;

Second Offer Period has the meaning set out in Article 12.8;

Second Sale Offer has the meaning set out in Article 12.8;

Seed Shareholder has the meaning given in the Shareholders' Agreement;

Seed Tag Notice has the meaning set out in Article 15.5;

Secretary means any person appointed to perform the duties of the secretary of the Company (including any deputy or assistant secretary) in accordance with Article 19;

Seed Shareholders has the meaning given in the Shareholders' Agreement;

Shareholder means a holder of Shares or Deferred Shares;

Shareholder Director has the meaning given in the Shareholders' Agreement;

Shareholder Group means, in respect of a Shareholder (other than a Seed Shareholder) that has given a Shareholder Group Notice (as defined in the Shareholders' Agreement) to the Company under and in accordance with the Shareholders' Agreement, such Shareholder and any of its Affiliates who hold any Shares from time to time;

Shareholders' Agreement means the shareholders' agreement dated 20 December 2023 and made between (1) the Equitix Investor, (2) the InfraBridge Investor, (3) TalkTalk Telecom Group Limited, (4) the Seed Shareholders and (5) the Company (as amended from time to time);

Shares means shares which have been issued in the capital of the Company including, for the avoidance of doubt, any New Shares which have been issued but excluding any Deferred Shares in issue;

special resolution has the meaning given in Section 283 of CA 2006;

Specified Proportion means, in relation to a Shareholder, a fraction the numerator of which is the total number of Shares held by the Shareholder (and, if applicable, its Affiliates) and the denominator of which is the total number of all the Shares (including the Shares held by that Shareholder (and, if applicable, its Affiliates)) in issue, expressed as a percentage;

Subsidiary means any subsidiary undertaking of the Company from time to time;

Tag-along Securities has the meaning set out in Article 14.1;

transfer means in relation to any Share: (a) a transfer, sale, assignment, pledge, hypothecation or other disposition of it; (b) the grant of an option or other right over it; or (c) the imposition of a restriction on disposition or voting in relation to it (including by operation of law);

Transfer Interest has the meaning set out in Article 12.3;

Transfer Notice has the meaning set out in Article 12.3;

Transfer Price has the meaning set out in Article 12.3;

Transfer Shares has the meaning set out in Article 12.3;

Transfer Terms has the meaning set out in Article 12.3;

Transferor means a Shareholder which proposes or is obliged to transfer all or some of its Shares in accordance with these Articles and/or the Shareholders Agreement and refers to the Shareholder both before and after registration of the relevant transfer of Shares;

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

Ultimate Controller has the meaning given in the Shareholders' Agreement; and

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

1.2 A reference in these Articles to:

- (a) an **article** is a reference to the relevant article of these Articles unless expressly provided otherwise;
- (b) any particular provision of the CA 2006 includes any statutory modification or re-enactment of that provision for the time being in force;
- (c) the expression "**to the extent**" shall be construed as "**if, but only to the extent**"; and
- (d) a transfer of Shares by a Shareholder exclude a transfer of shares, partnership interests or similar instruments evidencing ownership in the capital of that Shareholder (including if the board of directors of the Shareholder is required to take or approve any actions to register any such transfer in order for it to be effective) or in any holding company of that Shareholder.

1.3 The expressions **holding company**, **parent undertaking**, **subsidiary**, **subsidiary undertaking** and **body corporate** have the meanings given to them in CA 2006.

1.4 Whenever the words **include**, **includes**, **including**, **in particular** or any similar expressions are used in these Articles they shall be construed as illustrative and shall be deemed to be followed by the words "without limitation" and shall not limit the sense of the words preceding those expressions.

1.5 The meaning assigned to each term defined herein shall be equally applicable to both the singular and the plural forms of such term, and words denoting any gender shall include all genders. Where a word or phrase is defined herein, each of its other grammatical forms shall have a corresponding meaning.

1.6 The provisions of these Articles relating to general meetings and to the proceedings at such meetings shall apply to separate meetings of a class of shareholders.

1.7 References to **fair market value** shall be construed as the market value of the relevant Shares on the basis of:

- (a) an arm's length sale negotiated between a willing seller and a willing buyer of such Shares;

- (b) the Company carrying on as a going concern; and
- (c) no premium or discount applying in respect of:
 - (i) any transfer restrictions attaching to the relevant Shares under these Articles and in the Shareholders' Agreement; or
 - (ii) the fact that any particular holding of relevant Shares represents a minority or a majority interest in the Share capital of the Company.

2. Default Articles not to apply

Neither the regulations in The Companies (Model Articles) Regulations 2008 nor any other articles or regulations prescribing the form of articles applicable to the Company under any former enactment relating to companies shall apply to the Company.

3. Share capital

- 3.1 No Shares shall be allotted nor any right to subscribe for or to convert any security into shares shall be granted other than in accordance with the provisions of these Articles.
- 3.2 In accordance with section 567(1) of the CA 2006, sections 561 and 562 of the CA 2006 shall not apply to an allotment of equity securities (as defined in section 560(1) of the CA 2006) made by the Company.
- 3.3 Save as specified to the contrary in these Articles, the Shares will rank *pari passu* in all respects.
- 3.4 The liability of the Shareholders is limited to the amount, if any, unpaid on the Shares held by them.

4. Transfer of Shares

- 4.1 No Share (or any legal and/or beneficial interest therein) may be transferred and the Directors shall not register the transfer of any Share unless such transfer is made in accordance with the terms of these Articles.
- 4.2 Any variation of this Article 4 shall be deemed to be a variation of the rights of each class of Share in the capital of the Company.
- 4.3 Shares may be transferred by means of an instrument of transfer executed by or on behalf of the Transferor. Such instrument of transfer must be in hard copy form but may otherwise be in any usual form or any other form approved by the Directors.
- 4.4 No fee may be charged for registering any instrument of transfer or other document relating to or affecting the title to any share.
- 4.5 The Company may retain any instrument of transfer which is registered.
- 4.6 The Transferor remains the holder of the Shares concerned until the transferee's name is entered in the register of members in respect of those Shares.
- 4.7 The Directors may refuse to register the transfer of a Share, and if they do so, the instrument of transfer must be returned to the transferee with the notice of the refusal unless they suspect that the proposed transfer may be fraudulent.

5. **Transmission of Shares**

- 5.1 If title to a Share passes to a transmittee, the Company may only recognise the transmittee as having any title to that Share.
- 5.2 A transmittee who produces such evidence of entitlement to Shares as the Directors may reasonably require:
- (a) may, subject to the Articles, choose either to become the holder of those Shares or to have them transferred to another person, and
 - (b) subject to the Articles, and pending any transfer of the Shares to another person, has the same rights as the holder had.
- 5.3 A transmittee does 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 it is entitled, by reason of the holder's death or bankruptcy or otherwise, unless it becomes the holder of those Shares.

6. **Exercise of transmittees' rights**

- 6.1 A transmittee who wishes to become the holder of Shares to which it has become entitled must notify the Company in writing of that wish.
- 6.2 If the transmittee wishes to have a Share transferred to another person, the transmittee must execute an instrument of transfer in hard copy form in respect of it.
- 6.3 Any transfer made or executed under this Article 6 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.

7. **Transmittees bound by prior notices**

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

8. **Lien**

All Shares to be sold in the enforcement of the Company's lien or rights of forfeiture will be offered in accordance these Articles as if a Transfer Notice were deemed given in respect of such Shares and such Shares shall be offered pro rata to all Shareholders excluding the holder of such Shares.

9. **Issue of New Shares**

- 9.1 Subject to the Articles, but without prejudice to the rights attached to any existing Share, the Company may issue New Shares with such rights or restrictions as may be determined by ordinary resolution.
- 9.2 The Company may issue New 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 New Shares.
- 9.3 Subject to Article 9.7 and the terms of the Shareholders' Agreement, if the Company proposes to issue any New Shares to, or enter into any contracts, commitments, agreements, understandings or arrangements of any kind relating to the issuance of any New Shares with, any person (other than the Shareholders), the Company shall deliver to each Shareholder a written notice of such proposed issuance at least 30 Business

Days prior to the date of the proposed issuance (the period from the effectiveness of such notice until the date of such proposed issuance, the **Subscription Period**). Such written notice shall set out the relevant entitlement of each Shareholder for each class of New Shares and the aggregate subscription price for each such entitlement, which shall in each case be based on the last valuation of the Company approved by the Board.

