

**Company number: 13467632**

**THE COMPANIES ACT 2006**  
**PRIVATE COMPANY LIMITED BY SHARES**

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**ARTICLES OF ASSOCIATION**

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**of**  
**BLUE SKY FRIDAY LTD**

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**THE COMPANIES ACT 2006**  
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**ARTICLES OF ASSOCIATION**  
**of**  
**BLUE SKY FRIDAY LTD**

**(adopted by special resolution passed on 17 August 2022)**

**PART 1 Interpretation and limitation of liability**

**1 Preliminary**

1.1 The articles of association of the Company comprise:

- (a) the provisions set out in this document, as amended from time to time; and
- (b) the provisions of the Model Articles incorporated by reference in this document.

No other regulations for the management of a company set out in any schedule to any statute concerning companies or contained in any regulations or instrument made pursuant to a statute shall apply to the Company.

1.2 Words and expressions used in the Articles are defined in Article 2. Unless defined in Article 2 (and unless the context requires otherwise), other words or expressions contained in the Articles:

- (a) if incorporated by reference to the Model Articles, bear the same meaning as in the Model Articles; and
- (b) in any other case, bear the same meaning as in the Act.

1.3 A reference in the Articles to any statute or statutory provision includes a reference to any subordinate legislation made under it from time to time and shall, unless the context requires otherwise, include any statutory modification or re-enactment of any statute or statutory provision for the time being in force.

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

1.5 Where for any purpose in the Articles an ordinary resolution of the Company is required, a special resolution shall also be effective.

**2 Defined terms**

In the Articles, unless the context requires otherwise:

**Act** means the Companies Act 2006;

**alternate director** has the meaning given in Article 25;

**appointor** has the meaning given in Article 25;

**Articles** means the Company's articles of association as described in Article 1.1 (and a reference to an **Article** is a reference to a provision of the Articles);

**associated** in relation to companies means that one is a subsidiary of the other or both are subsidiaries of the same body corporate;

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

**business day** means a day other than a Saturday or Sunday or a bank holiday or public holiday in England and Wales;

**chairman** has the meaning given in Article 13;

**chairman of the meeting** has the meaning given in Article 54;

**Claim** means where, at any time, the Company wishes to (a) enforce or exercise any right under, or has any claim against or is the subject of a claim by any member in respect of any shareholders' agreement or any agreement or arrangement entered into pursuant to such an agreement; or (b) enforce any obligation owed to the Company by any member;

**Commencement Date** means the date of adoption of these Articles or such other date as may be agreed between the Company and a Leaver;

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

**Conflict Matter** means a matter authorised as provided in Article 16 or permitted under Article 17;

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

**distribution recipient** means, as regards a share in respect of which a dividend or other sum is payable:

- (a) the holder of the share; or
- (b) if the share has two or more joint holders, whichever of them is named first in the register of members; or
- (c) if the holder is no longer entitled to the share by reason of death or bankruptcy, or otherwise by operation of law, the Transmitttee;

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

**Effective Termination Date** means the date on which a director's directorship or an employee's employment terminates is or is deemed to terminate;

**electronic form** has the meaning given in section 1168 of the Act;

**electronic means** has the meaning given in section 1168 of the Act;

**Eligible Director** means a director who is or would be entitled, pursuant to these Articles or any other arrangements or agreement made between all the members, to vote on the matter at a directors' meeting (but excluding any director whose vote is not to be counted in respect of the particular matter);

**Fair Value** is as determined in accordance with Article 42;

**Family Trusts** means as regards any particular individual member or deceased or former individual member, trusts (whether arising under a settlement, declaration of trust or other instrument by whomsoever or wheresoever made or under a testamentary disposition or on an intestacy) under which no immediate beneficial interest in any of the shares in question is for the time being vested in any person other than the individual and/or Privileged Relations of that individual; and so that for this purpose a person shall be considered to be beneficially interested in a share if such share or the income thereof is liable to be transferred or paid or applied or appointed to or for the benefit of such person or any voting or other rights attaching thereto are exercisable by or as directed by such person pursuant to the terms of the relevant trusts or in consequence of an exercise of a power or discretion conferred thereby on any person or persons;

**Founder Member** means each of Harry Becher, Astrid Harbord and Rebecca Becher and **Founder Members** shall be construed accordingly;

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

**hard copy form** has the meaning given in section 1168 of the Act;

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

**Insolvency Event** means:

- (a) in relation to a body corporate:
  - (i) it has an administration order granted against it;
  - (iii) it has an administrator or administrators appointed over it;
  - (iv) it has an administrative receiver, receiver or manager, fixed charge receiver or any other type of receiver, manager, interim manager or interim trustee appointed over the whole or any part of its assets and/or undertaking;
  - (v) it resolves to be wound up voluntarily (other than as part of a genuine solvent reconstruction/amalgamation);
  - (vi) it is placed into liquidation; or
  - (vii) it is dissolved or removed from the Register of Companies.
- (b) in relation to a person other than a body corporate:
  - (i) it has a receiver or manager, fixed charge receiver or over the whole or any part of its assets; or
  - (ii) it has a bankruptcy order made against it;
- (c) in relation to a person whether a body corporate or not it becomes subject to any proceedings analogous to those listed in sub-paragraphs (a)(i) to (vi) (inclusive) or (b)(i) to (ii) inclusive in any jurisdiction outside of England and Wales;

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

**Leaver** means an employee or director who ceases to be a director of, or, who ceases to be employed by, the Company;

**member** has the meaning given in section 112 of the Act;

**Member of the same Group** means as regards any company, a company which is from time to time a Parent Undertaking or a subsidiary undertaking of that company or a subsidiary undertaking of any such Parent Undertaking;

**Model Articles** means the model articles of association for public companies contained in Schedule 3 to the Companies (Model Articles) Regulations 2008 as in force on the date of adoption of the Articles (and a reference to a **Model Article** is a reference to a provision of the Model Articles);

**New Securities** means any shares or other securities convertible into, or carrying the right to subscribe for, those shares issued by the Company (other than shares or securities issued as a result of the events set out in Article 31.7);

**ordinary resolution** has the meaning given in section 282 of the Act;

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

**participate**, in relation to a directors' meeting, has the meaning given in Article 11;

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

**Original Shareholder** means in relation to a Permitted Transfer, the transferor or (in the case of a series of Permitted Transfers) the original transferor in the series;

**Permitted Transfer** means a transfer of Shares in accordance with Article 36.1;

**Permitted Transferee** means:

(a) in relation to a member who is an individual, any of his Privileged Relations, Trustees or Qualifying Companies;

(b) in relation to a member which is an undertaking (as defined in section 1161(1) of the Act), to any Member of the same Group;

**Privileged Relations** means the spouse, civil partner, widow or widower of a Shareholder and the Shareholder's children and grandchildren (including step and adopted children), and step and adopted children of the Shareholder's children;

**proxy notice** has the meaning given in Article 60;

**Qualifying Company** means a company in which a member together with any Permitted Transferees or Trustee(s) holds the entire issued share capital and over which that member together with any Permitted Transferees or Trustee(s) exercises control (within the meaning of section 1124 of the CTA 2010);

**relevant officer** means any director or other officer or former director or other officer of the Company but excluding any person engaged by the Company as auditor;

**Relevant Period** means such period of time as agreed between the Leaver and the Company from time to time;

**shares** means shares in the Company;

**special resolution** has the meaning given in section 283 of the Act;

**subsidiary, subsidiary undertaking** and **parent undertaking** have the meanings given in section 1159 of the Act;

**Transmittee** means a person entitled to a share by reason of the death otherwise by operation of law;

**Trustees** in relation to a member means the trustee or the trustees of a Family Trust;

**working day** has the meaning given in section 1173 of the Act; 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.

### 3 **Liability of members**

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

## **PART 2 Directors**

### **Directors' powers and responsibilities**

#### 4 **Directors' general authority**

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

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

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

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

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

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

- (a) to such persons;
- (b) to a committee of such persons;
- (c) by such means (including by power of attorney);
- (d) to such an extent;
- (e) in relation to such matters or territories; and
- (f) on such terms and conditions,

as they think fit.

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



- 6.3 The Eligible Directors may revoke any delegation in whole or part, or alter its terms and conditions.

## **7 Committees**

- 7.1 Committees to which the directors delegate any of their powers must follow procedures which are based as far as they are applicable on those provisions of the Articles which govern the taking of decisions by Eligible Directors.
- 7.2 Subject to Article 7.1 and to the extent that these Articles do not make provision, the Eligible Directors may make additional rules of procedure for all or any committees.

## **Decision-making by directors**

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

- 8.1 The general rule about decision-making by directors is that any decision of the directors must be either a majority decision at a meeting of Eligible Directors or a decision taken in accordance with Article 9.
- 8.2 If and for so long as the Company only has one director, the general rule does not apply and the director may take decisions (provided he is an Eligible Director in relation to the matter in question) and may exercise all of the other powers and discretions given to the directors by the Articles and the Companies Acts which are capable in law of being exercised by a sole director.

### **9 Unanimous decisions**

- 9.1 A decision of the directors is taken in accordance with this Article when all Eligible Directors indicate to each other by any means that they share a common view on a matter.
- 9.2 Such a decision may take the form of a resolution in writing, signed by each Eligible Director (whether on the same or one of several copies) or to which each Eligible Director has otherwise indicated agreement in writing.
- 9.3 A decision may not be taken in accordance with this Article if the Eligible Directors would not have formed a quorum at a directors' meeting.

