

Company Number: 14588983

The Companies Act 2006

Private Company Limited by Shares

Articles of Association
of
Brathay Care Communities Limited

(As adopted by members' written resolution passed on 3 July 2023)

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ANNEX – MODEL ARTICLES

THE COMPANIES ACT 2006

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

of

BRATHAY CARE COMMUNITIES LIMITED (the Company)

Company number: 14588983

(As adopted by member's written resolution passed on 3 July 2023)

1 PRELIMINARY

1.1 In these Articles, if not inconsistent with the context, the following expressions have the following meanings:

Act means the Companies Act 2006 including any statutory re-enactment or modification thereof from time to time in force;

A Director means a director appointed by the A Shareholder under Article 3.10;

Agreed Proportions means 58.46% in respect of the A Shareholder, 20.54% in respect of the C Shareholders and 21% in respect of the D Shareholders or (if different) such other proportions as equal, at the relevant time, the percentages which the nominal value of the shares beneficially owned by the A Shareholder and the C Shareholders and the D Shareholders respectively bear to the combined nominal values of those shares;

Articles means these articles of association;

A Shares means the A ordinary shares of £0.01 each in the capital of the Company and A Shareholder means a person who is for the time being registered as a holder of A Shares;

Associate means any person who in relation to a Shareholder is:

- (a) a Family Member or a trustee of a Family Trust; or
- (b) any person with whom the Shareholder or any Associate of the Shareholder is connected (determined for this purpose in accordance with section 839 of the Income and Corporation Taxes Act 1988);

Board means the board of directors of the Company from time to time;

Business Day means any day which is not a Saturday, a Sunday or a bank or public holiday in London;

Completion means completion of the applicable Exit;

Conflict Authorisation has the meaning given in Article 23.1;

Conflict Authorisation Terms has the meaning given in Article 23.7;

Conflict Situation has the meaning given in Article 23.1;

C Director means a director appointed by the C Shareholders under article 3.11;

C Shares means the C1 Shares and the C2 Shares and C Shareholder means a person who is for the time being registered as a holder of C Shares;

C1 Shares means the C1 ordinary shares of £0.01 each in the capital of the Company and C1 Shareholder means a person who is for the time being registered as a holder of C1 Shares;

C2 Shares means the C2 ordinary shares of £0.01 each in the capital of the Company and C2 Shareholder means a person who is for the time being registered as a holder of C2 Shares;

D Director means a director appointed by the D Shareholders under article 3.12;

Departing Shareholder has the meaning set out in Article 8.1;

D Shares means the D1 Shares and the D2 Shares and D Shareholder means a person who is for the time being registered as a holder of D Shares;

D1 Shares means the D1 ordinary shares of £0.01 each in the capital of the Company and D1 Shareholder means a person who is for the time being registered as a holder of D1 Shares;

D2 Shares means the D2 ordinary shares of £0.01 each in the capital of the Company and D2 Shareholder means a person who is for the time being registered as a holder of D2 Shares;

eligible director means a director who would be entitled to vote on the matter at a meeting of directors (but excluding any director whose vote is not to be counted in respect of the particular matter);

electronic communication has the meaning given to it in the Electronic Communications Act 2000;

Exit means a Sale, Listing or a return of assets on liquidation, reduction of capital or otherwise (other than a redemption of Shares or the purchase by the Company of Shares);

Family Member means the spouse (or widow or widower), civil partner, child or grandchild (including any step and adopted child and its issue) of any relevant Shareholder;

Family Trust means a trust established by a Shareholder (being an individual) which only permits such Shareholder and his Family Members to be beneficiaries;

FSMA means the Financial Services and Markets Act 2000;

Good Leaver means a C2 Shareholder or a D2 Shareholder who becomes a Departing Shareholder:

- (a) by reason of death or retirement (as agreed with the Board); or
- (b) who is designated as a Good Leaver by the Board (and the Board shall be entitled to exercise their sole discretion in making such determination);

Group means the Company and its subsidiaries for the time being and Group Company means any of them;

in writing means written, or produced by any visible substitute for writing, which is in or capable of being converted into non-transitory form or partly one and partly another;

Interested Director has the meaning given in Article 23.1;

Issue Price means, in relation to any Share, the price at which the relevant Share was issued (being the total amount paid up or credited as paid up thereon, including any share premium);