- 9.4 Each Shareholder (a **Participating Shareholder**) shall have the option, exercisable at any time during the first ten Business Days of the Subscription Period, by delivering written notice to the Company and on the same terms as those of the proposed issuance of such New Shares to each other person, to subscribe for (or to nominate any person that would be eligible to be its Permitted Transferee to subscribe on its behalf for, subject to such nominee adhering to the terms of the Shareholders' Agreement) any number of such New Shares up to such Participating Shareholder's Pro Rata Portion of any such New Shares (rounded to the nearest unit number). If a Shareholder fails to deliver a notice referred to in this Article 9.4 for the offered New Shares within the ten Business Day period referred to in this Article 9.4, any rights which such Shareholder may have had to subscribe for any of such offered New Shares shall be extinguished.
- 9.5 In the event that any Participating Shareholder elects to purchase less than the maximum number of New Shares for which it may subscribe pursuant to Article 9.4, the Company shall deliver to each other Participating Shareholder a written notice thereof not later than the 12th Business Day of the Subscription Period, including the number of New Shares which were subject to the subscription right and were not elected to be subscribed for by the declining Shareholder and such Participating Shareholder may subscribe for such New Shares before the expiration of the Subscription Period.
- 9.6 If less than all of the offered New Shares are subscribed for during the Subscription Period, then on the expiry of the Subscription Period, the Company shall have the option to:
- (a) complete a portion of the offering within 60 Business Days from the date of the notice referred to in Article 9.4 for such number of offered New Shares subscribed for by the Participating Shareholders only;
 - (b) complete the offering within 60 Business Days from the date of the notice referred to in Article 9.3 for the total number of offered New Shares, partly with the Participating Shareholders in the amounts subscribed for by the Participating Shareholders and the remainder with one or more persons other than any Participating Shareholders upon the same terms and conditions as the terms set out in the notice referred to in Article 9.4, subject to such persons having become a party to the Shareholders' Agreement by executing a Deed of Adherence; or
 - (c) not to complete the offering and give notice of cancellation of the offering to the Shareholders.
- 9.7 Articles 9.3 to 9.6 (inclusive) shall not apply in respect of any issue of New Shares that is expressly permitted, required or provided for under, and in accordance with, the terms of any written instrument to which the Company and Shareholders holding Shares representing at least ninety (90) per cent. by Equity Percentage are parties from time to time, including the Shareholders' Agreement.
10. **Share Transfer Restrictions**
- 10.1 Any transfer of any Share or any interest in any Share will be void and have no effect, and the Board will not register the transfer of any Share or any interest in any Share, in each case, unless the transfer is either:
- (a) to a Permitted Transferee;

- (b) expressly permitted, required or provided for under, and in accordance with, the terms of any written instrument to which the Company and Shareholders holding Shares representing at least ninety (90) per cent. by Equity Percentage are parties from time to time, including the Shareholders' Agreement;
 - (c) a transfer made in accordance with Article 13; or
 - (d) a transfer made in accordance with Article 14.
- 10.2 Notwithstanding any other provision of these Articles, no transfer of any Share will be made or registered without the written consent of each Investor if it is to:
- (a) any person who lacks the legal right, power or capacity to directly or indirectly own such Shares;
 - (b) if such transfer requires the registration or other qualification of such Shares pursuant to any applicable securities laws;
 - (c) if such transfer would result in a violation of Anti-Bribery Legislation or Sanctions laws, regulations or governmental orders applicable to a Shareholder or Affiliate thereof;
 - (d) if such transfer would be to a Sanctions Target;
 - (e) if such transfer would be to a third party who or which has failed to satisfy the bona fide know-your-customer and anti-money laundering requirements of any of the Investors;
 - (f) if, in relation to the transfer, the proposed transferee is a Competitor (as defined in the Shareholders' Agreement); or
 - (g) any person (other than any applicable transferee where the provisions set out in Articles 13 and 14 have been complied with) who has not executed a Deed of Adherence to, and in the manner required by, the Shareholders' Agreement.

11. **General Transfer Restrictions**

11.1 No Shareholder shall transfer any Shares, other than:

- (a) at any time:
 - (i) to a Permitted Transferee, provided that the Shareholder shall give (or instruct the Company to give) the Investors reasonable prior written notice before transferring any Shares to any Permitted Transferee; or
 - (ii) in the case of a transfer by an Investor that is either the largest Investor or the second largest Investor by Equity Percentage, to an Investor that is either the largest Investor or the second largest Investor by Equity Percentage; or
 - (iii) with the prior written consent of all of the Investors (or, where the Transferor is an Investor, the other Investors);
- (b) if such transfer of Shares is required under the exercise of any security under any debt financing arrangements of the Company; or
- (c) if such transfer of Shares is otherwise expressly permitted, required or provided for in the Shareholders' Agreement,

in each case subject to Articles 13 and 14 and any restrictions set out in any written instrument to which the Company and Shareholders holding Shares representing at least ninety (90%) per cent. by Equity Percentage are parties from time to time, including the Shareholders' Agreement.

- 11.2 No Minority Shareholder shall transfer any Shares unless such Minority Shareholder transfers all of the Shares which it holds.
- 11.3 All transfers of Shares must comply with these Articles, including this Article 11. Any purported transfer of Shares in violation of these Articles shall be null and void, and the Company shall not in any way give effect to any such transfer.
- 11.4 If any person to which any Shares have been transferred pursuant to the definition of Permitted Transferee ceases to be a Permitted Transferee of the Transferor, such person shall promptly transfer to the Transferor (or to another Permitted Transferee of such Shareholder) all of the Shares it holds and, until such further transfer has occurred, all of the voting and/or economic rights with respect to the Shares so transferred shall be suspended.
- 11.5 Unless otherwise approved by the Board, no transfer of Shares may be made or recorded in the books and records of the Company unless the transferee delivers to the Company notice of such transfer (together with reasonable supporting evidence of such transfer), including any agreements or other documents required by these Articles and a Deed of Adherence, and any applicable stamp duty or other similar transfer taxes have been paid in respect of such transfer to the reasonable satisfaction of the Company.

12. **Transfers of Shares subject to Right of First Refusal**

- 12.1 This Article 12 shall not apply to a transfer of Shares in accordance with Article 11.1(a) or Article 11.1(b).
- 12.2 Unless expressly permitted, required or provided for in these Articles, a Shareholder may transfer all or any of its Shares only if: (i) the transfer is conducted in accordance with the provisions of this Article 12 (or, in the case of a transfer by a Seed Shareholder, Article 15); (ii) expressly permitted or required to do so pursuant to Article 11.4, Article 13, Article 14 or Article 15 or in the Shareholders' Agreement; or (iii) if any of the exceptions referred to in Article 12.1 apply.
- 12.3 If one or more Transferor(s) wish to transfer all or any of their respective Shares to any third party (**Transfer Interest**), each such Transferor must first notify the other non-selling Shareholders (**Non-Selling Shareholders**) in writing of the proposed transfer (**Transfer Notice**) specifying:
 - (i) the number of Shares it or they propose to transfer (**Transfer Shares**);
 - (ii) the price per share at which the Transferor(s) wish to transfer the Transfer Shares (**Transfer Price**); and
 - (iii) any other terms and conditions on which the Transferor(s) wish to transfer the Transfer Shares (**Transfer Terms**).

The Transfer Notice constitutes an offer (the **Sale Offer**) for the sale of the Transfer Shares capable of acceptance by a Non-Selling Shareholder within 60 days of the issue of the Transfer Notice (the **Offer Period**). Two or more Transferors may give a joint Transfer Notice (a **Joint Transfer Notice**) where such Transferors wish to transfer all or any of their respective Shares to the same third party and, if they do so, this Article 12 shall apply as if the Transfer Notice had been given by each of them and references in

this Article 12 to a Transfer Notice shall be construed as a reference to a Joint Transfer Notice, as applicable.