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

- 10.1 Any Eligible Director may call a directors' meeting by giving notice of the meeting to the Eligible Directors or by authorising the company secretary (if any) to give such notice.
- 10.2 Notice of any directors' meeting must indicate:
- (a) its proposed date and time;
  - (b) where it is proposed to take place; and
  - (c) if it is anticipated that directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting.
- 10.3 Notice of a directors' meeting must be given to each Eligible Director, but need not be in writing.
- 10.4 Unless all of the Eligible Directors agree otherwise, notice of any directors' meetings must be accompanied by:

- (a) an agenda specifying in reasonable detail the matters to be raised at the meeting; and
  - (b) copies of any papers to be discussed at the meeting.
- 10.5 Matters not on the agenda, or business conducted in relation to those matters, may not be raised at a meeting of directors unless all the Eligible Directors at the meeting agree otherwise.
- 10.6 Notice of a directors' meeting need not be given to directors who waive their entitlement to notice of that meeting, by giving notice to that effect to the Company before or not more than seven days after the date on which the meeting is held. Where such notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it.

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

- 11.1 Subject to the Articles, Eligible Directors participate in a directors' meeting, or part of a directors' meeting, when:
  - (a) the meeting has been called and takes place in accordance with the Articles; and
  - (b) they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.
- 11.2 In determining whether directors are participating in a directors' meeting, it is irrelevant where any director is or how they communicate with each other.
- 11.3 If all the directors participating in a meeting are not in the same place, the meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no group which is larger than any other group, at the place where the chairman (or other director chairing the meeting) is.
- 11.4 If at any time at any meeting of the directors or of any committee of the directors at which a quorum is present, all directors participating should request that the meeting be adjourned or reconvened to another time or date (whether to enable further consideration to be given to any matter or for other directors to participate or for any other reason, which need not be stated) than such meeting shall be adjourned or reconvened accordingly, and no business shall be conducted at that meeting after such a request has been made. No meeting of directors may be adjourned pursuant to this Article more than once.
- 11.5 Subject as provided in these Articles, the directors may participate in directors' meetings for the despatch of business, adjourn and otherwise regulate their meetings as they think fit.

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

- 12.1 At a directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.
- 12.2 The quorum for directors' meetings shall be all Eligible Directors.
- 12.3 If a quorum is not present within half an hour of the time appointed for the directors' meeting or ceases to be present, the directors present shall, adjourn the directors' meeting to a specified place and time not less than 3 business days after the original date. It shall not be necessary to give a notice of an adjourned directors' meeting or of any business to be transacted at an adjourned directors'

meeting. If a quorum is not present within half an hour from the time appointed for resumption of the directors' meeting, the meeting shall be deemed quorate.

### **13 Chairing directors' meetings**

The directors shall appoint an Eligible Director to chair directors' meetings at the start of each meeting.

### **14 Voting at directors' meetings: general rules**

14.1 Subject to the Articles, a decision is taken at a meeting of Eligible Directors by a majority of the votes of the Eligible Directors who are participating and each Eligible Director participating in a directors' meeting has one vote.

14.2 Subject to Article 14.3, if a question arises at a meeting of Eligible Directors (or of a committee established by the Eligible Directors) as to the right of a director (or committee member) to participate in the meeting (or part of the meeting) for voting or quorum purposes or otherwise in accordance with the Articles, the question may, before the conclusion of the meeting, be referred to the chairman (or other person chairing the meeting) whose ruling in relation to any person other than himself is to be final and conclusive.

14.3 If any question as to the right to participate in the meeting (or part of the meeting) should arise in respect of the chairman (or other person chairing the meeting), the question is to be decided by a decision of the Eligible Directors (or committee members) at that meeting, for which purpose the chairman (or other person chairing the meeting) is not to be counted as participating in the meeting (or that part of the meeting) for voting or quorum purposes.

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

In the event that the numbers of votes for and against a proposal are equal the Chairman shall not have a casting vote.

### **16 Directors' conflicts: situational conflicts**

16.1 The directors may, in accordance with this Article and the Act, authorise any matter which would or might, if not authorised, involve a director breaching the duty to avoid conflicts of interest in section 175 of the Act.

16.2 Any such matter shall be proposed in writing for consideration by the directors in accordance with any procedures for the time being established for the purpose by the directors or in such other manner as the directors may approve.

16.3 An authorisation pursuant to Article 16.1:

- (a) will be subject to any restrictions or conditions expressly imposed by the directors at the time of authorisation or subsequently; and
- (b) may be varied or terminated by the directors at any time.

Nothing in this Article will affect anything done by a director in accordance with the terms of an authorisation prior to any such variation or termination.

16.4 No authority under this Article is required in respect of a conflict of interest arising in relation to a transaction or arrangement with the Company, but this is without prejudice to a director's obligation to declare any interest pursuant to the Act and the Articles.

16.5 A director, notwithstanding his office, may be a director or other officer of, employed by, or otherwise interested (including by the holding of shares) in, the member who appointed him as a director of the Company, or any other subsidiary or holding company of any such member, and no authorisation under Article 16 shall be necessary in respect of such interest.

16.6 Nothing in this Article affects any power of the Company to authorise any matter which would or might, if not authorised, involve a director breaching the duty to avoid conflicts of interest in section 175 of the Act.

## 17 **Directors' conflicts: transactions or arrangements with the Company**

17.1 Provided that he has disclosed to the directors the nature and extent of any direct or indirect interest in accordance with section 177 or section 182 of the Act (as appropriate), a director:

- (a) may enter into or otherwise be interested in any transaction or arrangement with the Company or in which the Company is otherwise interested;
- (b) may hold any other office or employment with the Company (except that of auditor) in conjunction with the office of director, and may act by himself or through his firm in a professional capacity for the Company, in any such case on such terms as to remuneration and otherwise as the directors may decide, either in addition to or instead of any remuneration provided for by any other Article; and
- (c) may be a director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any body corporate in which the Company is interested.

## 18 **Directors' conflicts: general provisions**

18.1 Subject to the Articles (and to the terms of any authorisation given as provided in Article 16), a director shall not by reason of his office be liable to account to the Company for any remuneration, profit or other benefit derived as a result of a Conflict Matter. No transaction or arrangement shall be liable to be avoided on the grounds of a director having an interest or benefit authorised or permitted as provided in the Articles.

18.2 In relation to any Conflict Matter, the general duties that a director owes to the Company under the Act will not be infringed by anything done (or omitted to be done) by the director concerned in accordance with the Articles.

18.3 The director may, for as long as he reasonably believes a Conflict Matter subsists:

- (a) absent himself from meetings of the directors or from the discussion of any matter at a meeting or in respect of any other proposed decision of the directors; and
- (b) make such arrangements as he sees fit for relevant board papers and other information not to be sent to him.

18.4 Where the director obtains (otherwise than as a director or employee of the Company) in relation to a Conflict Matter information in respect of which he owes a duty of confidentiality to another person he shall not be obliged to disclose such information or use it for the benefit of the Company (in circumstances in which he would otherwise be so obliged).

18.5 A director appointed under Article 21 (or his alternate) shall be entitled from time to time to disclose to the member which appointed him such information

concerning the business and affairs of the Company as he shall at his discretion see fit.

- 18.6 Subject to the Articles, a director may vote at any meeting of the directors (or committee established by the directors) and take part in any other decision of the directors despite the fact that the decision concerns or relates to a matter in which he has, directly or indirectly, an interest or duty which conflicts, or possibly may conflict, with the interests of the Company provided that the director has, as appropriate:

- (a) received an authorisation as provided in Article 16 (and the terms of the authorisation do not provide otherwise); or
- (b) made a disclosure in accordance with Article 17.

19 **Records of decisions to be kept**

The directors must ensure that the Company keeps a record, in writing, for at least ten years from the date of the decision recorded:

- (a) of every unanimous or majority decision in whatever form taken by the directors; and
- (b) in the case of a sole director, of every decision in whatever form that would have been taken by unanimous or majority decision if the Company had more than one director.

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

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

21 **Appointment and removal of directors**

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

- (a) by a unanimous decision of the members; or
- (b) by a unanimous decision of the directors.

- 21.2 A director shall be entitled at his request to be appointed to any committee of the Board established from time to time and to the board of directors of any subsidiary undertaking.

- 21.3 In any case where, as a result of death or bankruptcy, the Company has no members and no directors, the Transmittree(s) of the last member to have died or to have a bankruptcy order made against him (as the case may be) have the right, by notice in writing, to appoint a person to be a director. For these purposes, where two or more members die in circumstances rendering it uncertain who was the last to die, the younger is deemed to have survived other members.

22 **Termination of director's appointment and Leavers**

- 22.1 A person ceases to be a director as soon as:

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

- (b) that person is convicted of fraud, wilful deceit or a crime of dishonesty;
- (c) that person is disqualified as a director by a court or tribunal of competent jurisdiction;
- (d) that person is sentenced to a term of imprisonment (suspended or otherwise);
- (e) that person is in material breach of any agreement between him, the Company and its members, in any capacity, from time to time;
- (f) a bankruptcy order is made against that person;
- (g) a composition is made with that person's creditors generally in satisfaction of that person's debts;
- (h) 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;
- (i) 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; or
- (j) notification is received by the Company from the director that the director is resigning from office as director, and such resignation has taken effect in accordance with its terms.