Listing means:

- (c) the admission of any part of the Company's share capital to the Official List of the UKLA and the grant of permission for the same to be traded on the Main Market of London Stock Exchange plc, or the grant of permission for the same to be traded on AIM (being the market operated under that name by London Stock Exchange plc) or on any other recognised investment exchange (as defined by section 285 of FSMA); or
- (d) the transfer of all or a majority of the Company's issued Shares on terms open to all Shareholders to a company (Listco) the share capital of which is listed on a recognised investment exchange or AIM where all or part of the consideration received by the Shareholders is an issue of new shares in the capital of Listco whether by way of scheme of amalgamation, arrangement, reverse take-over or other transaction;

Mandatory Transfer Event has the meaning set out in Article 8.1;

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

Model Articles means the model articles prescribed by Schedule 1 of the Companies (Model Articles) Regulations 2008 (SI 2008/3229) as annexed to these Articles;

Non-selling Party has the meaning set out in Article 12.1;

Permitted Transfer means a transfer made in accordance with Article 9;

Permitted Transferee means a person to whom Shares are transferred pursuant to Article 9;

Proposing Seller has the meaning set out in Article 12.1;

Reorganisation means an internal reorganisation of the Group by any means, including the acquisition of the Company by a new holding company;

Sale means either (other than as part of a Reorganisation):

- (a) the completion of an agreement for the purchase of all the Shares to the extent not already owned by the buyer or persons connected to or acting in concert with the buyer, or the acceptance of an offer as a result of which the offeror becomes entitled or bound to acquire the remainder of such Shares in accordance with section 979 of the Act or these Articles; or
- (b) the sale of all or a substantial part of the Group's business and assets to a single buyer or to one or more buyers as part of a single transaction or series of connected transactions;

Sale Shares has the meaning set out in Article 13.1;

Service Agreements means those service agreements or contracts of employment or non-executive director appointment letters (as the case may be) entered into between the Company (or a Group Company) and each or any of the Shareholders (as the case may be);

Share means a share of any class in the capital of the Company (including any A Share, C Share, D Share or any other share in the capital of the Company) and Shareholder means a person who is for the time being registered as a holder of a Share;

Shareholders' Agreement means the shareholders' agreement entered into on or around the same date as these Articles between (1) the Company; (2) the A Shareholder named therein; (3) the C Shareholders named therein; and (4) the D Shareholders named therein, as amended from time to time;

subsidiary means a subsidiary undertaking for the purposes of the Act and subsidiaries shall be construed accordingly;

Tag Along Offer has the meaning set out in Article 12.1;

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

UKLA means the Financial Conduct Authority acting in its capacity as the competent authority for the purposes of Part VI of FSMA; and

Voting Shares means the A Shares, the C Shares and the D Shares.

1.2 In these Articles:

- 1.2.1 use of the singular includes the plural and vice versa;
- 1.2.2 use of any gender includes the other genders;

- 1.2.3 any reference to a person includes natural persons, firms, partnerships, companies, corporations, associations, organisations, governments, states, foundations or trusts; and
 - 1.2.4 headings are included for convenience only and do not affect the interpretation of these Articles.
- 1.3 Save as aforesaid any words or expressions contained in these Articles shall bear the same meaning as in the Act but excluding any statutory modification thereof not in force when these Articles became binding on the Company.
- 1.4 Words or expressions defined in the Model Articles and words or expressions defined in the Act shall bear the same meaning in these Articles unless the context otherwise requires. A reference in these Articles to a Model Article is a reference to the relevant article of the Model Articles.
- 1.5 The Model Articles shall, except in so far as they are excluded or modified by these Articles, apply to the Company and together with these Articles shall constitute the articles of the Company.
- 1.6 Model Articles 6(2), 7(2), 8(3), 11(2) and (3), 12, 13, 14(1) to 14(4) (inclusive), 16, 26(5), 27 to 29 (inclusive), 42, 44(2), 52 and 53 of the Model Articles shall not apply to the Company.
- 2 SHARE CAPITAL
 - 2.1 The issued share capital of the Company at or shortly after the date of adoption of these Articles comprises:
 - 2.1.1 5,846 A Shares;
 - 2.1.2 1,954 C1 Shares;
 - 2.1.3 100 C2 Shares;
 - 2.1.4 1,600 D1 Shares; and
 - 2.1.5 500 D2 Shares.
 - 2.2 Subject to the Act and without prejudice to any other provision of these Articles, the Company may, subject to the Shareholders' Agreement, purchase its own Shares with cash up to an amount in a financial year not exceeding the lower of: (i) £15,000; and (ii) the nominal value of 5 per cent. of the Company's fully paid share capital as at the beginning of the financial year.
- 3 RIGHTS ATTACHING TO SHARES
 - Income
 - 3.1 Any profits of the Company available for distribution which the Board may determine to distribute in respect of any financial year or period will be distributed to the holders of the A Shares (as a class), the holders of the C Shares (as a class) and the holders of the D Shares