- 12.4 Each Non-Selling Shareholder may, by giving an irrevocable written notice to the Transferor(s) (**Acceptance Notice**) within the Offer Period, accept the Sale Offer in respect of all or some of the Transfer Shares on its own behalf or on behalf of an Affiliate of that Non-Selling Shareholder. For the purposes of this Article 12, the phrase **Non-Selling Shareholder** shall be deemed to include any entity so nominated.
- 12.5 If a Non-Selling Shareholder does not give an Acceptance Notice to the Transferor(s) within the Offer Period it is deemed to have rejected the Sale Offer.
- 12.6 Subject to Article 11.5, each Acceptance Notice must be unconditional save for any mandatory regulatory condition.
- 12.7 If, within the Offer Period, the Transferor(s) receives acceptances for more than or equal to 100 per cent of the Transfer Shares then each Non-Selling Shareholder who sent an Acceptance Notice shall be obliged (subject to any applicable mandatory regulatory conditions) to purchase a number of Transfer Shares reflecting, as nearly as possible, the number of Transfer Shares represented by its (together with its Affiliates) Specified Proportion (excluding, for the purposes of the denominator, the Transfer Shares) of the total number of Transfer Shares.
- 12.8 If the number of Transfer Shares exceeds the number of acceptances received from the Non-Selling Shareholders during the Offer Period (those Transfer Shares that were not accepted being the **Excess Transfer Shares**), the Transferor(s) shall, within 7 days of the end of the Offer Period, give each Non-Selling Shareholder who sent an Acceptance Notice (a **Participating Non-Selling Shareholder**) notice in writing (**Excess Transfer Notice**) offering to sell all of the Excess Transfer Shares to the Participating Non-Selling Shareholder at the Transfer Price and on the Transfer Terms specified in the Transfer Notice. The Excess Transfer Notice constitutes an offer (the **Second Sale Offer**) for the sale of the Excess Transfer Shares capable of acceptance by a Participating Non-Selling Shareholder within 15 days of the issue of the Excess Transfer Notice (the **Second Offer Period**). Two or more Transferors may give a joint Excess Transfer Notice (a **Joint Excess Transfer Notice**) where such Transferors wish to transfer all or any of their respective Shares to the same third party and, if they do so, this Article 12 shall apply as if the Excess Transfer Notice had been given by each of them and references in this Article 12 to an Excess Transfer Notice shall be construed as a reference to a Joint Excess Transfer Notice, as applicable.
- 12.9 Each Participating Non-Selling Shareholder may, by giving an irrevocable written notice to the Transferor(s) (**Second Acceptance Notice**) within the Second Offer Period, accept the Second Sale Offer in respect of all or some of the Excess Transfer Shares on its own behalf or on behalf of an Affiliate of that Participating Non-Selling Shareholder. For the purposes of this Article 12, the phrase **Participating Non-Selling Shareholder** shall be deemed to include any entity so nominated.
- 12.10 If a Participating Non-Selling Shareholder does not give a Second Acceptance Notice to the Transferor(s) within the Second Offer Period it is deemed to have rejected the Second Sale Offer.
- 12.11 Subject to Article 11.5, each Second Acceptance Notice must be unconditional save for any mandatory regulatory condition.
- 12.12 If, within the Second Offer Period, the Transferor(s) receives acceptances for more than or equal to 100 per cent of the Excess Transfer Shares then each Participating Non-Selling Shareholder who sent an Acceptance Notice shall be obliged (subject to any

applicable mandatory regulatory conditions) to purchase a number of Excess Transfer Shares reflecting, as nearly as possible, the number of Excess Transfer Shares represented by its (together with its Affiliates) Specified Proportion (excluding, for the purposes of the denominator, the Excess Transfer Shares) of the total number of Excess Transfer Shares.

- 12.13 The transfer of Transfer Shares to Non-Selling Shareholders (and, as applicable, Excess Transfer Shares to Participating Non-Selling Shareholders) must be completed on the later of: (i) the 10th Business Day after the last day of the Offer Period; or (ii) if Article 12.8 applies, the 10th Business Day after the last day of the Second Offer Period, and in each case the Transferor(s) must sell and the relevant Non-Selling Shareholders must purchase the relevant Transfer Shares and Excess Transfer Shares; except that if an Acceptance Notice or a Second Acceptance Notice is subject to any applicable mandatory regulatory condition, the transfer must be completed within such time as the Transferor(s) and Non-Selling Shareholders agree, having regard to the condition.
- 12.14 If: (i) at the end of any Second Offer Period, the number of Excess Transfer Shares exceeds the number of acceptances received from the Participating Non-Selling Shareholders; or (ii) if relevant Non-Selling Shareholders fail to purchase Transfer Shares (or Excess Transfer Shares) in accordance with Article 12.13, the Transferor may within 180 days of the end of the Offer Period, withdraw the Sale Offer (and the Second Sale Offer) and transfer all of the Transfer Shares to a third party on terms no more favourable to the third party than the Transfer Price and the Transfer Terms specified in the Transfer Notice and subject to the terms of the Shareholders' Agreement.

13. **Drag Along**

- 13.1 Subject to: (a) having first complied with Article 12; and (b) the terms of the Shareholders' Agreement, if one or more Transferors (in this Article 13 collectively referred to as the **Dragging Shareholders**) wish to transfer their Shares (**Drag Transfer Shares**) to a third party purchaser (the **Buyer**) under an arm's length bona fide offer and the Drag Transfer Shares constitute seventy (70) per cent or more of the Equity Percentage at that time, then:

- (a) the Dragging Shareholders are entitled to transfer their Drag Transfer Shares to the Buyer; and
- (b) the Dragging Shareholders will have the right by written notice in accordance with Article 13.2 to require all other Shareholders (the **Dragged Shareholders**) to transfer to the Buyer all of the Shares held by each Dragged Shareholder (the **Drag Along Securities**) in accordance with the provisions of this Article 13 (**Drag Along Right**).

- 13.2 The Dragging Shareholders may exercise their Drag Along Right by serving a notice in writing (**Drag Along Notice**) signed by each Dragging Shareholder on the Company and the Dragged Shareholders specifying:

- (a) that the Dragging Shareholders are exercising their Drag Along Right;
- (b) the price per Drag Transfer Share at which the Buyer has offered to purchase the Drag Transfer Shares, provided that if the sale price is not fixed, then it will be sufficient for the Drag Along Notice to describe the sale price in a way that makes it capable of calculation or determination;
- (c) the identity of the Buyer;

- (d) any material terms and conditions attached to the offer from the Buyer, including any reasonable warranties requested by the Buyer (and related indemnities and purchase price adjustments), but excluding warranties specific to the Dragging Shareholders; and
 - (e) the date on which the sale to the third party is expected to be completed, which date must be at least 10 Business Days after the date of the Drag Along Notice.
- 13.3 Each Shareholder must transfer its Drag Along Securities to the Buyer at the price and on the terms set out in the Drag Along Notice, unless the Dragging Shareholders decide not to sell the Drag Along Securities to the Buyer or the agreement with the Buyer governing the transaction to which the Drag Along Notice relates is terminated.
- 13.4 Completion of the transfer of each Shareholder's Drag Along Securities shall take place on the same date as the completion of the sale to the third party purchaser (the **Drag Completion Date**), unless the Dragging Shareholders and the third party purchaser give prior written notice to the Board confirming that the completion of the transfer of that Shareholder's Drag Along Securities will take place after the Drag Completion Date and specifying the proposed date of the transfer, in which case completion of that transfer shall take place on the proposed date specified in such notice.
- 13.5 In order to effect completion of the transfer of the Drag Along Securities, the Buyer shall transfer the purchase price for the Drag Along Securities to the Company and the Dragging Shareholders shall deliver duly executed transfer forms and/or instruments for the Drag Along Securities, together with the relevant certificates, to the Company. The Company's receipt of the purchase price shall be a good discharge to the Buyer which shall not be bound to see to the application of those moneys. The Company shall hold the purchase price in trust for the Dragged Shareholders without any obligation to pay interest.
- 13.6 If any Dragged Shareholder fails to deliver a duly executed transfer form and/or instrument for its Drag Along Securities to the Company by completion, the Company shall authorise any Director to transfer such Drag Along Securities on behalf of the relevant Dragged Shareholders to the Buyer to the extent the Buyer has, by completion, put the Company in funds to pay the purchase price. The Directors shall then authorise registration of the transfer (in the case of any share transfer once appropriate stamp duty has been paid). Any defaulting Dragged Shareholder shall surrender its certificates (or an express indemnity in a form reasonably satisfactory to the Buyer in the case of any certificate found to be missing) for its Drag Along Securities to the Company.
- 13.7 On surrender, such Dragged Shareholder shall be entitled to its relevant proportion of the purchase price but shall not be entitled to any interest which may have been earned by the Company on that amount.
- 14. **Tag Along**
- 14.1 If one or more Transferor(s) have issued a Transfer Notice pursuant to Article 12.3 in respect of the proposed transfer of such number of Transfer Shares as represents an aggregate Specified Proportion of seventy (70) per cent. or more to any third party purchaser, a Non-Selling Shareholder may, provided a Drag Along Notice has not been exercised in accordance with Article 13, send a written notice signed by such Non-Selling Shareholder to the Transferor(s) within 28 days of the issue of the relevant Transfer Notice, copied to the Company, electing to sell all (but not only some) of its Shares (the **Tag-along Securities**) to the relevant third party purchaser at the same price as and on no less favourable terms than those contained in the Transfer Notice.