#### *Deemed Transfer Notice*

- 22.2 Where a Shareholder becomes a Leaver the Board (other than the Leaver) shall at a time determined by the Directors (other than the Leaver) be entitled to determine that a Transfer Notice shall be deemed to be given in respect of all (or part only) of the Leaver's (and its Permitted Transferees') shares on the Effective Termination Date.
- 22.3 In the event that a Transfer Notice is deemed to have been given in accordance with Article 22.2, the Transfer Price shall be at the Fair Value or at such other value that the Leaver and the Company may agree between them.
- For the purposes of this Article, Fair Value shall be as agreed between the Board and the relevant Leaver, or failing agreement within five Business Days of seeking to agree such price, shall be as determined in accordance with Article 42.
- 22.4 For the purposes of a transfer made in accordance with Article 22.3 the shares shall offered in the following order of priority:
- (a) to any person(s) approved by the Board (other than the Leaver), including the directors themselves ; and/or
  - (b) to the Company (subject always to the provisions of the Act).

#### *Suspension of voting rights*

- 22.5 All voting rights and rights to receive notice of and attend all general meetings of the Company attached to a Leaver's shares held by a Leaver or by any Permitted Transferee of that Leaver (**Restricted Member**), if any, shall at the time he becomes a Leaver be suspended unless the Board notify him otherwise.

- 22.6 Any Leaver's shares whose voting rights are suspended pursuant to Article 22.5 (**Restricted Shares**) shall confer on the holders of Restricted Shares the right to receive a notice of and attend all general meetings of the Company but shall have no right to vote either in person or by proxy or to vote on any proposed written resolution. Voting rights suspended pursuant to Article 22.5 shall be automatically restored immediately prior to a listing. If a Restricted Member transfers any Restricted Shares in accordance with these Articles all voting rights attached to the Restricted Shares so transferred shall upon completion of the transfer (as evidenced by the transferee's name being entered in the Company's register of members) automatically be restored.

## 23 **Directors' remuneration**

- 23.1 Directors may undertake any services for the Company that the directors decide and on such terms and conditions as the directors think fit.
- 23.2 Directors are entitled to such remuneration as the directors determine:
- (a) for their services to the Company as directors; and
  - (b) for any other service which they undertake for the Company.
- 23.3 Subject to the Articles, a director's remuneration may:
- (a) take any form; and
  - (b) include any arrangements in connection with the payment of a pension, allowance or gratuity, or any death, sickness or disability benefits, to or in respect of that director.
- 23.4 Unless the directors decide otherwise, directors' remuneration accrues from day to day.

## 24 **Directors' expenses**

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

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

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

## **Alternate directors**

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

- 25.1 Any Eligible Director (**appointor**) (other than an alternate director) may appoint as an **alternate director** any other director, or any other person who is willing to act, to:
- (a) exercise that director's powers; and
  - (b) carry out that director's responsibilities,

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

25.2 Any appointment or removal of an alternate director must be effected by notice in writing to the Company signed by the appointor, or in any other manner approved by the directors and has immediate effect (subject to any necessary approval and unless otherwise specified).

25.3 The notice must:

- (a) identify the proposed alternate director; and
- (b) in the case of a notice of appointment, contain a statement signed by the proposed alternate director that he is willing to act as the alternate director of the director giving the notice.

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

26.1 Except as the Articles specify otherwise, alternate directors:

- (a) are deemed for all purposes to be directors;
- (b) are liable for their own acts and omissions;
- (c) are subject to the same restrictions as their appointors; and
- (d) are not deemed to be agents of or for their appointors.

26.2 An alternate director is not entitled to receive any remuneration from the Company for serving as an alternate director except such part of the remuneration (if any) of the alternate director's appointor as such appointor may direct by notice in writing made to the Company. An alternate director is however entitled to the payment by the Company of such expenses as might properly be paid to him if he were a director.

## 27 **Alternate directors and decisions of the directors**

27.1 Subject to the Articles, an alternate director may act as alternate director for more than one director and has the same rights in relation to any decision of the directors as the alternate director's appointor.

27.2 Subject to the Articles, an alternate director is entitled to take part for all purposes (including quorum and voting purposes) in a decision of the directors in respect of which his appointor:

- (a) is not taking part; and
- (b) is an Eligible Director.

27.3 If an alternate director's appointor is not an Eligible Director in relation to a decision of the directors, this does not preclude the alternate director from taking part on behalf of another appointor who is (and on his own behalf if he is) an Eligible Director in relation to that decision.

27.4 An alternate director is not entitled to take part in a decision of the directors if he (whether a director or not) would not qualify as an Eligible Director in relation to that decision.

27.5 No person taking part in a decision of the directors may (whether in his capacity as director or alternate director) be counted as more than one director for the



purposes of determining whether the quorum requirement is satisfied in relation to that decision.

- 27.6 Subject to the Articles, an alternate director who acts as alternate director for more than one director has one vote for each appointor, in addition to his own vote if he is also a director.

## 28 **Termination of alternate directorship**

An alternate director's appointment as an alternate director terminates:

- (a) when the alternate director's appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate;
- (b) on the occurrence in relation to the alternate director of any event which, if it occurred in relation to the alternate director's appointor, would result in the termination of the appointor's appointment as a director;
- (c) on the death of the alternate director's appointor; or
- (d) when the appointment as a director of the alternate director's appointor terminates.

## **PART 3 Shares and distributions**

### **Shares**

#### 29 **Share Rights**

- 29.1 The share capital of the Company shall comprise ordinary shares of £0.01 each (**Ordinary Shares**) in each case having the rights and restrictions as set out in these Articles.

### **Issue of shares**

#### 30 **Powers to issue different classes of share**

- 30.1 Subject to the Articles, but without prejudice to the rights attached to any existing share, the Company may issue shares with such rights or restrictions as may be determined by ordinary resolution.
- 30.2 The Company may issue shares which are to be redeemed, or are liable to be redeemed at the option of the Company or the holder, and the directors may determine the terms, conditions and manner of redemption of any such shares.

### **Allotment of shares**

#### 31 **Allotment of shares: pre-emption rights**

- 31.1 Sections 561(1) and 562(1) to (5) (inclusive) of the Act do not apply to an allotment of New Securities made by the Company.
- 31.2 Subject to Article 31.7, unless otherwise agreed by special resolution, if the Company proposes to allot any New Securities, those New Securities shall not be allotted to any person unless the Company has in the first instance offered them to the members (the "**Subscribers**") on the same terms and at the same price as those New Securities are being offered to other persons on a pari passu and pro rata basis to the number of Equity Shares in issue (as if such Equity Shares constituted one and the same class) held by those members Subscribers (as nearly as may be without involving fractions). The offer:

- (a) shall be in writing, be open for acceptance from the date of the offer to the date 10 Business Days after the date of the offer (inclusive) (the "**Subscription Period**") and give details of the number and subscription price of the New Securities; and
  - (b) may stipulate that any Subscriber who wishes to subscribe for a number of New Securities in excess of the proportion to which each is entitled shall in their acceptance state the number of excess New Securities for which they wish to subscribe.
- 31.3 If, at the end of the Subscription Period, the number of New Securities applied for is equal to or exceeds the number of New Securities, the New Securities shall be allotted to the Subscribers who have applied for New Securities on a pro rata basis to the number of Equity Shares held by such Subscribers, which procedure shall be repeated until all New Securities have been allotted (as nearly as may be without involving fractions or increasing the number allotted to any Subscriber beyond that applied for by him).
- 31.4 If, at the end of the Subscription Period, the number of New Securities applied for is less than the number of New Securities, the New Securities shall be allotted to the Subscribers in accordance with their applications and any remaining New Securities shall, subject to Article 31.5, be offered to any other person as the Directors may determine at the same price and on the same terms as the offer to the Subscribers.
- 31.5 If after the allotments have been made pursuant to Articles 31.2 to 31.4 (inclusive) all of the New Securities have not been allotted the Board shall offer the un-allotted New Securities to the holders of Equity Shares pro rata to their respective holding of Equity Shares inviting them to apply in writing within the period from the date of the offer to the date 10 Business Days after the date of the offer (inclusive) for the maximum number of New Securities for which they wish to subscribe and that offer shall be made mutatis mutandis to the provisions in Articles 31.2 to 31.4 (inclusive).
- 31.6 Subject to the requirements of Articles 31.2 to 31.5 (inclusive) and to the provisions of section 551 of the Act, any New Securities shall be at the disposal of the Board who may allot, grant options over or otherwise dispose of them to any persons at those times and generally on the terms and conditions they think proper.
- 31.7 In the case of options, rights of subscription or conversion over shares, the provisions of this Article 31 apply to the grant of any such rights but not to the allotment of shares pursuant to such rights provided this Articles shall not apply to the grant of options to subscribe for shares under an approved employee share option plan and subsequent issue of any shares.
- 31.8 No Shares shall be allotted or transferred to any employee, director, prospective employee or prospective director of the Company, who in the opinion of the Board is subject to taxation in the United Kingdom, unless such person has entered into a joint section 431 ITEPA election with the Company if so required by the Company.
- 31.9 The Directors may, as a condition to the registration of any allotment of shares in the Company, require the allottee to execute and deliver to the Company a deed agreeing to be bound by the terms of any subscription and shareholders' agreement or similar document in force between some or all of the Shareholders and the Company in any form as the Directors may reasonably require (but not so as to oblige the transferee to have any obligations or liabilities greater than

those of the proposed transferor under any such agreement or other document) and if any condition is imposed in accordance with this Article 31.9 the allotment may not be registered unless that deed has been executed and delivered to the Company's registered office by the transferee

**32 Payment of commissions on subscription for shares**

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

- (a) subscribing, or agreeing to subscribe, for shares; or
- (b) procuring, or agreeing to procure, subscriptions for shares.