(as a class) in the Agreed Proportions. As between the holders of the A Shares, the holders of the C Shares and the holders of the D Shares, the profits distributed to those classes shall be allocated pro rata to their respective holdings of A Shares, C Shares and D Shares respectively.

Capital

- 3.2 On an Exit, the net proceeds remaining after the repayment of all outstanding loans and indebtedness owed by the Company and its subsidiaries to the Shareholders together with the deduction of professional and other costs and expenses incurred in relation thereto (whether by way of dividend or distribution of sale proceeds or otherwise) shall be allocated to the holders of the A Shares (as a class), the holders of the C Shares (as a class) and the holders of the D Shares (as a class) in the Agreed Proportions. As between the holders of the A Shares, the holders of the C Shares and the holders of the D Shares, the proceeds from an Exit paid shall be allocated pro rata to their respective holdings of A Shares, C Shares and D Shares respectively.

Voting Rights Attaching to Shares

- 3.3 Each A Shareholder, C Shareholder and D Shareholder present at a general meeting of the Company in person or by proxy or by a duly authorised representative shall be entitled on a show of hands to one vote and on a poll (or on any written resolution of the members) to one vote for each A Share, C Share or D Share (as applicable) held by them.

Consolidation of Shares

- 3.4 This Article applies where:

3.4.1 there has been a consolidation or division of Shares; and

3.4.2 as a result, members are entitled to fractions of Shares.

- 3.5 The directors may:

3.5.1 sell the Shares representing the fractions to any person including the Company for the best price reasonably obtainable;

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

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

- 3.6 Where any holder's entitlement to a portion of the proceeds of sale amounts to less than a minimum figure determined by the directors, that member's portion may be distributed to an organisation which is a charity for the purposes of the law of England and Wales, Scotland or Northern Ireland.

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

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

Termination of director's appointment

- 3.9 Without prejudice to Model Article 18, any director (other than the A Directors, the C Director and the D Directors, as to whom the provisions of Articles 3.10 to 3.16 apply) may be removed from office (no matter how he was appointed) by notice in writing delivered to the registered office or tendered at a meeting of the directors and signed by any member or members holding Shares entitling such member or members to exercise 50% or more of the votes at any general meeting of the Company (or, in the event that any such director is also a Shareholder, such lower percentage as shall result from his Shares and any Shares as are held by his Permitted Transferees being disregarded in such calculation).

Appointment of A Directors, C Director and D Directors

- 3.10 Subject to the A Shareholder holding at least 50.1% of the total (i) nominal value of the Shares in issue; or (ii) voting rights of the Shares in issue, the A Shareholder shall be entitled to appoint up to four persons (or itself act) as directors of the Company and (if relevant) to remove from office any such person so appointed and (subject to such removal) to appoint another person in their place.
- 3.11 Subject to the C Shareholders holding (collectively) at least 10% of the total nominal value of the Shares in issue, the C Shareholders (acting by a majority in terms of voting rights) shall be entitled to appoint up to one person (or themselves act) as a director of the Company and (if relevant) to remove from office any such person so appointed and (subject to such removal) to appoint another person in their place.
- 3.12 Subject to the D Shareholders holding (collectively) at least 18% of the total nominal value of the Shares in issue, the D Shareholders shall be entitled to appoint up to three persons (or themselves act) as directors of the Company and (if relevant) to remove from office any such person so appointed and (subject to such removal) to appoint another person in their place.
- 3.13 Subject to Article 3.10 above, each appointment and removal of an A Director shall be made by notice in writing signed by or on behalf of the A Shareholder and will take effect upon lodgement of such notice at the registered office of the Company or on delivery to a meeting of the Board. Upon any resolution of the directors to remove any A Director, the A Director(s) shall be entitled to cast a sufficient number of votes to defeat the resolution and Model Article 18 shall be construed accordingly. Upon any resolution of the members of the Company to remove any A Director, the A Shareholders shall be entitled to cast a sufficient number of votes over those Shares as are held by them to defeat the resolution.
- 3.14 Subject to Article 3.11 above, each appointment and removal of a C Director shall be made by notice in writing signed by or on behalf of the C Shareholders and will take effect upon lodgement of such notice at the registered office of the Company or on delivery to a meeting of the Board. Upon any resolution of the directors to remove any C Director, the C Director shall be entitled to cast a sufficient number of votes to defeat the resolution and Model Article 18 shall be construed accordingly. Upon any resolution of the members of the