- 14.2 If one or more Transferor(s) have received the prior written consent of the Investors under Article 11.1(a)(iii) to transfer such number of Shares as represents an aggregate Specified Proportion of seventy (70) per cent or more to any third party:
- (a) the Transferor(s) must notify the Non-Selling Shareholders of the proposed transfer by giving them a written notice containing the same information as a Transfer Notice (with such notice being treated as a Transfer Notice for the purposes of this Article 14.2(a)) at least 28 days prior to the date on which it intends to transfer the relevant Shares to the third party purchaser; and
 - (b) any Non-Selling Shareholder may send a written notice signed by such Non-Selling Shareholder to the Transferor(s) within 25 days of the issue of the Transfer Notice (with a copy sent to the Company) electing to sell all of its Shares (which shall be Tag-along Securities for the purposes of this Article 14) to the relevant third party purchaser at the same price as and on no less favourable terms than those contained in the Transfer Notice.
- 14.3 If a written notice is given by any Non-Selling Shareholder in accordance with Article 14.1 or Article 14.2, the Transferors shall then be prohibited from selling the Transfer Interest to the relevant third party purchaser unless the relevant third party purchaser agrees to purchase the Tag-along Securities at the same time, at the same cash price as and on no less favourable terms than those contained in the Transfer Notice.
15. **Transfers by Seed Shareholders**
- 15.1 This Article 15 shall not apply to a transfer of Shares by a Seed Shareholder to a Permitted Transferee.
- 15.2 If any Seed Shareholder wishes to transfer his Shares, the Equitix Investor shall have a right of first refusal on such Shares and the provisions of Article 12 (other than Article 12.14) shall apply *mutatis mutandis* with the Equitix Investor as the only Non-Selling Shareholder for the purposes of this Article 15.2.
- 15.3 If the Equitix Investor rejects or is deemed to reject the Sale Offer pursuant to Article 15.2, the InfraBridge Investor shall have a right of first refusal on such Shares and the provisions of Article 12 shall apply *mutatis mutandis* (other than Article 12.14) with the InfraBridge Investor as the only Non-Selling Shareholder for the purposes of this Article 15.3.
- 15.4 If the InfraBridge Investor rejects or is deemed to reject the Sale Offer pursuant to Article 15.3, the relevant Seed Shareholder must obtain the written consent of each Investor (such consent not to be unreasonably withheld) prior to any transfer by it of Shares to a third party.
- 15.5 Further to the provisions at Article 13 (Drag Along) and Article 14 (Tag Along), a Seed Shareholder may serve a written notice (**Seed Tag Notice**) requiring a 90%+ Shareholder to acquire the Seed Shareholder's Shares for Fair Market Value within 20 Business Days of the date on which the Fair Market Value of the Shares to be transferred by the Seed Shareholder has been calculated by the Board (and agreed or deemed to have been agreed by the Seed Shareholder pursuant to Article 15.7) or determined by an Independent Expert in accordance with Articles 15.6 to 15.9 below; except that if such transfer is subject to any regulatory condition, the transfer must be completed within such time as the Seed Shareholder who or which served the Seed Tag Notice and the 90+% Shareholder agree, having regard to such regulatory condition.
- 15.6 The Fair Market Value for the purposes of this Article 15 shall be the fair market value of the Shares to which the Seed Tag Notice applies calculated by the Board in accordance

with Article 1.7 and shall be determined by reference to a percentage of the market value of the total issued Share capital of the Company, such percentage being equal to the percentage of the total share capital represented by the Shares to which the Seed Tag Notice applies.

- 15.7 The Company shall notify the Seed Shareholder that has given the Seed Tag Notice and the 90%+ Shareholder in writing of the Board's calculation of the Fair Market Value of the Shares to which the Seed Tag Notice applies. No later than ten (10) Business Days after the date of the notice given by the Company pursuant to this Article 15.7, the Seed Shareholder shall notify the Company in writing whether he agrees or disagrees that the Board's calculation reflects the fair market value of the Shares to be transferred by him. If the Company has not received a written notice from the Seed Shareholder stating whether he agrees or disagrees with the Board's calculation, he will be deemed to have agreed with the Board's calculation and Article 15.8 shall not apply.
- 15.8 If the Seed Shareholder that has given a Seed Tag Notice notifies the Board in writing that he disagrees that the determination of the Fair Market Value reflects the fair market value of the Shares to be transferred by him (as determined in accordance with Article 15.7 above and within the time period specified in Article 15.7), the Seed Shareholder shall notify the Board in writing, upon receipt of which the Board shall instruct an Independent Expert to certify the Fair Market Value as soon as reasonably practicable on the basis set out in Article 15.9 below and its decision shall (in the absence of fraud or manifest error) be final and binding on the parties. The Board is authorised to engage an Independent Expert jointly on behalf of itself and the relevant Seed Shareholder and to agree the Independent Expert's engagement letter (on customary terms for these purposes) on behalf of itself and the relevant Seed Shareholder. The costs of the Independent Expert shall be paid by the Company.
- 15.9 For the purposes of determining the Fair Market Value, the Independent Expert shall be instructed to act on the following basis:
- (a) he shall act as an expert and not as an arbitrator;
 - (b) his terms of reference shall include a requirement to seek to make the relevant determination within 30 days of acceptance of his appointment; and
 - (c) he shall decide the procedure to be followed in the determination having regard to the provisions of the Shareholders' Agreement.

16. **Events of Default**

- 16.1 If a Trigger Event (as defined in the Shareholders' Agreement) occurs in relation to a Shareholder (the affected Shareholder being the "**Trigger Shareholder**"), the following consequences shall apply (unless each Investor agrees otherwise in writing or if the Trigger Shareholder is an Investor, each other Investor agrees otherwise in writing):
- (a) the Trigger Shareholder will be deemed to have given a Transfer Notice in respect of the Trigger Securities (as defined in the Shareholders' Agreement) in accordance with the Shareholders' Agreement to the Non-Selling Shareholders at a Transfer Price to be determined in accordance with Article 16.1(e); and
 - (b) subject to Applicable Law, all voting rights conferred on the Trigger Shareholder in respect of its Shares or under these Articles will be suspended and the Shareholders shall procure that any Shareholder Director appointed by such Shareholder to the Board is removed from office, in each case until such time as the Trigger Event is remedied.

- (c) Each Non-Selling Shareholder will have the right to acquire its Specified Proportion (excluding for the purposes of the denominator, the Trigger Securities) of the Trigger Securities in accordance with the procedure set out in Article 12, save that:
 - (i) the Transfer Price shall be the price determined in accordance with Article 16.1(e);
 - (ii) the Offer Period will be a period of 90 calendar days from the date of determination of the Transfer Price in accordance with Article 16.1(e); and
 - (iii) Article 12.14 shall not apply.
- (d) Any rights or entitlements accruing to a Non-Selling Shareholder to purchase Trigger Securities may be exercised by, or assigned to, any Affiliate of that Non-Selling Shareholder.
- (e) The Fair Market Value for the purposes of this Article 16 shall be the fair market value of the Trigger Securities calculated by the Board in accordance with Article 1.7 and shall be determined by reference to a percentage of the market value of the total issued Share capital of the Company, such percentage being equal to the percentage of the total issued share capital represented by the Trigger Securities.
- (f) If a Trigger Shareholder disagrees that the determination of the Fair Market Value reflects the fair market value of the Shares to be transferred by him (as determined in accordance with Article 16.1(e) above), the Board shall instruct an Independent Expert to certify the fair market value as soon as reasonably practicable on the basis set out in Article 16.1(g) below and its decision shall (in the absence of fraud or manifest error) be final and binding on the parties. The Board is authorised to engage an Independent Expert jointly on behalf of itself and the relevant Trigger Shareholder and to agree the Independent Expert's engagement letter (on customary terms for these purposes) on behalf of itself and the relevant Trigger Shareholder. The costs of the Independent Expert shall be paid by the Company.
- (g) For the purposes of determining the Fair Market Value, the Independent Expert shall be instructed to act on the following basis:
 - (i) he shall act as an expert and not as an arbitrator;
 - (ii) his terms of reference shall include a requirement to seek to make the relevant determination within 30 days of acceptance of his appointment;
 - (iii) he shall decide the procedure to be followed in the determination having regard to the provisions of the Shareholders' Agreement.
- (h) If: (i) at the end of any Second Offer Period to which this Article 16 applies, the number of Excess Transfer Shares exceeds the number of acceptances received from the Participating Non-Selling Shareholders; and (ii) the Trigger Event is a Change of Control (as defined in the Shareholders' Agreement), the voting rights conferred on the Trigger Shareholder in respect of its Shares or under these Articles shall be restored to the Trigger Shareholder.