32.2 Any such commission may be paid:

- (a) in cash, or in fully paid or partly paid shares or other securities, or partly in one way and partly in the other; and
- (b) in respect of a conditional or an absolute subscription.

**Interests in shares**

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

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

**Share certificates**

**34 Certificates to be issued except in certain cases**

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

34.2 Every certificate must specify:

- (a) in respect of how many shares, and of what class, it is issued;
- (b) the nominal value of those shares;
- (c) the amount paid up on them; and
- (d) any distinguishing numbers assigned to them.

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

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

34.5 Certificates must:

- (a) have affixed to them the Company's common seal; or
- (b) be otherwise executed in accordance with the Companies Acts.

**35 Replacement share certificates**

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

- (a) damaged or defaced; or

(b) said to be lost, stolen or destroyed,

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

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

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

## **Transfer of shares**

### **36 Share transfers**

36.1 In Articles 36 to 42 inclusive, reference to the transfer of a share includes the transfer or assignment of a beneficial or other interest in that share or the creation of a trust or encumbrance over that share and reference to a share includes a beneficial or other interest in a share.

36.2 No share may be transferred unless the transfer is approved by all the members or otherwise made in accordance with these Articles.

36.3 If a Shareholder transfers or purports to transfer a share otherwise than in accordance with these Articles he will be deemed immediately to have served a Transfer Notice in respect of all shares held by him.

36.4 Any transfer of a share by way of sale which is required to be made under Articles 37 to 41 (inclusive) will be deemed to include a warranty that the transferor sells with full title guarantee.

36.5 The Directors may refuse to register a transfer if:

- (a) it is a transfer of a share to a bankrupt, a minor or a person of unsound mind;
- (b) the transfer is to an Employee, Director or prospective Employee or prospective director of the Company, who in the opinion of the Board is subject to taxation in the United Kingdom, and such person has not entered into a joint section 431 ITEPA election with the Company;
- (c) it is a transfer of a share which is not fully paid:
  - (i) to a person of whom the Directors do not approve; or
  - (ii) on which share the Company has a lien;
- (d) the transfer is not accompanied by the certificate for the shares to which it relates (or an indemnity for lost certificate in a form acceptable to the Board) and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer;
- (e) the transfer is in respect of more than one class of shares;
- (f) the transfer is in favour of more than four transferees;

- (g) these Articles otherwise provide that such transfer shall not be registered; or
- (h) the transferee is a person (or a nominee for a person) who the Board, acting reasonably, determines in its absolute discretion:
  - (i) is a competitor with (or an Associate of a competitor with) the business of the Company or with a subsidiary undertaking of the Company; or
  - (ii) could potentially bring the company into ill-repute or cause the Company to suffer negative publicity.

If the Directors refuse to register a transfer, the instrument of transfer must be returned to the transferee with the notice of refusal unless they suspect that the proposed transfer may be fraudulent.

36.6 The Directors may, as a condition to the registration of any transfer of shares in the Company (whether pursuant to a Permitted Transfer or otherwise), require the transferee to execute and deliver to the Company a deed agreeing to be bound by the terms of any subscription and shareholders' agreement or similar document in force between some or all of the Shareholders and the Company in any form as the Directors may reasonably require (but not so as to oblige the transferee to have any obligations or liabilities greater than those of the proposed transferor under any such agreement or other document) and if any condition is imposed in accordance with this Article 36.6 the transfer may not be registered unless that deed has been executed and delivered to the Company's registered office by the transferee.

36.7 To enable the Directors to determine whether or not there has been any disposal of shares in the capital of the Company (or any interest in shares in the capital of the Company) in breach of these Articles the Directors may, require any holder or the legal personal representatives of any deceased holder or any person named as transferee in any transfer lodged for registration or any other person who the Directors may reasonably believe to have information relevant to that purpose, to furnish to the Company that information and evidence the Directors may reasonably request regarding any matter which they deem relevant to that purpose, including (but not limited to) the names, addresses and interests of all persons respectively having interests in the shares in the capital of the Company from time to time registered in the holder's name. If the information or evidence is not provided to enable the Directors to determine to their reasonable satisfaction that no breach has occurred, or where as a result of the information and evidence the Directors are reasonably satisfied that a breach has occurred, the Directors shall immediately notify the holder of such shares in the capital of the Company in writing of that fact and the following shall occur:

- (a) the relevant shares shall cease to confer upon the holder of them (including any proxy appointed by the holder) any rights to vote (whether on a show of hands or on a poll and whether exercisable at a general meeting or on a written resolution of the Company or at any separate meeting or written resolution of the class in question) provided that, at the election of the relevant Series Seed Shareholder, such rights shall not cease if as a result of such cessation the Company shall become a Subsidiary of a Series Seed Shareholder; or
- (b) all dividends or other distributions otherwise attaching to the relevant shares or to any further shares issued in respect of those shares shall be withheld; and

- (c) the holder may be required at any time following receipt of the notice to transfer some or all of its Shares to any person(s) at the price that the Directors may require by notice in writing to that holder.

The rights referred to in (a) and (b) above may be reinstated by the Board and shall in any event be reinstated upon the completion of any transfer referred to in (c) above.

36.8 In any case where the Board requires a Transfer Notice to be given in respect of any Shares, if a Transfer Notice is not duly given within a period of 10 Business Days of demand being made, a Transfer Notice shall be deemed to have been given at the expiration of that period.

36.9 If a Transfer Notice is required to be given by the Board or is deemed to have been given under these Articles, the Transfer Notice, unless otherwise specified in the Articles, will be treated as having specified that:

- (a) the Transfer Price for the Sale Shares will be as agreed between the Board (any director who is a Seller or with whom the Seller is connected (within the meaning of section 252 of the Act) not voting) and the Seller, or, failing agreement within five Business Days after the date on which the Board becomes aware that a Transfer Notice has been deemed to have been given, will be the Fair Value of the Sale Shares;
- (b) it does not include a Minimum Transfer Condition (as defined in Article 38.2(d)); and
- (c) the Seller wishes to transfer all of the Shares held by it,

For the purposes of a transfer made in accordance with a deemed Transfer Notice, the shares shall offered in the following order of priority:

- (i) in accordance with Article 38; and  
in relation to shares not taken up pursuant to Article 38,
- (ii) to any person(s) approved by the Board (other than the Leaver);  
and/or
- (iii) to the Company (subject always to the provisions of the Act).

36.10 Shares may be transferred by means of an instrument of transfer in any usual form or any other form approved by the directors, which is executed by or on behalf of the transferor.

### 37 **Permitted Transfers**

37.1 A member (who is not a Permitted Transferee) (**Original Member**) may transfer all or any of his or its Shares to a Permitted Transferee without restriction as to price or otherwise, save that no Unvested Shares or Restricted Shares shall be transferred to a Permitted Transferee.

37.2 Shares previously transferred as permitted by Article 37.1 may be transferred by the transferee to any other Permitted Transferee of the Original Member without restriction as to price or otherwise.

37.3 Where under the provision of a deceased member's will or laws as to intestacy, the persons legally or beneficially entitled to any shares, whether immediately or contingently, are Permitted Transferees of the deceased member, the legal

representative of the deceased member may transfer any share to those Permitted Transferees, in each case without restriction as to price or otherwise.

- 37.4 If a Permitted Transferee who was a Member of the same Group as the Original Member ceases to be a Member of the same Group as the Original Member, the Permitted Transferee must not later than five Business Days after the date on which the Permitted Transferee so ceases, transfer the Shares held by it to the Original Member or a Member of the same Group as the Original Member (which in either case is not in liquidation) without restriction as to price or otherwise failing which it will be deemed to have given a Transfer Notice in respect of those Shares.
- 37.5 Trustees may (i) transfer Shares to a Qualifying Company or (ii) transfer Shares to the Original Member or to another Permitted Transferee of the Original Member or (iii) transfer Shares to the new or remaining trustees upon a change of Trustees without restrictions as to price or otherwise.
- 37.6 No transfer of Shares may be made to Trustees unless the Board is satisfied:
- (a) with the terms of the trust instrument and in particular with the powers of the trustees;
  - (b) with the identity of the proposed trustees;
  - (c) the proposed transfer will not result in 50 per cent or more of the aggregate of the Company's equity share capital being held by trustees of that and any other trusts; and
  - (d) that no costs incurred in connection with the setting up or administration of the Family Trust in question are to be paid by the Company.
- 37.7 If a Permitted Transferee who is a Qualifying Company of the Original Member ceases to be a Qualifying Company of the Original Member, it must within five Business Days of so ceasing, transfer the Shares held by it to the Original Member (or, to any Permitted Transferee of the Original Member) (any may do so without restriction as to price or otherwise) failing which it will be deemed (unless it obtains the approval of the Board) to have given a Transfer Notice in respect of such Shares.
- 37.8 If a Permitted Transferee who is a spouse or Civil Partner of the Original Member ceases to be a spouse or Civil Partner of the Original Member whether by reason of divorce or otherwise he must, within 15 Business Days of so ceasing either:
- (a) execute and deliver to the Company a transfer of the Shares held by him to the Original Member (or, to any Permitted Transferee of the Original Member) for such consideration as may be agreed between them; or
  - (b) give a Transfer Notice to the Company in accordance with Article 38.2,
- failing which he shall be deemed to have given a Transfer Notice.
- 37.9 On the death, bankruptcy, liquidation, administration or administrative receivership of a Permitted Transferee (other than a joint holder) his personal representatives or trustee in bankruptcy, or its liquidator, administrator or administrative receiver must within five Business Days after the date of the grant of probate, the making of the bankruptcy order or the appointment of the liquidator, administrator or the administrative receiver execute and deliver to the Company a transfer of the Shares held by the Permitted Transferee without restriction as to price or otherwise. The transfer shall be to the Original Member

if still living (and not bankrupt or in liquidation) or, if so directed by the Original Member, to any Permitted Transferee of the Original Member. If the transfer is not executed and delivered within five Business Days of such period or if the Original Member has died or is bankrupt or is in liquidation, administration or administrative receivership, the personal representative or trustee in bankruptcy or liquidator, administrator or administrative receiver will be deemed to have given a Transfer Notice.