Company to remove any C Director, the C Shareholders shall be entitled to cast a sufficient number of votes over those Shares as are held by them to defeat the resolution.

- 3.15 Subject to Article 3.12 above, each appointment and removal of a D Director shall be made by notice in writing signed by or on behalf of the D Shareholders and will take effect upon lodgement of such notice at the registered office of the Company or on delivery to a meeting of the Board. Upon any resolution of the directors to remove any D Director, the D Director(s) shall be entitled to cast a sufficient number of votes to defeat the resolution and Model Article 18 shall be construed accordingly. Upon any resolution of the members of the Company to remove any D Director, the D Shareholders shall be entitled to cast a sufficient number of votes over those Shares as are held by them to defeat the resolution.

- 3.16 If:

- 3.16.1 the A Shareholder resigns as or removes the A Director(s) pursuant to Articles 3.10 and 3.13 above, the A Shareholder shall be responsible for and shall indemnify the other Shareholders and the Company and each of them on demand against any claim by such A Director for unfair or wrongful dismissal or other compensation arising out of such removal;
- 3.16.2 the C Shareholders resign as or remove the C Director pursuant to Articles 3.11 and 3.14 above, the C Shareholders shall be responsible for and shall indemnify the other Shareholders and the Company and each of them on demand against any claim by such C Director for unfair or wrongful dismissal or other compensation arising out of such removal; and
- 3.16.3 the D Shareholders resign as or remove the D Director(s) pursuant to Articles 3.12 and 3.15 above, the D Shareholders shall be responsible for and shall indemnify the other Shareholders and the Company and each of them on demand against any claim by such D Director for unfair or wrongful dismissal or other compensation arising out of such removal.

- 3.17 The provisions of Article 3.18 shall apply (unless the A Directors, the C Director and the D Directors so direct otherwise) if at any time:

- 3.17.1 any Shareholder (other than the A Shareholder, the C Shareholders and the D Shareholders) is, in the reasonable opinion of the A Directors, the C Director and the D Directors, in material breach of any provision of the Shareholders' Agreement or these Articles which breach has a material adverse effect on the Group as a whole and, where capable of remedy, has not been remedied to the reasonable satisfaction of the A Directors, C Director and the D Directors within 10 Business Days of written notice from the A Directors, C Director and the D Directors requiring remedial action;

3.17.2 any Group Company is lawfully entitled to terminate any Service Agreement by reason of a proven repudiatory breach thereof by the applicable Shareholder; or

3.17.3 a Shareholder becomes a Departing Shareholder.

3.18 Notwithstanding any other provisions of these Articles, if the provisions of this Article apply:

3.18.1 the Shares which any person referred to in Article 3.17 holds or to which he is entitled; and

3.18.2 the Shares which any Permitted Transferee of any person referred to in Article 3.17 holds or to which he is entitled,

shall immediately cease to entitle the holders thereof to vote on any written resolution of the Company or of the holders of any class of Shares and to attend and vote (whether on a show of hands or on a poll) at any general meeting of the Company or at any separate class meeting or to receive dividends on his Shares.

3.19 The provisions of Article 3.18 shall continue:

3.19.1 in the case of Article 3.17.1, for so long as such breach subsists (and for this purpose no account shall be taken of any waiver given by any person in respect of any such breach); or

3.19.2 in the case of Article 3.17.2 (where such contract is actually terminated) and Article 3.17.3, until such time as such person and any Permitted Transferee of such person ceases to be a Shareholder.