17. **Directors**

17.1 **Numbers**

There shall be a minimum of one Director (excluding any alternate director) in office at all times.

17.2 Directors' general authority

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

17.3 Shareholders' reserve power

- (a) The Shareholders may, by special resolution, direct the Directors to take, or refrain from taking, specified action.
- (b) No such special resolution invalidates anything which the Directors have done before the passing of the resolution.

17.4 Directors may delegate

- (a) Subject to the Articles, the Directors may delegate any of the powers which are conferred on them under the Articles:
 - (i) to such person (who need not be a Director) or committee (comprising any number of persons, who need not be Directors);
 - (ii) by such means (including by power of attorney);
 - (iii) to such an extent;
 - (iv) in relation to such matters or territories; and
 - (v) on such terms and conditions,as they think fit.
- (b) If the Directors so specify, any such delegation may authorise further delegation of the Directors' powers by any person to whom they are delegated.
- (c) Any reference in these Articles to the exercise of a power or discretion by the Directors shall include a reference to the exercise of a power or discretion by any person or committee to whom it has been delegated.
- (d) The Directors may revoke any delegation in whole or part or alter its terms and conditions.

17.5 Appointment

Any person who is willing to act as a Director, and is permitted by law to do so, may be appointed to be a Director:

- (a) by ordinary resolution;
- (b) by a decision of the Directors; or
- (c) in accordance with the terms of the Shareholders' Agreement.

17.6 Removal

Subject to the terms of the Shareholders' Agreement:

- (a) any Director of the Board may be removed (with or without cause), and a substitute Director appointed, from time to time and at any time, by an ordinary resolution of the Shareholders; and

- (b) a Director shall be removed (with or without cause) and a substitute Director appointed, promptly upon written request by such Director's appointing Shareholder, respectively, by an ordinary resolution of the Shareholders.

17.7 Termination of Directors' appointment

- (a) A person ceases to be a Director as soon as:
 - (i) that person ceases to be a Director by virtue of any provision of CA 2006 or is prohibited from being a director by law;
 - (ii) a bankruptcy order is made against that person;
 - (iii) a composition is made with that person's creditors generally in satisfaction of that person's debts;
 - (iv) 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;
 - (v) by reason of that person's mental health, a court makes an order which wholly or partly prevents that person from personally exercising any powers or rights which that person would otherwise have;
 - (vi) 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; or
 - (vii) that person is absent from meetings of Directors for six months without permission and the Directors have resolved that that person should cease to be a Director.
- (b) If a Director holds an appointment to an executive office which automatically terminates on termination of his office as a Director, his removal from office pursuant to this Article 17.7 shall be deemed an act of the Company and shall have effect without prejudice to any claim for damages for breach of any contract of service between him and the Company.

17.8 Chair

The chairperson of the Board (the **Chair**) shall be appointed in accordance with the terms of the Shareholders' Agreement.

17.9 Directors' remuneration

Subject to the provisions of the Shareholders' Agreement:

- (a) Directors may undertake any services for the Company that the Directors decide;
- (b) Directors are entitled to such remuneration as the Directors determine:
 - (i) for their services to the Company as Directors; and
 - (ii) for any other service which they undertake for the Company;
- (c) subject to the Articles, a Director's remuneration may:
 - (i) take any form; and

- (ii) 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; and
- (d) unless the Directors decide otherwise, Directors' remuneration accrues from day to day.

17.10 **Directors' expenses**

The Company may pay any reasonable expenses which the Directors properly incur in connection with their attendance at:

- (i) meetings of Directors or committees of Directors;
- (ii) general meetings; or
- (iii) 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.

18. **Alternate directors**

18.1 **Appointment of alternate directors**

- (a) A Director (other than an alternate director) (**appointor**) may by notice in writing delivered to the Company, or in any other manner approved by the Board, appoint any Director or any other person willing to act to be his alternate.
- (b) The appointment of an alternate director who is not already a Director or alternate director shall not be effective until his consent to act as a director in the form prescribed by the CA 2006 has been received by the Company.

18.2 **Rights and responsibilities of alternate directors**

- (a) An alternate director shall (subject to his giving to the Company an address within the United Kingdom at which notices may be served on him) have the same rights in relation to any decision of the Board as his appointor and, in particular, shall (without limitation) be entitled to receive notice of all meetings of the Board and all committees of which his appointor is a member and, in the absence from such meetings of his appointor, to attend and vote at such meetings and to exercise all the powers, rights, duties and authorities of his appointor (other than the power to appoint an alternate director).
- (b) An alternate director shall have the same capacity as any other Director to execute a document in the name of the Company or to attest the affixing of its seal.
- (c) A person who is an alternate director but not a Director:
 - (i) may be counted as participating for the purposes of determining whether a quorum is participating (but only if that person's appointor is not participating); and
 - (ii) may participate in a unanimous decision of the Board (but only if that person's appointor is not participating).
- (d) A Director acting as alternate director shall have a separate vote for each Director for whom he acts as alternate in addition to his own and he shall be counted as

part of the quorum on his own account and in respect of each Director for whom he is the alternate. A person (not himself a Director) who acts as alternate director for more than one Director shall have a separate vote for each Director for whom he acts as alternate and he shall be counted as part of the quorum in respect of each Director for whom he is the alternate.

- (e) An alternate director shall be entitled to contract and be interested in and benefit from contracts or arrangements with the Company and to be repaid expenses and to be indemnified in the same way and to the same extent as a Director. However, he shall not be entitled to receive from the Company any fees for his services as alternate, except only such part (if any) of the fee payable to his appointor as such appointor may by notice to the Company direct.
- (f) Every person acting as an alternate director shall be an officer of the Company, shall alone be responsible to the Company for his own acts and defaults and shall not be deemed to be the agent of the Director appointing him.

18.3 Termination of appointment of alternate director

An alternate director shall cease to be an alternate director:

- (a) if his appointor revokes his appointment by notice in writing delivered to the Company, or in any other manner approved by the Directors;
- (b) if his appointor ceases for any reason to be a Director; or
- (c) if any event happens in relation to him which causes his office as Director to be vacated or (if not himself a Director) would do so if he were himself a Director.

19. Secretary

If the Directors so resolve, a Secretary shall be appointed on such terms as the Directors think fit. Any Secretary so appointed may at any time be removed from office by the Directors, but without prejudice to any claim for damages for breach of any contract of service between him and the Company.

20. Committees

- 20.1 The Directors may make regulations in relation to the procedures of committees or sub-committees to whom their powers or discretions have been delegated or sub-delegated.
- 20.2 Subject to any such regulations, the meetings and procedures of any committee or sub-committee shall be governed by the provisions of these Articles regulating the meetings and procedures of Directors.

21. Proceedings of the Board

- 21.1 The Board shall hold a meeting once a month (unless otherwise agreed by each 10%+ Shareholder) and otherwise as circumstances require, which shall be held within the jurisdiction in which the Company is domiciled or such other location as agreed by the Investors.
- 21.2 Resolutions of the Board shall each be decided by a majority of the votes of those directors present and entitled to vote and each director shall have one vote provided that:
 - (a) for so long as there is a Majority Shareholder, each resolution put to the Board shall require at least one Shareholder Director appointed by the Majority

Shareholder (or its Shareholder Group) to vote in favour of it for the resolution to be passed; and

- (b) where the number of Shareholder Directors appointed by a Shareholder (together with its Shareholder Group) at any time is less than the number of Shareholder Directors that such Shareholder (together with its Shareholder Group) is entitled to appoint, the directors appointed by that Shareholder (together with its Shareholder Group) at such time shall have such number of votes among them as equals the total number of votes held by all directors that such Shareholder (together with its Shareholder Group) is entitled to appoint.