- 37.10 Any Shares may at any time be transferred where there is a sale of the entire issued share capital of the Company to a Holding Company, which has been approved by the Board.

### 38 **Transfers of Shares subject to pre-emption rights**

- 38.1 Save where the provisions of Articles 37, 39 and 40 apply, any transfer of Shares by a Shareholder shall be subject to the pre-emption rights contained in this Article 38.

- 38.2 A member who wishes to transfer Shares (**Seller**) shall, except as otherwise provided in these Articles, before transferring or agreeing to transfer any Shares give notice in writing (**Transfer Notice**) to the Company specifying:

- (a) the number of Shares which he wishes to transfer (**Sale Shares**);
- (b) if he wishes to sell the Sale Shares to a third party, the name of the proposed transferee;
- (c) the price at which he wishes to transfer the Sale Shares; and
- (d) whether the Transfer Notice is conditional on all or a specific number of the Sale Shares being sold to Shareholders (**Minimum Transfer Condition**).

If no cash price is specified by the Seller, the price at which the Sale Shares are to be transferred (**Transfer Price**) must be agreed between the Seller and the Board. In addition, if the price is not specified in cash, an equivalent cash value price must be agreed between the Seller and the Board. In both cases, the price will be deemed to be the Fair Value of the Sale Shares if no price is agreed within 5 Business Days of the Company receiving the Transfer Notice.

- 38.3 Except with the consent of the Board, no Transfer Notice once given or deemed to have been given under these Articles may be withdrawn.

- 38.4 A Transfer Notice constitutes the Company the agent of the Seller for the sale of the Sale Shares at the Transfer Price.

- 38.5 As soon as practicable following the later of:

- (a) receipt of a Transfer Notice; and
- (b) in the case where the Transfer Price has not been agreed, the determination of the Transfer Price under Article 42,

the Board shall offer the Sale Shares for sale to the Founder Members in the manner set out in Articles 38.6 and 38.7. Each offer must be in writing and give details of the number and Transfer Price of the Sale Shares offered.

- 38.6 *Offer of Sale Shares*



The Sale Shares shall be offered, to each member, in the proportion (fractional entitlements being rounded to the nearest whole number) which its existing holding of shares bears to the total number of shares then held by the members.

### 38.7 *Transfers: Offer*

- (a) The Board shall offer the Sale Shares to the members other than the Seller (**Continuing Shareholders**) inviting them to apply in writing within the period from the date of the offer to the date 10 Business Days after the offer (inclusive) (**Offer Period**) for the maximum number of Sale Shares they wish to buy.
- (b) If the Sale Shares are subject to a Minimum Transfer Condition, then any allocation made under Article 38.7 will be conditional on the fulfilment of the Minimum Transfer Condition.
- (c) If, at the end of the Offer Period, the number of Sale Shares applied for is equal to or exceeds the number of Sale Shares, the Board shall allocate the Sale Shares to each Continuing Shareholder who has applied for Sale Shares in the proportion (fractional entitlements being rounded to the nearest whole number) which his existing holding of the relevant class(es) of shares bears to the total number of the shares held by those Continuing Shareholders who have applied for Sale Shares which procedure shall be repeated until all Sale Shares have been allocated but no allocation shall be made to a Shareholder of more than the maximum number of Sale Shares which he has stated he is willing to buy.
- (d) If, at the end of the Offer Period, the number of Sale Shares applied for is less than the number of Sale Shares, the Board shall allocate the Sale Shares to the Continuing Shareholders in accordance with their applications and the balance will be offered to the other shareholders in accordance with Articles 38.6 and 38.7 and any balance remaining following such offers shall be dealt with in accordance with Article 38.8(e).

### 38.8 Completion of transfer of Sale Shares

- (a) If the Transfer Notice includes a Minimum Transfer Condition and the total number of Shares applied for does not meet the Minimum Transfer Condition the Board shall notify the Seller and all those to whom Sale Shares have been conditionally allocated under Article 38.7 stating the condition has not been met and that the relevant Transfer Notice has lapsed with immediate effect.
- (b) If:
  - (i) the Transfer Notice does not include a Minimum Transfer Condition; or
  - (ii) the Transfer Notice does include a Minimum Transfer Condition and allocations have been made in respect of all or the minimum required number of the Sale Shares,

the Board shall, when no further offers are required to be made under Article 38.7 give written notice of allocation (**Allocation Notice**) to the Seller and each member to whom Sale Shares have been allocated (**Applicant**) specifying the number of Sale Shares allocated to each Applicant and the place and time (being not less than 10 Business Days nor more than 20 Business Days after the date of the Allocation Notice) for completion of the transfer of the Sale Shares.

- (c) Upon service of an Allocation Notice, the Seller must, against payment of the Transfer Price, transfer the Sale Shares in accordance with the requirements specified in it.
- (d) If the Seller fails to comply with the provisions of Article 38.8(c):
  - (i) the chairman of the Company or, failing him, one of the directors, or some other person nominated by a resolution of the Board, may on behalf of the Seller:
    - (A) complete, execute and deliver in his name all documents necessary to give effect to the transfer of the relevant Sale Shares to the Applicants;
    - (B) receive the Transfer Price and give a good discharge for it; and
    - (C) (subject to the transfer being duly stamped) enter the Applicants in the register of Shareholders as the holders of the Shares purchased by them; and
  - (ii) the Company shall pay the Transfer Price into a separate bank account in the Company's name on trust (but without interest) or otherwise hold the Transfer Price on trust for the Seller until he has delivered to the Company his certificate or certificates for the relevant Shares (or an indemnity for lost certificate in a form acceptable to the Board).
- (e) If an Allocation Notice does not relate to all the Sale Shares then, subject to Article 38.8(f), the Seller may, within eight weeks after service of the Allocation Notice, transfer the unallocated Sale Shares to any person at a price at least equal to the Transfer Price.
- (f) The right of the Seller to transfer Shares under Article 38.8(e) does not apply if the Board is of the opinion on reasonable grounds that:
  - (i) the transferee is a person (or a nominee for a person) who the Board determine in their absolute discretion is a competitor with (or an Associate of a competitor with) the business of the Company or with a subsidiary undertaking of the Company;
  - (ii) the sale of the Sale Shares is not bona fide or the price is subject to a deduction, rebate or allowance to the transferee; or
  - (iii) the Seller has failed or refused to provide promptly information available to it or him and reasonably requested by the Board for the purpose of enabling it to form the opinion mentioned above;
  - (iv) the transferee is a competitor of the Company or could bring the Company into disrepute.

### 39 **Tag Along Rights**

- 39.1 The provisions of this Article 39 shall apply if the holders of not less than 50% of the issued shares in the Company (**Proposed Transferor(s)**) wish to transfer such shares to a bona fide third party purchaser (**Proposed Transferee**) on arms' length terms (**Proposed Transfer**).
- 39.2 No Proposed Transfer may be made or registered unless:
  - (a) it is agreed to in writing by all of the members; or

- (b) the Proposed Transferee has made an offer (**Proposed Transferee's Offer**) to buy all the other shares on the terms set out in Article 39.3 and the Proposed Transferee's Offer has closed and each accepted offer has been completed, unless failure to complete is the fault of any person to whom the Proposed Transferee's Offer was made.

39.3 The Proposed Transferee's Offer shall be on the following terms:

- (a) the Proposed Transferee's Offer shall be open for acceptance for at least 21 Business Days;
- (b) the consideration for each share subject to the Proposed Transferee's Offer shall be the highest consideration offered for each Proposed Transferor(s) shares.