4 CLASS RIGHTS

4.1 Whenever the capital of the Company is divided into different classes of Shares the special rights attached to any class may be varied or abrogated, either whilst the Company is a going concern or during or in contemplation of a winding up, subject to the Shareholders' Agreement with the consent in writing of the holders of 75% of the issued Shares of that class or with the sanction of a special resolution passed at a separate meeting of the holders of the Shares of that class but not otherwise.

4.2 To every such separate meeting all the provisions of these Articles relating to general meetings of the Company shall apply, with any necessary modifications, except that:

4.2.1 the necessary quorum shall be one or more persons holding or representing by proxy at least one third in nominal amount of the issued Shares of the class;

4.2.2 any holder of Shares of the class present in person or by proxy may demand a poll; and

4.2.3 the holders of Shares of the class shall, on a poll, have one vote in respect of every Share of the class held by them respectively.

5 FURTHER ISSUES OF SHARES

- 5.1 Save to the extent authorised by these Articles and as permitted by the Shareholders' Agreement, or subject to the Shareholders' Agreement authorised from time to time by an ordinary resolution of Shareholders, the directors shall not exercise any power to allot Shares or to grant rights to subscribe for, or to convert any security into, any Shares.
- 5.2 Unless otherwise approved by special resolution, Shares which are to be issued shall be offered by the Board on identical terms to all the Shareholders in proportion, as nearly as may be with fractions being disregarded, to their existing holdings of Shares. The offer shall be in writing and shall state the number of Shares which each Shareholder is offered, the subscription price to be paid and the period, not being less than 21 clear days, within which the offer, if not accepted, will be deemed to have been declined. If the offers are not accepted in respect of all the Shares offered, the Board shall offer the remaining Shares to those Shareholders who accepted the first offer in proportion to their existing holdings of Shares, the new offer being otherwise on the same terms as the first offer. At the expiration of the first offer and, if one is made, the new offer, the accepting Shareholders shall pay the subscription price and the directors shall allot the shares accordingly, the Shares allotted to each Shareholder being designated the same class as the existing Shares held by them.
- 5.3 No shares shall be allotted to any current or prospective employee or director of any Group Company unless such person shall first have entered into a joint election with the relevant Group Company under section 431 of the Income Tax (Earnings and Pensions) Act 2003 for the full disapplication of Chapter 2 of Part 7 of that Act.

6 LIEN ON SHARES

The Company shall have a first and paramount lien on every Share registered in the name of any Shareholder (whether solely or jointly with others and whether or not it is a fully paid Share) for all monies (whether presently payable or not and whether by way of nominal value or premium) due to the Company from him or his estate, whether solely or jointly with any person (whether a Shareholder or not). The directors may at any time declare any Share to be wholly or in part exempt from the provisions of this Article. The Company's lien on a Share shall extend to all dividends and other monies payable thereon.

7 TRANSFER OF SHARES

Registration of transfers

- 7.1 The transferor of a Share shall be deemed to remain the holder of the Share until the name of the transferee is entered in the register of members of the Company in respect thereof.
- 7.2 The directors shall refuse to register any instrument of transfer of Shares which has not been entered into in accordance with the provisions of these Articles or which purports to be made to a minor or a person of unsound mind.

Restrictions on Transfers

- 7.3 No Shareholder may transfer any Shares except in accordance with Article 8 (Mandatory Transfers), Article 9 (Permitted Transfers), Article 12 (Tag Along Rights) and Article 13 (Drag Along Rights) and any purported transfer in breach of this Article shall be of no effect.

- 7.4 References in article 7.3 to a transfer of any Share includes a transfer or grant of any interest in any Share or of any right attaching to any Share, whether by way of sale, gift, holding on trust, charge, mortgage or pledge, or in any other way, and whether at law or in equity, and also includes an agreement to make any such transfer or grant or to exercise the voting rights attaching to a Share at the direction of any third party.