- 21.3 If the number of votes for and against a proposal are equal, the Chair shall not have a casting vote.
- 21.4 Meetings of the Board shall be called by the Chair at the written request of any Director, unless otherwise agreed by the Shareholders.
- 21.5 The meetings of the Board shall be called by written notice. Such notice shall include a detailed agenda of matters to be discussed at such meeting. This written notice shall be sent at least four (4) Business Days prior to the date set for the meeting by electronic mail to each of the Directors at the address on record in the registers of the Company. The written notice of a meeting shall enclose a pack providing reasonable details and supporting information of all agenda items and shall be sent for reference to any observers appointed in accordance with Article 21.12 at the same time the notice is sent to Directors.
- 21.6 The meetings of the Board will be in English, as well as the supporting information pack provided to the Directors.
- 21.7 In order for a meeting of the Board to be quorate, at least one Director (or its alternate) appointed by each 10%+ Shareholder (or Shareholder Group) must be present.
- 21.8 At a Directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.
- 21.9 If a quorum is not present, the meeting will be adjourned for up to two calendar days and the quorum of the reconvened meeting shall be a majority of the Directors then holding office.
- 21.10 In determining whether Directors are participating in a Directors' meeting, it is irrelevant where any Director is or how they communicate with each other.
- 21.11 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.
- 21.12 Each 10%+ Shareholder may appoint one observer to attend any meetings of the Board, for so long as that Shareholder (together with its Shareholder Group) is a 10%+ Shareholder.
- 21.13 Each Director may appoint an alternate to represent him or her at meetings of the Board. That person may be appointed by notice in writing to the Company signed by the appointor and that person need not be approved by resolution of the Director. An alternate Director will be entitled to attend and vote at Board meetings at which the alternate Director's appointor is absent and to be counted in determining whether a quorum is present at such Board meetings, without the need for such alternate to be approved by the Board.
- 21.14 Subject to the terms of the Shareholders' Agreement and unless a different majority is required by Applicable Law, all matters shall be approved by a majority of the votes of the Directors present at a quorate meeting.

- 21.15 Any Director may participate in a meeting of the Board or committee of the Board by means of conference telephone, video or similar communications equipment whereby all persons participating in the meeting can hear each other and participation in the meeting in this manner shall be deemed to constitute presence in person at such meeting.

22. Directors' written resolutions

- 22.1 Any Director may propose a written resolution by giving written notice to the other Directors or may request the company secretary (if any) to give such notice.

- 22.2 A Directors' written resolution is adopted when all the Directors who would have been entitled to vote on such resolution if it had been proposed at a meeting of the Directors have:

- (a) signed one or more copies of it; or
- (b) otherwise indicated their agreement to it in writing.

- 22.3 A Directors' written resolution is not adopted if the number of Directors who have signed it is less than the quorum for Directors' meetings.

23. Directors' interests

23.1 Interested Director to vote and count for quorum

- (a) A Director who to their knowledge has a Director Conflict (an **Interested Director**) shall declare the nature of their interest at the meeting of the Board at which the matter relating to the Director Conflict is first taken into consideration (or, if the Board is acting by written resolution, by inclusion of an appropriate statement in such written resolution) if such Director knows their interest then exists, or in any other case at the first meeting of the Board after such Director knows that they are or has become so interested or as permitted by law. For the purposes of this Article 23.1(a), a general notice to the Board by a Director to the effect that:

- (i) the Director is to be regarded as interested in any contract which may after the date of the notice be made with the company or business to which the notice relates; or
- (ii) the Director to be regarded as interested in any contract which may after the date of the notice be made with a specified person who is connected with such Director, shall be deemed to be a sufficient declaration of interest under this Article 23.1 in relation to any such contract;

provided that no such notice shall be effective unless either it is given at a meeting of the Board, or the Director takes reasonable steps to secure that it is brought up and read at the next meeting of the Board after it is given, or included as a statement in any relevant resolutions of the Board.

- (b) An Interested Director shall not, without the consent by a majority of the other Directors (who are not themselves Interested Directors in relation to the same matter), be entitled to receive any information relating to, or attend or participate in any discussion in any meeting or vote on any resolution concerning, the matter giving rise to the Director Conflict (other than to the extent that the Director Conflict relates to a Related Party Contract, in which case Article 23.1(d) shall apply).
- (c) The fact that any Director is appointed or employed by, or has any financial interest in, a Shareholder does not, of itself, automatically make any such Director subject to a Director Conflict. If a Shareholder has a direct or indirect interest in any actual

or proposed contract, transaction or other arrangement with any member of the Group, any Director appointed by such Shareholder shall have a Director Conflict, and such Director (absenting any other Director Conflict) shall not be entitled to receive information, attend meetings and vote on resolutions relating to such proposed contract, transaction or other arrangement.

- (d) A Shareholder Director shall not, with respect to any Related Party Contract which any Shareholder or Affiliate of the Shareholder (or Shareholder Group) that appointed such Shareholder Director is a party, be entitled to receive any information relating to, or attend or participate in any discussion in any meeting or vote on any resolution concerning the entry into, termination, extension or amendment of any such Related Party Contract nor any disputes arising therefrom, in each case except with the prior written consent of: (i) in the case of a Related Party Contract to which a member of the largest Shareholder (or Shareholder Group) by Equity Percentage is a party, the second largest Shareholder (or Shareholder Group) by Equity Percentage; and (ii) in any other case, the largest Shareholder (or Shareholder Group) by Equity Percentage.

23.2 **Directors' power to authorise Conflict Situations**

- (a) For the purposes of section 175 of the CA 2006, the Board shall have the power to authorise, on such terms (including as regards duration and revocation) and subject to such limits or conditions (if any) as it may determine (**Conflict Authorisation**), any matter proposed to it in accordance with these Articles which would, or might, if not so authorised, constitute or give rise to a situation in which a Director (**Relevant Director**) has, or could have, a direct or indirect interest which conflicts, or possibly may conflict, with the interests of the Company (**Conflict Situation**). Any Conflict Authorisation shall extend to any actual or possible conflict of interest which may reasonably be expected to arise out of the Conflict Situation so authorised.
- (b) Where the Board gives a Conflict Authorisation:
 - (i) the terms of such Conflict Authorisation shall be recorded in writing (but the authorisation shall be effective whether or not the terms are so recorded);
 - (ii) the Board may revoke or vary such Conflict Authorisation at any time, but this will not affect anything done by the Relevant Director prior to such revocation or variation in accordance with the terms of such authorisation; and
 - (iii) the Relevant Director shall be obliged to act in accordance with any terms, limits or conditions to which such Conflict Authorisation is made subject.

Each Conflict Authorisation is, in relation to each Director (present or future) to whom it relates as at the date of the adoption of these Articles, hereby unconditionally authorised for all purposes of this Article 23.2(b), but without prejudice to the ability of the Board, at any time after that date, to revoke, vary or reduce that authorisation and/ or to attach any term, limit or condition to it.

- (c) Any terms to which a Conflict Authorisation is made subject (**Conflict Authorisation Terms**) may include (without limitation to Article 23.2(a)) provision that:
 - (i) where the Relevant Director obtains (other than in his capacity as a Director of the Company or as its employee or agent or, if the Board so decides, in any other capacity that would otherwise oblige him to disclose it to the

Company) information that is confidential to a third party, he will not be obliged to disclose it to the Company or to use it directly or indirectly for the benefit of the Company or in performing his duties as a Director in circumstances where to do so would amount to a breach of a duty of confidence owed to that third party; and/or

- (ii) the Relevant Director may (but shall be under no obligation to) absent himself from the discussion of, and/or the making of decisions relating to, the relevant matter (whether at any meeting of the Board or otherwise) and be excused from reviewing documents and information prepared by or for the Board to the extent that they relate to that matter; and/or
- (iii) the Relevant Director may be excluded from the receipt of or access to documents and information, the participation in discussion and/or the making of decisions (whether at or Board committee meetings or otherwise) related to the relevant matter,

and the Company will not treat anything done (or omitted to be done) by the Relevant Director in accordance with any such provision (or otherwise in accordance with any Conflict Authorisation Terms given under Article 23.2(a)) as a breach by him of his duties under sections 172 to 174 (inclusive) of the CA 2006.

- (d) Subject to Article 23.2(e) but without prejudice to Article 23.2(a) to Article 23.2(c), authorisation is given by the Shareholders for the time being on the terms of these Articles to each Director in respect of any Conflict Situation that exists as at the date of adoption of these Articles or that subsequently arises because (in either case) the Director is or becomes a Shareholder, investor or other participant in, lender to, guarantor, director, officer, manager or employee of, or otherwise in any other way interested or concerned in, any member of the Relevant Group (**Group Conflict Authorisation**). The Conflict Authorisation Terms applicable to the Group Conflict Authorisation (**Group Conflict Authorisation Terms**) are automatically set by this Article 23.2(d) so that the Director concerned:

- (i) is not obliged to disclose to the Company information that is confidential to a third party obtained by him (other than in his capacity as a Director or as its employee or agent or, if the Board so decides, in any other capacity that would otherwise oblige him to disclose it to the Company) in any situation to which the Group Conflict Authorisation applies, nor to use any such information directly or indirectly for the benefit of the Company or in performing his duties as a Director, in circumstances where to do so would amount to a breach of a duty of confidence owed to that third party; and
- (ii) may (but shall be under no obligation to):
 - (A) absent himself from the discussions of, and/or the making of decisions relating to, the Conflict Situation concerned;
 - (B) make arrangements not to receive documents and information relating to the Conflict Situation concerned,

and the Company will not treat anything done (or omitted to be done) by the Director concerned in accordance with the Group Conflict Authorisation Terms as a breach by him of his duties under sections 172 to 174 (inclusive) of the CA 2006.