#### 40 **Drag Along Rights**

- 40.1 Subject to Article 40.2, if the holders of at least 60% of the issued shares in the Company (**Drag Selling Shareholders**) wish to transfer all their interest in shares (**Drag Sellers' Shares**) to a proposed bona fide third party purchaser (**Proposed Purchaser**) who has made an offer (**Drag Offer**) on arm's length terms, the Drag Selling Shareholders shall have the option (**Drag Along Option**) to require all the other holders of shares (**Called Shareholders**) to sell and transfer all their shares (**Called Shares**) to the Proposed Purchaser or as the Proposed Purchaser shall direct in accordance with the provisions of this Article 40.
- 40.2 The Drag Selling Shareholders may exercise the Drag Along Option by giving a written notice to that effect (**Drag Along Notice**) to the Company (which the Company shall immediately send to the Called Shareholders) at any time before the transfer of the Drag Sellers' Shares to the Proposed Purchaser. A Drag Along Notice shall specify that the Called Shareholders are required to transfer all their Called Shares under this Article 40, the person to whom they are to be transferred, the consideration for which the Called Shares are to be transferred (calculated in accordance with this Article 40) and the proposed date of transfer.
- 40.3 Drag Along Notices shall be irrevocable but will lapse if for any reason there is not a sale of the Drag Sellers' Shares by the Drag Selling Shareholders to the Proposed Purchaser within 40 Business Days after the date of service of the Drag Along Notice. The Drag Selling Shareholders shall be entitled to serve further Drag Along Notices following the lapse of any particular Drag Along Notice.
- 40.4 The consideration (in cash or otherwise) for which the Called Shareholders shall be obliged to sell each of the Called Shares shall be that to which they would be entitled if the total consideration proposed to be paid by the Proposed Purchaser for the Called Shares and the Drag Sellers' Shares were distributed to the holders of the Called Shares and the Drag Sellers' Shares in accordance with the provisions of this Article 40.
- 40.5 No Drag Along Notice may require a Called Shareholder to agree to any terms except those specifically provided for in this Article 40.
- 40.6 Within five Business Days of the Proposed Purchaser serving a Drag Along Notice on the Called Shareholders, the Called Shareholders shall deliver stock transfer forms for their Shares in favour of the Proposed Purchaser or as the Proposed Purchaser shall direct, together with the relevant share certificate(s) (or an indemnity for lost certificate in a form acceptable to the Directors) to the Company. On the expiration of that five Business Day period the Company shall pay the Called Shareholders, on behalf of the Proposed Purchaser, the amounts

they are due pursuant to Article 40.4 to the extent that the Company has received these amounts in cleared funds from the Proposed Purchaser. The Company's receipt for the amounts due pursuant to Article 40.5 shall be a good discharge to the Proposed Purchaser. The Company shall hold the amounts due to the Called Shareholders pursuant to Article 40.4 in trust for the Called Shareholders without any obligation to pay interest.

- 40.7 To the extent that the Proposed Purchaser has not, on the expiration of such five Business Day period, put the Company in funds to pay the amounts due pursuant to Article 40.4, the Called Shareholders shall be entitled to the return of the stock transfer forms and share certificates (or an indemnity) for the relevant Shares and the Called Shareholders shall have no further rights or obligations under this Article 40 in respect of their Shares.
- 40.8 If a Called Shareholder fails to deliver stock transfer forms and share certificates (or an indemnity) for its Shares to the Company upon the expiration of that five Business Day period, any Director is authorised to transfer the Called Shareholder's Shares as agent on the Called Shareholder's behalf to the Proposed Purchaser (or its nominee(s)) to the extent the Proposed Purchaser has, at the expiration of that five Business Day period, put the Company in funds to pay the amounts due pursuant to Article 40.4 for the Called Shareholder's Shares offered to him. The Board shall then authorise registration of the transfer once appropriate stamp duty has been paid. The defaulting Called Shareholder shall surrender his share certificate for his Shares (or provide a suitable indemnity) to the Company. On surrender, he shall be entitled to the amount due to him pursuant to Article 40.4.
- 40.9 Any transfer of Shares to a Proposed Purchaser (or as they may direct) pursuant to a sale in respect of which a Drag Along Notice has been duly served shall not be subject to the provisions of Article 40.
- 40.10 On any person, following the issue of a Drag Along Notice, becoming a Shareholder pursuant to the exercise of a pre-existing option to acquire shares in the Company or pursuant to the conversion of any convertible security of the Company (**New Shareholder**), a Drag Along Notice shall be deemed to have been served on the New Shareholder on the same terms as the previous Drag Along Notice who shall then be bound to sell and transfer all Shares so acquired to the Proposed Purchaser or as the Proposed Purchaser may direct and the provisions of this Article shall apply with the necessary changes to the New Shareholder except that completion of the sale of the Shares shall take place immediately on the Drag Along Notice being deemed served on the New Shareholder.

#### 41 **Mandatory Transfers**

- 41.1 A person entitled to a share in consequence of the bankruptcy of a member shall be deemed to have given a Transfer Notice in respect of that share at a time determined by the Directors and pending such determination shall not be entitled to receive notice of, or to attend and vote at any general meeting of the Company or to any right to exercise any other voting rights bestowed on members pursuant to the Companies Acts and these Articles (including as to written resolutions and the circulation thereof).
- 41.2 If a share remains registered in the name of a deceased Shareholder for longer than one year after the date of his death the Directors may require the legal personal representatives of that deceased Shareholder either:

- (a) to effect a Permitted Transfer of such Shares (including for this purpose an election to be registered in respect of the Permitted Transfer); or
- (b) to show to the satisfaction of the Directors that a Permitted Transfer will be effected before or promptly upon the completion of the administration of the estate of the deceased Shareholder.

If either requirement in this Article 41.2 shall not be fulfilled to the satisfaction of the Directors a Transfer Notice shall be deemed to have been given in respect of each such share save to the extent that, the Directors may otherwise determine.

- 41.3 If a Shareholder suffers an Insolvency Event or purports to transfer its shares other than in accordance with these Articles the relevant Shareholder (save to the extent that, and at a time, the Directors may determine and pending such determination) shall not be entitled to receive notice of, or to attend and vote at any general meeting of the Company or to any right to exercise any other voting rights bestowed on members pursuant to the Companies Acts and these Articles (including as to written resolutions and the circulation thereof)..

## 42 **Fair Value**

- 42.1 If no Transfer Price can be agreed between the Seller and the Board in accordance with provisions of these articles, on the date of failing agreement, the Board shall either:

- (a) appoint an expert valuer in accordance with Article 42.2 (**Expert Valuer**) to certify the Fair Value of the Sale Shares; or
- (b) (if the Fair Value has been certified by an Expert Valuer within the preceding 12 weeks) specify that the Fair Value of the Sale Shares will be calculated by dividing any Fair Value so certified by the number of Sale Shares to which it related and multiplying such Fair Value by the number of Sale Shares the subject of the Transfer Notice.

- 42.2 The Expert Valuer will be either:

- (a) the auditors or accountants of the Company; or
- (b) (if otherwise agreed by the Board and the Seller) an independent firm of chartered accountants to be agreed between the Board and the Seller or failing agreement not later than the date 10 Business Days after the date of service of the Transfer Notice to be nominated by the then President of the Institute of Chartered Accountants in England and Wales on the application of either party and approved by the Company.

- 42.3 The "**Fair Value**" of the Sale Shares shall be determined by the Expert Valuer on the following assumptions and bases:

- (a) valuing the Sale Shares as on an arm's-length sale between a willing seller and a willing buyer;
- (b) if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so;
- (c) that the Sale Shares are capable of being transferred without restriction;
- (d) valuing the Sale Shares as a rateable proportion of the total value of all the issued Shares (excluding any Shares held as Treasury Shares) without any premium or discount being attributable to the percentage of the issued

share capital of the Company which they represent but taking account of the rights attaching to the Sale Shares; and

- (e) reflect any other factors which the Expert Valuer reasonably believes should be taken into account.
- 42.4 If any difficulty arises in applying any of these assumptions or bases then the Expert Valuer shall resolve that difficulty in whatever manner they shall in their absolute discretion think fit.
- 42.5 The Expert Valuer shall be requested to determine the Fair Value within 20 Business Days of their appointment and to notify the Board of their determination.
- 42.6 The Expert Valuer shall act as experts and not as arbitrators and their determination shall be final and binding on the parties (in the absence of fraud or manifest error).
- 42.7 The Board will give the Expert Valuer access to all accounting records or other relevant documents of the Company subject to them agreeing to such confidentiality provisions as the Board may reasonably impose.
- 42.8 The Expert Valuer shall deliver their certificate to the Company. As soon as the Company receives the certificate it shall deliver a copy of it to the Seller. Unless the Sale Shares are to be sold under a Transfer Notice, which is deemed to have been served, the Seller may by notice in writing to the Company within five (5) Business Days of the service on him of the copy certificate, cancel the Company's authority to sell the Sale Shares.
- 42.9 The cost of obtaining the certificate shall be paid by the Company unless:
  - (a) the Seller cancels the Company's authority to sell; or
  - (b) the Sale Price certified by the Expert Valuer is less than the price (if any) offered by the directors to the Seller for the Sale Share before Expert Valuer was instructed,

in which cases the Seller shall bear the cost.

## **Distributions**

- 43 **Procedure for declaring dividends**
- 43.1 The Company may by ordinary resolution declare dividends, and the directors may decide to pay interim dividends.
- 43.2 A dividend must not be declared unless the directors have made a recommendation as to its amount. Such a dividend must not exceed the amount recommended by the directors.
- 43.3 No dividend may be declared or paid unless it is in accordance with members' respective rights.
- 43.4 Unless the members' resolution to declare or directors' decision to pay a dividend, or the terms on which shares are issued, specify otherwise, it must be paid by reference to each member's holding of shares on the date of the resolution or decision to declare or pay it.

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

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

43.7 If the directors act in good faith, they do not incur any liability to the holders of shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on shares with deferred or non-preferred rights.

#### 44 **Calculation of dividends**

44.1 Except as otherwise provided by the Articles or the rights attached to shares, all dividends must be:

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

44.2 If any share is issued on terms providing that it ranks for dividend as from a particular date, that share ranks for dividend accordingly.

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

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

- (a) transfer to a bank or building society account specified by the distribution recipient either in writing or as the directors may otherwise decide;
- (b) sending a cheque made payable to the distribution recipient by post to the distribution recipient at the distribution recipient's registered address (if the distribution recipient is a holder of the share), or (in any other case) to an address specified by the distribution recipient either in writing or as the directors may otherwise decide;
- (c) sending a cheque made payable to such person by post to such person at such address as the distribution recipient has specified either in writing or as the directors may otherwise decide; or
- (d) any other means of payment as the directors agree with the distribution recipient either in writing or by such other means as the directors decide.

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

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

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

#### 47 **Unclaimed distributions**

47.1 All dividends or other sums which are:

- (a) payable in respect of shares; and
  - (b) unclaimed after having been declared or become payable,
- may be invested or otherwise made use of by the directors for the benefit of the Company until claimed.

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

47.3 If:

- (a) 12 years have passed from the date on which a dividend or other sum became due for payment; and

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

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

#### 48 **Non-cash distributions**

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

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

- (a) fixing the value of any assets;
- (b) paying cash to any distribution recipient on the basis of that value in order to adjust the rights of recipients; and
- (c) vesting any assets in trustees.

#### 49 **Waiver of distributions**

Distribution recipients may waive their entitlement to a dividend or other distribution payable in respect of a share in whole or in part by giving the Company notice in writing to that effect (executed as a deed, unless the waiver is made for valuable consideration), but if:

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

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

### **Capitalisation of profits**

#### 50 **Authority to capitalise and appropriation of capitalised sums**

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



- (a) decide to capitalise any profits of the Company (whether or not they are available for distribution) which are not required for paying a preferential dividend, or any sum standing to the credit of the Company's share premium account or capital redemption reserve or any other reserve; and
  - (b) appropriate any sum which they so decide to capitalise (**capitalised sum**) to the persons who would have been entitled to it if it were distributed by way of dividend (**persons entitled**) and in the same proportions.
- 50.2 Capitalised sums must be applied:
  - (a) on behalf of the persons entitled; and
  - (b) in the same proportions as a dividend would have been distributed to them.
- 50.3 Any capitalised sum may be applied in paying up new shares of a nominal amount equal to the capitalised sum which are then allotted credited as fully paid to the persons entitled or as they may direct.
- 50.4 A capitalised sum which was appropriated from profits available for distribution may be applied:
  - (a) in or towards paying up any amounts unpaid on existing shares held by the persons entitled; or
  - (b) in paying up new debentures of the Company which are then allotted credited as fully paid to the persons entitled or as they may direct.
- 50.5 Subject to the Articles, the directors may:
  - (a) apply capitalised sums in accordance with Articles 50.3 and 50.4 partly in one way and partly in another;
  - (b) make such arrangements as they think fit to deal with shares or debentures becoming distributable in fractions under this Article (including the issuing of fractional certificates or the making of cash payments); and
  - (c) authorise any person to enter into an agreement with the Company on behalf of all the persons entitled which is binding on them in respect of the allotment of shares and debentures to them under this Article.

## **PART 4 Decision-making by members**

### **Organisation of general meetings**

#### **51 Members can call general meeting if there are no directors**

If the Company has no directors then any member may call a general meeting (or instruct the company secretary (if any) to do so) solely for the purpose of appointing one or more directors and any reasonable expenses incurred by a member in calling any such meeting shall be reimbursed by the Company.

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

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

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

- (a) that person is able to vote, during the meeting, on resolutions put to the vote at the meeting; and
- (b) that person's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting.

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

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

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

### 53 **Quorum for general meetings**

No business other than the appointment of the chairman of the meeting shall be transacted at any meeting unless a quorum is present. Once a meeting is quorate and has commenced, the departure of a member from the meeting shall not make the meeting inquorate unless the remaining members agree unanimously that it should do so.

### 54 **Chairing general meetings**

54.1 The chairman of the board of directors at the most recent meeting of Eligible Directors, or a director nominated by such chairman shall chair general meetings if present and willing to do so.

54.2 If the chairman or the director nominated by the chairman is unwilling to chair the meeting or is not present within ten minutes of the time at which a meeting was due to start:

- (a) the Eligible Directors present; or
- (b) (if no Eligible Directors are present), the meeting,

must appoint an Eligible Director or member to chair the meeting, and the appointment of the chairman of the meeting must be the first business of the meeting.

54.3 The person chairing a meeting in accordance with this Article is referred to as the **chairman of the meeting**.

### 55 **Attendance and speaking by directors and non-members**

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

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

- (a) members of the Company; or
- (b) otherwise entitled to exercise the rights of members in relation to general meetings,

to attend and speak at a general meeting.

## 56 **Adjournment and postponement**

- 56.1 If the persons attending a general meeting within half an hour of the time at which the meeting was due to start do not constitute a quorum, or if during a meeting a quorum ceases to be present, the chairman of the meeting must adjourn it to the same day five business days later at the same time and place. If a quorum is not present within half an hour from the time appointed for resumption of the meeting, the meeting shall be deemed quorate.
- 56.2 The chairman of the meeting may adjourn a general meeting at which a quorum is present if:
- (a) the meeting consents to an adjournment; or
  - (b) it appears to the chairman of the meeting that an adjournment is necessary to protect the safety of any person attending the meeting or ensure that the business of the meeting is conducted in an orderly manner.
- 56.3 The chairman of the meeting must adjourn a general meeting if directed to do so by the meeting.
- 56.4 When adjourning a general meeting, the chairman of the meeting must:
- (a) either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the Eligible Directors; and
  - (b) have regard to any directions as to the time and place of any adjournment which have been given by the meeting.
- 56.5 It shall not be necessary to give any notice of an adjourned general meeting or of any business to be transacted at an adjourned meeting.
- 56.6 No business may be transacted at an adjourned general meeting which could not properly have been transacted at the meeting if the adjournment had not taken place.
- 56.7 Other than in the case of a meeting requisitioned by the members in accordance with the Act, if the Eligible Directors in their absolute discretion consider that it is impractical or unreasonable for any reason to hold any general meeting convened by them at the time or place specified in the notice of meeting, they may at any time before the time appointed for holding that meeting (**original meeting**) postpone it to another time and/or place, in which case:
- (a) the Eligible Directors shall take reasonable steps to notify those members who were entitled to notice of the original meeting of the time and place of the postponed meeting;
  - (b) no further notice of the postponed meeting or of any business to be transacted at the postponed meeting shall otherwise be required; and
  - (c) no business may be transacted at the postponed meeting which could not properly have been transacted at the original meeting.

If a general meeting is postponed in accordance with this Article, the appointment of a proxy will be valid if it is delivered to the Company in accordance with the Articles not less than 48 hours before the time appointed for holding the postponed meeting. The Eligible Directors may further postpone in accordance with this Article any meeting postponed under this Article.

## **Voting at general meetings**

### **57 Voting: general**

57.1 Other than as otherwise set out in these Articles a resolution put to the vote of a general meeting must be decided on a show of hands unless a poll is duly demanded in accordance with the Articles.

57.2 If pursuant to these Articles or any other arrangements or agreement made between all of the members:

(a) a member is notified that it is required to transfer the shares held by it in the Company; or

(b) a member is deemed to have offered its shares for sale,

from the time that member is deemed to have received such notification until the time its shares are transferred, it shall not and shall not be entitled to exercise any voting rights attached to its shares and any requirement contained in these Articles for a certain number of members to be present at a meeting to constitute a quorum shall be met without the attendance or presence of it notwithstanding that a particular number or certain type of member is normally required in order to constitute a quorum.

57.3 Any member interested in a Claim (other than interested solely by virtue of being a member of the Company) shall be entitled to attend and speak at any meeting in relation to such Claim but shall not be entitled to vote at such meeting. Any requirement contained in these Articles for a certain number of members to be present at a meeting to constitute a quorum shall be met without the attendance or presence of a member who is interested in a Claim (other than interested solely by virtue of being a member of the Company) where a resolution in relation to such a Claim is proposed notwithstanding that a particular number or certain type of member is normally required in order to constitute a quorum.

### **58 Errors and disputes**

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

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

### **59 Demanding a poll**

59.1 A poll on a resolution may be demanded:

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

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

59.2 A poll may be demanded at any general meeting by any qualifying person (as defined in section 318 of the Act) present and entitled to vote at the meeting.

59.3 A demand for a poll may be withdrawn if:

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

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

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

59.4 Polls must be taken at the general meeting at or in respect of which they are demanded and in such manner as the chairman of the meeting directs.

59.5 The result of a poll shall be the decision of the meeting in respect of the resolution on which the poll was demanded.

## 60 **Content and delivery of proxy notices**

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

- (a) states the name and address of the member appointing the proxy;
- (b) identifies the person appointed to be that member's proxy and the general meeting in relation to which that person is appointed;
- (c) is signed by or on behalf of the member appointing the proxy, or is authenticated in such manner as the directors may determine; and
- (d) is delivered to the Company in accordance with the Articles before the time appointed for holding the general meeting (or adjourned meeting) at which the right to vote is to be exercised and in accordance with any instructions contained in the notice of the general meeting to which they relate,

and a proxy notice which is not delivered in such manner shall be invalid, unless the directors, in their absolute discretion, accept the proxy notice at any time before the meeting.