- (e) A Group Conflict Authorisation given or deemed given under Article 23.2(d) may be revoked, varied or reduced in its scope or effect by special resolution.

- (f) In this Article 23, **Relevant Group** comprises Freedom Fibre Limited and its subsidiaries, its holding companies and other subsidiaries of its holding companies for the time being, and **member of the Relevant Group** shall be construed accordingly.

23.3 **Directors permitted to retain benefits**

- (a) A Director is not required, by reason of being a Director, to account to the Company for any profit, remuneration or other benefit which he derives from or in connection with:
 - (i) a Conflict Situation which has been authorised by the Directors pursuant to Article 23.2(a) to Article 23.2(d), or by the Shareholders (subject to any terms, limits or conditions attaching to such authorisation);
 - (ii) being interested in any contract, arrangement, transaction or proposal with the Company or in which the Company is otherwise interested;
 - (iii) holding any other office or place of profit under the Company, except that of auditor, in conjunction with the office of Director and acting by himself or through his firm in a professional capacity for the Company (and being entitled to remuneration as the Board may arrange, either in addition to or in lieu of any remuneration provided for by any other Article); and
 - (iv) being a director or other officer of, or employed by, or a party to any contract, arrangement, transaction or proposal with or otherwise interested in, any body corporate promoted by the Company or in which the Company is otherwise interested or as regards which the Company has any powers of appointment.
- (b) The Company will not treat the receipt by the Director of any profit, remuneration or other benefit referred to in Article 23.3(a) as a breach of duty under section 176 of the CA 2006. No such contract, arrangement, transaction or proposal shall be avoided on the grounds of any such interest, profit, remuneration or other benefit.

24. **Acts of Directors**

Subject to the provisions of the CA 2006, all acts done by a meeting of the Board or by a person acting as a Director shall, notwithstanding that it be afterwards discovered that there was a defect in the appointment of any Director or that any of them were disqualified from holding office, or had vacated office, or were not entitled to vote, be as valid as if every such person had been duly appointed and was qualified and had continued to be a Director and had been entitled to vote.

25. **General meetings**

25.1 **Attendance and speaking at general meetings**

- (a) 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.
- (b) A person is able to exercise the right to vote at a general meeting when:
 - (i) that person is able to vote, during the meeting, on resolutions put to the vote at the meeting; and

- (ii) 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.
- (c) 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.
- (d) In determining attendance at a general meeting, it is immaterial whether any two or more shareholders attending it are in the same place as each other.
- (e) 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.

25.2 Attendance and speaking by Directors and non-shareholders

- (a) Directors may attend and speak at general meetings, whether or not they are Shareholders.
- (b) The chair of the general meeting may permit other persons who are not:
 - (i) Shareholders; or
 - (ii) otherwise entitled to exercise the rights of Shareholders in relation to general meetings, to attend and speak at a general meeting.

25.3 Notice

- (a) All general meetings shall be called by at least 14 days' notice but a general meeting may be called by shorter notice if so agreed by the Shareholders.
- (b) 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.
- (c) Subject to the provisions of these Articles, the notice shall be given to each Shareholder and to the Directors and the auditors of the Company (if any).

25.4 Quorum

- (a) No business shall be transacted at any general meeting unless the requisite quorum is present at the commencement of the business of the meeting and also when such business is voted upon. The quorum for any general meeting of the Company shall be at least one representative from each 10%+ Shareholder
- (b) A corporation being a Shareholder shall be deemed to be personally present if represented in accordance with the provisions of section 323 of the CA 2006.
- (c) If, within half an hour from the time appointed for a general meeting, a quorum is not present, the meeting will be adjourned to such other place, date and time which is no later than two weeks after the adjourned meeting, and each Shareholder will be notified by the Company by notice in writing of the date, time and place of the adjourned meeting at least two Business Days in advance thereof. At the further adjourned meeting, a quorum shall exist with respect to those matters on the agenda which were not disposed of at the original meeting or the first adjourned meeting if Shareholders holding Shares representing an Equity Percentage of at least fifty (50) per cent. are present at such further adjourned meeting.

25.5 Chairing general meetings

- (a) If the Directors have appointed a chairman, the chairman shall chair general meetings if present and willing to do so.
- (b) 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:
 - (i) the Directors present, or
 - (ii) (if no Directors are present), the meeting,must appoint a Director or Shareholder to chair the meeting, and the appointment of the chairman of the meeting must be the first business of the meeting.
- (c) In the case of an equality of votes, whether on a show of hands or on a poll, the chairman shall not have a second or casting vote.

25.6 Voting

- (a) The voting rights attached to the Shares shall be:
 - (i) on a written resolution, one vote for each Share; and
 - (ii) on a resolution to be passed at a general meeting of the Company, every Shareholder present in person or by proxy or by a representative shall have:
 - (A) on a show of hands, one vote each; and
 - (B) on a poll, one vote for each Share of which it is the holder.

25.7 Poll votes

- (a) Subject to the provisions of the CA 2006, a poll may be demanded at any general meeting by the chairman of the meeting or by any Shareholder present in person or by proxy and entitled to vote or by a duly authorised representative of a corporation which is a Shareholder entitled to vote.
- (b) A demand for a poll may be withdrawn before the poll is taken, but only with the consent of the chairman. A demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made. 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.

25.8 Errors and disputes

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

25.9 Proxies

- (a) An instrument appointing a proxy may be in any usual or common form or in any other form which the Board may approve and must be delivered to the registered

office of the Company not less than 48 hours before the time appointed for the holding of the meeting (or any adjournment of that meeting) or to the place of the meeting at any time before the time appointed for the holding of the meeting (or any adjournment of that meeting). A notice revoking the appointment of a proxy must be given in accordance with the CA 2006.

- (b) The omission or failure by any proxy to vote in accordance with any instructions given to him by his appointor shall not invalidate any vote cast by him or any resolution passed at the general meeting concerned.

25.10 Written resolutions

- (a) Without prejudice to, and in addition to, Part 13 of the CA 2006, a resolution in writing executed by or on behalf of each Shareholder who would have been entitled to vote upon it if it had been proposed as a resolution at a general meeting at which he was present shall be as effectual as if it had been passed at general meeting duly convened and held and may consist of several instruments in the like form each executed by or on behalf of one or more Shareholders.
- (b) A resolution in writing shall be deemed to have been duly executed on behalf of a corporation if signed by one of its directors or its secretary. The Board shall cause a record of each resolution in writing, and of the signatures to it, to be entered in a book in the same way as minutes of proceedings of a general meeting of the Company and to be signed by a Director or the secretary of the Company.

25.11 Related Party Contracts

Notwithstanding anything to the contrary in these Articles, a Shareholder shall not be entitled to vote on any resolution concerning the entry into, termination, extension or amendment of any Related Party Contract which any Affiliate of that Shareholder (or Shareholder Group) is a party nor any disputes arising therefrom.

26. Records of decisions to be kept

- (a) The Board 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 Board.
- (b) Where decisions of the Board are taken by electronic means, such decisions shall be recorded by the Board in permanent form so that they can be read with the naked eye.

27. Notices

- (a) Subject to Article 27(b), any notice, document or other information shall be deemed served on, or delivered to, the intended recipient:
 - (i) if delivered by hand or by reputable international overnight courier, at the time of delivery; or
 - (ii) if sent by pre-paid United Kingdom first class post, recorded delivery or special delivery to an address in the United Kingdom, two Business Days after posting (if posted on a Business Day) or three Business Days after posting (if posted other than on a Business Day); or
 - (iii) 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; and

- (iv) if deemed receipt under the previous paragraphs of this Article 27 is not within business hours (meaning 9.00 a.m. to 5.30 p.m. Monday to Friday on a day that is not a public holiday in the place of receipt), when business next starts in the place of deemed receipt. For the purposes of this Article, all references to time are to local time in the place of deemed receipt.

Service or delivery by fax or email is invalid, even if actually received.