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

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

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

- (a) allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting; and
- (b) appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself.

## 61 **Effect of proxy notice**

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

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

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

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

**62 Amendments to resolutions**

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

**Restrictions on members' rights**

**63 No voting of shares on which money owed to Company**

No voting rights attached to a share may be exercised at any general meeting, at any adjournment of it, or on any written resolution of the Company unless all amounts due and payable to the Company in respect of that share have been paid.

**64 Transmission of shares**

- 64.1 On their death a member may only pass title to its shares to a Permitted Transferee.
- 64.2 If title to a share passes to a Transmittree, the Company:
- (a) may only recognise the Transmittree as having any title to that share; and
  - (b) may only recognise a Transmittree who is a Permitted Transferee.
- 64.3 Nothing in the Articles releases the estate of a deceased member from any liability in respect of a share solely or jointly held by that member.

**65 Transmittrees' rights**

- 65.1 A Transmittree who produces such evidence of entitlement to shares as the directors may properly require:
- (a) may, subject to the Articles, choose either to become the holder of those shares or to have them transferred to another person; and

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

65.2 Transmittes do not have the right to attend or vote at a general or class meeting, or agree to a proposed written resolution, in respect of shares to which they are entitled, by reason of the holder's death or bankruptcy or otherwise, unless they become the holders of those shares.

## **66 Exercise of Transmittes' rights**

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

66.2 If the Transmittes (being a personal representative or trustee in bankruptcy or otherwise) wishes to have a share transferred to another person, the Transmittes must execute an instrument of transfer in respect of it and such transfer must be subject to the provisions of Article 64.1 and 64.2.

66.3 Any transfer made or executed under this Article is to be treated as if it were made or executed by the person from whom the Transmittes has derived rights in respect of the share, and as if the event which gave rise to the transmission had not occurred and the Transmittes shall be bound to act in accordance with these Articles and any agreement between the shareholders and the Company in respect of the shares and to which the transmitting shareholder had been a party in respect of such shares (if any).

## **67 Transmittes bound by prior notices**

If a notice is given to a member in respect of shares and a Transmittes is entitled to those shares, the Transmittes (or other person to whom the shares are transferred pursuant to Article 66.1) is bound by the notice if it was given to the member before the name of the Transmittes (or such other person) has been entered in the register of members.

## **68 Class meetings**

The provisions of the Articles relating to general meetings apply, with any necessary modifications, to meetings of the holders of any class of shares.

# **PART 5 Miscellaneous provisions**

## **Company communications**

### **69 Means of communication**

69.1 Subject to the Articles, any document or information sent or supplied by the Company:

- (a) under the Articles or pursuant to the Companies Acts; or
- (b) pursuant to any other rule or regulation to which the Company may be subject (and if permitted by such rule or regulation),

may be sent or supplied in any way in which the Act provides for documents or information which are authorised or required by any provision of the Act to be sent or supplied by the Company (including, without limitation, by making documents or information available on a website).

69.2 Subject to the Articles, any document or information sent or supplied to the Company under the Articles or pursuant to the Companies Acts may be sent or

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

- 69.3 References in the Articles to documents or information being sent or supplied by or to the Company include references to documents or information being sent or supplied by or to the directors acting on behalf of the Company.

## 70 **Deemed receipt**

- 70.1 Any document or information sent or supplied by the Company shall be deemed to have been received by the intended recipient:

- (a) if delivered by hand to an address in the United Kingdom, on the day of delivery to such address (or, if not a working day, on the next working day);
- (b) if sent by first-class post to an address in the United Kingdom and the Company is able to show that it was properly addressed, prepaid and posted, 24 hours after it was posted;
- (c) if sent by airmail to an address outside the United Kingdom and the Company is able to show it was properly addressed, pre-paid and despatched, 72 hours after it was despatched;
- (d) if sent or supplied by electronic means and the Company is able to show that it was properly addressed, 12 hours after it was sent; and
- (e) if sent or supplied by means of a website:
  - (i) when the material was first made available on the website; or
  - (ii) if later, when the recipient received (or is deemed pursuant to this Article 70.1 to have received) notice of the fact that the material was available on the website.

- 70.2 For the purposes of Article 70.1:

- (a) in calculating a period of hours, no account shall be taken of any part of a day that is not a working day;
- (b) a document or information is properly addressed if it is sent or supplied to an address to which the Company may send or supply documents or information in accordance with the Act; and
- (c) the Company shall not be required to investigate or prove actual receipt by an intended recipient of any document or information (including any document or information sent or supplied by electronic means).

- 70.3 A member present, either in person or by proxy, at any meeting of the Company or of the holders of any class of shares in the Company shall be deemed to have received notice of the meeting and of the purposes for which it was called.

## 71 **Communications with certain recipients**

- 71.1 The Company shall be entitled not to send or supply notices (including any notification required by the Act that a document or information is available on a website) to a member whose registered address is not within the United Kingdom, unless:

- (a) the member has provided the Company with a postal address within the United Kingdom at which notices may be sent or supplied to him; or



- (b) the member has provided the Company with an address to which notices may be sent or supplied to him by electronic means and the directors, in their absolute discretion, agree to use electronic means to supply notices to the member.

71.2 Subject to the Articles, in the case of joint holders of a share:

- (a) the sending or supply of any document or information to any one of the joint holders shall be deemed to be sufficient sending or supply to all the joint holders; and
- (b) where, for the purposes of the company communications provisions of the Act or of the Articles anything is to be agreed or specified by a holder, the agreement or deemed agreement of or specification by any one of the joint holders shall be deemed to be sufficient agreement or specification by all the joint holders.

71.3 Subject to the Articles, any notice or other document to be sent or supplied to a director in connection with the taking of decisions by directors may also be sent or supplied by the means by which that director has asked to be sent or supplied with such notices or documents for the time being.

71.4 A director may agree with the Company that notices or other documents sent to that director in a particular way are to be deemed to have been received within a specified time of their being sent, and for the specified time to be less than the time periods set out in Article 70.

## 72 **Failure to notify contact details**

72.1 If:

- (a) the Company sends two consecutive documents to a member over a period of at least 12 months; and
- (b) each of those documents is returned undelivered, or the Company receives notification that it has not been delivered,

that member ceases to be entitled to receive notices (including any notification required by the Act that a document or information is available on a website) from the Company.

72.2 A member who has ceased to be entitled to receive notices from the Company becomes entitled to receive them again by providing the Company with:

- (a) a new address to be recorded in the register of members (or, in the case of a member whose registered address is not within the United Kingdom, an address complying with Article 71.1); or
- (b) if the member has agreed that the Company should use a means of communication other than sending things to such an address, the information that the Company needs to use that means of communication effectively.

## **Company secretary**

### 73 **Secretary**

The directors may appoint a person to act as the secretary of the Company for such term, at such remuneration and upon such conditions as they may think fit;

and any secretary so appointed may be removed by them (with or without replacement).

## **Administrative arrangements**

### **74 Company seals**

- 74.1 Any common seal may only be used by the authority of the directors.
- 74.2 The directors may decide by what means and in what form any common seal is to be used.
- 74.3 Unless otherwise decided by the directors, if the Company has a common seal and it is affixed to a document, the document must also be signed by at least one authorised person in the presence of a witness who attests the signature.
- 74.4 For the purposes of this Article, an authorised person is:
  - (a) any director of the Company;
  - (b) the company secretary (if any); or
  - (c) any person authorised by the directors for the purpose of signing documents to which the common seal is applied.
- 74.5 The Company may execute deeds and other documents otherwise than under the common seal provided that execution is in accordance with the Companies Acts.

### **75 No right to inspect accounts and other records**

Except as provided by law or any other arrangement or agreement made between all of the members or authorised by the directors or an ordinary resolution of the Company, no person is entitled to inspect any of the Company's accounting or other records or documents merely by virtue of being a member.

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

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

## **Directors' indemnity, funding and insurance**

### **77 Indemnity and funding**

- 77.1 Subject to Article 77.2, but without prejudice to any indemnity to which a relevant officer may otherwise be entitled, the directors may exercise the power of the Company to:
  - (a) indemnify any relevant officer out of the assets of the Company against:
    - (i) any liability incurred by that relevant officer in connection with any negligence, default, breach of duty or breach of trust in relation to the Company or an associated company;
    - (ii) any liability incurred by that relevant officer in connection with the activities of the Company or an associated company in its capacity as a trustee of an occupational pension scheme (as defined in section 235(6) of the Act); and

- (iii) any other liability incurred by that relevant officer as an officer of the Company or an associated company;
- (b) provide any relevant officer with funds to meet expenditure incurred or to be incurred by such relevant officer:
  - (i) in defending any criminal or civil proceedings or in defending himself in an investigation by a regulatory authority or against action proposed to be taken by a regulatory authority in connection with any alleged negligence, default, breach of duty or breach of trust in relation to the Company or an associated company; or
  - (ii) in connection with any application for relief (within the meaning of section 205(5) of the Act),or to do anything to enable a relevant officer to avoid incurring such expenditure.

77.2 This Article does not authorise any indemnity, provision of funds or other matter which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law.

## 78 **Insurance**

The directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any relevant officer in respect of any loss or liability which has been or may be incurred by a relevant officer in connection with their duties or powers in relation to the Company, any associated company or any pension fund or employees' share scheme of the Company or any associated company.