- (b) To prove service, it is sufficient to prove that:
 - (i) if delivered by hand or by reputable international overnight courier, the notice was delivered to the correct address; or
 - (ii) if sent by post, the envelope containing the notice was properly addressed, paid for and posted.
- (c) In proving that any notice, document or information was properly addressed, it shall suffice to show that the notice, document or information was addressed to an address permitted for the purpose by the CA 2006.

28. **Dividends**

Except as otherwise provided by these Articles or the Shareholders' Agreement, all dividends must be:

- (a) declared and paid according to the nominal amounts paid up on the Shares on which the dividend is paid; and
- (b) apportioned and paid proportionately to the nominal amounts paid up on the Shares during any portion or portions of the period in respect of which the dividend is paid.

29. **Share certificates etc**

The Company may in any manner permitted by the applicable provisions of Part 4 of the CA 2006 execute any share certificate, warrant or other document creating or evidencing any security allotted by the Company or any right or option to subscribe granted by the Company.

30. **Indemnity and insurance**

30.1 Subject to the CA 2006, the Company:

- (a) shall, without prejudice to any other indemnity to which the person concerned may otherwise be entitled, indemnify every relevant officer out of the assets of the Company against all costs, charges, losses, expenses and liabilities incurred by him in relation to the actual or purported execution and discharge of the duties of such office;
- (b) may provide any relevant officer with funds to meet his defence expenditure in respect of any civil or criminal proceedings or regulatory investigation or other regulatory action or in connection with any application for any category of relief permitted by the CA 2006 and may do anything to enable him to avoid incurring any such expenditure; and

- (c) 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.

30.2 In this Article 30:

- (a) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate;
- (b) a relevant officer means any director, secretary, auditor or other officer of the Company (or an associated company);
- (c) 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).

31. **Partly paid Shares etc**

31.1 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.

31.2 The Company's Lien over a Share:

- (a) takes priority over any third party's interest in that Share; and
- (b) 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.

31.3 The Directors may at any time decide that a Share which is or would otherwise be subject to the Company's Lien will not be subject to it, either wholly or in part.

31.4 Subject to the provisions of this Article 31, if:

- (a) a lien enforcement notice has been given in respect of a Share; and
- (b) the person to whom the notice was given has failed to comply with it,

the Company may sell that Share in such manner as the Directors decide.

31.5 A lien enforcement notice:

- (a) 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;
- (b) must specify the Share concerned;
- (c) must require payment of the sum payable within 14 days of the notice;
- (d) must be addressed either to the holder of the Share or to a person entitled to it by reason of the holder's death, bankruptcy or otherwise; and
- (e) must state the Company's intention to sell the Share if the notice is not complied with.

- 31.6 Where Shares are sold under this Article 31:
- (a) 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
 - (b) 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.
- 31.7 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:
- (a) 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; and
 - (b) 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 a suitable indemnity has been given for any lost certificates, and subject to a lien equivalent to the Company's Lien over the Shares before the sale for any money payable in respect of the Shares after the date of the lien enforcement notice.
- 31.8 A statutory declaration by a Director that the declarant is a Director and that a Share has been sold to satisfy the Company's Lien on a specified date:
- (a) is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the Share; and
 - (b) subject to compliance with any other formalities of transfer required by these Articles or by law, constitutes a good title to the Share.
- 31.9 Subject to these Articles and the terms on which Shares are allotted, the Directors may send a call notice to a member requiring the member to pay the Company a specified sum of money (**call**) which is payable in respect of Shares which that member holds at the date when the Directors decide to send the call notice.
- 31.10 A call notice:
- (a) may not require a member to pay a call which exceeds the total sum unpaid on that member's Shares (whether as to the Share's nominal value or any amount payable to the Company by way of premium);
 - (b) must state when and how any call to which it relates is to be paid; and
 - (c) may permit or require the call to be paid by instalments.
- 31.11 A member must comply with the requirements of a call notice, but no member is obliged to pay any call before 14 days have passed since the notice was sent.
- 31.12 Before the Company has received any call due under a call notice the Directors may:
- (a) revoke it wholly or in part; or
 - (b) 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.
- 31.13 Liability to pay a call is not extinguished or transferred by transferring the Shares in respect of which it is required to be paid.

- 31.14 Joint holders of a Share are jointly and severally liable to pay all calls in respect of that Share.
- 31.15 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:
- (a) to pay calls which are not the same; or
 - (b) to pay calls at different times.
- 31.16 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 (whether in respect of nominal value or premium):
- (a) on allotment;
 - (b) on the occurrence of a particular event; or
 - (c) on a date fixed by or in accordance with the terms of issue.
- 31.17 If the due date for payment (the **Call Payment Date**) 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 forfeiture.
- 31.18 If a person is liable to pay a call and fails to do so by the Call Payment Date, the Directors may issue a notice of intended forfeiture to that person.
32. **Forfeiture and surrender**
- 32.1 A notice of intended forfeiture:
- (a) may be sent in respect of any Share in respect of which a call has not been paid as required by a call notice;
 - (b) must be sent to the holder of any Share in respect of which a call has not been paid as required by a call notice (or to a person entitled to it) by reason of the holder's death, bankruptcy or otherwise;
 - (c) must require payment of the call and any accrued interest by a date which is not less than 14 days after the date of the notice;
 - (d) must state how the payment is to be made; and
 - (e) 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.
- 32.2 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 monies payable in respect of the forfeited Shares and not paid before the forfeiture.
- 32.3 Subject to these Articles, the forfeiture of a Share extinguishes:
- (a) all interests in that Share, and all claims and demands against the Company in respect of it; and

- (b) all other rights and liabilities incidental to the Share as between the person whose Share it was prior to the forfeiture and the Company.
- 32.4 Any Share which is forfeited in accordance with these Articles:
 - (a) is deemed to have been forfeited when the Directors decide that it is forfeited;
 - (b) is deemed to be the property of the Company; and
 - (c) subject to Article 5 (Lien) may be sold, re-allotted or otherwise disposed of as the Directors think fit.
- 32.5 If a person's Shares have been forfeited:
 - (a) the Company must send that person notice that forfeiture has occurred and record it in the register of members;
 - (b) that person ceases to be a Shareholder in respect of those Shares;
 - (c) that person must surrender the certificate for the Shares forfeited to the Company for cancellation;
 - (d) that person remains liable to the Company for all sums payable by that person under these Articles at the date of forfeiture in respect of those Shares, including any interest (whether accrued before or after the date of forfeiture); and
 - (e) 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.
- 32.6 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.
- 32.7 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.
- 32.8 A statutory declaration by a Director that the declarant is a Director and that a Share has been forfeited on a specified date:
 - (a) is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the Share; and
 - (b) subject to compliance with any other formalities of transfer required by these Articles or by law, constitutes a good title to the Share.
- 32.9 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.
- 32.10 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:
 - (a) was, or would have become, payable; and
 - (b) 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.

32.11 A Shareholder may surrender any Share:

- (a) in respect of which the Directors may issue a notice of intended forfeiture;
- (b) which the Directors may forfeit; or
- (c) which has been forfeited.

32.12 The Directors may accept the surrender of any such Share.

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

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

33. **Deferred Shares**

33.1 A Deferred Share of £1 each in the capital of the Company shall have the following rights and be subject to the following restrictions:

- (a) holders of Deferred Shares shall have no entitlement to any dividend or (save as provided in Article 33.1(b) below) any other distribution or return of capital or any other right of participation in the assets of the Company;
- (b) the entitlement of a holder of Deferred Shares to participate on a return of assets on a winding up of the Company shall be limited to the repayment of the amount paid up or credited as paid up on such Deferred Share to a maximum of £1 per Deferred Share and shall be paid only after the holders of any and all Shares then in issue shall have received payment in respect of such amount as is paid up or credited as paid up on those Shares held by them at that time plus the payment of £10,000,000 for every Share paid up or credited as paid up on those Shares;
- (c) the holders of Deferred Shares shall have no right to receive notice of or to attend or vote at any general meeting of the Company;
- (d) the Deferred Shares shall not be transferable (unless such a transfer is authorised by the Directors);
- (e) holders of Deferred Shares shall not be entitled to receive any share certificate in respect of their holdings;
- (f) any cancellation of the Deferred Shares for no consideration by way of reduction of capital shall not involve a variation or abrogation of the rights attaching thereto; and
- (g) the rights attached to the Deferred Shares shall not be deemed to be varied or abrogated by the creation or issue of New Shares ranking in priority to or *pari passu* with or subsequent to such Deferred Shares or by any amendment or variation of the rights of any class of Shares.