8 MANDATORY TRANSFERS

Cessation of employment or office

- 8.1 If any C2 Shareholder who is an employee, director, consultant or contractor of any Group Company shall cease (a Mandatory Transfer Event) to be an employee or a consultant, contractor or director of any Group Company (a Departing Shareholder) at any time and, save insofar as that Departing Shareholder is a Good Leaver, for any reason whatsoever, then they shall transfer to Impact all of their C2 Shares, including any C2 Shares which are then held by their Associates and by the trustees of any Family Trust of which they were the settlor or is a beneficiary (together, the Relevant Shares). The price per Share at which the Relevant Shares shall be transferred under this Article shall be equal to the Issue Price.
- 8.2 If any D2 Shareholder who is an employee, director, consultant or contractor of any Group Company becomes a Departing Shareholder at any time and, save insofar as that Departing Shareholder is a Good Leaver, for any reason whatsoever, then they shall transfer to Helen Davies-Parsons all of their D2 Shares, including any D2 Shares which are then held by their Associates and by the trustees of any Family Trust of which they were the settlor or is a beneficiary (together, the Relevant Shares). The price per Share at which the Relevant Shares shall be transferred under this Article shall be equal to the Issue Price.

Power of A Shareholder

- 8.3 If a C2 Shareholder does not, in accordance with Article 8.1, execute and deliver to the Company transfers in respect of the Relevant Shares and deliver to the directors the certificate(s) in respect of those Shares (or an indemnity in lieu of those certificate(s) in a form satisfactory to the directors), then the A Shareholder shall be entitled to execute, or to authorise and instruct such person as it thinks fit to execute, the necessary documents and indemnities on that Shareholder's behalf and, against receipt by the directors on trust for that Shareholder of the consideration payable for the Relevant Shares, deliver such transfer and certificate(s) and indemnities to Impact. Following receipt by the directors of the consideration payable for those Shares, the Company shall (subject to the payment of stamp duty, if applicable) cause Impact to be registered as the holder of those Shares.
- 8.4 If a D2 Shareholder does not, in accordance with Article 8.2, execute and deliver to the Company transfers in respect of the Relevant Shares and deliver to the directors the certificate(s) in respect of those Shares (or an indemnity in lieu of those certificate(s) in a form satisfactory to the directors), then the A Shareholder shall be entitled to execute, or to authorise and instruct such person as it thinks fit to execute, the necessary documents and indemnities on that Shareholder's behalf and, against receipt by the directors on trust for that Shareholder of the consideration payable for the Relevant Shares, deliver such transfer and certificate(s) and indemnities to Helen Davies-Parsons. Following receipt by the directors of the consideration payable for those Shares, the Company shall (subject to the payment of

stamp duty, if applicable) cause Helen Davies-Parsons to be registered as the holder of those Shares.

Transmission of Shares

8.5 If title to a Share passes to a Transmittree, the Company may only recognise the Transmittree as having any title to that Share.

8.6 A Transmittree who produces such evidence of entitlement to Shares as the directors may properly require:

8.6.1 may, subject to the Articles, choose either to become the holder of those Shares or to have them transferred to another person; and

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

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

Exercise of Transmittree's rights

8.8 Transmittrees who wish to become the holders of Shares to which they have become entitled must notify the Company in writing of that wish.

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

8.10 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 Transmittree has derived rights in respect of the Share, and as if the event which gave rise to the transmission had not occurred.

Transmittree's bound by prior notices

8.11 If a notice is given to a shareholder in respect of shares and a transmittree is entitled to those shares, the transmittree is bound by the notice if it was given to the shareholder before the transmittree's name or the name of any person(s) named as the transferee(s) in an instrument of transfer executed under Model Article 26.1 has been entered in the register of shareholders.

9 PERMITTED TRANSFERS

9.1 A transfer of any Share may be made at any time in each of the following cases:

9.1.1 subject to Articles 8.1 and 8.2, any transfer of Shares authorised by the prior consent in writing of the holders of more than 50% of the Voting Shares in issue at the time of the proposed transfer;

9.1.2 subject to Article 9.1.1, any transfer of Shares pursuant to an offer made in accordance with Article 12 (Tag Along) or Article 13 (Drag Along);

- 9.1.3 subject to Article 9.1.1, any transfer of C Shares to employees or directors of any Group Company provided that, upon the completion of a transfer of C1 Shares to an employee or director of any Group Company other than David Gudgin in accordance with this article 9.1.3, the C1 Shares so transferred shall be immediately re-designated into C2 Shares (and the Directors are hereby authorised to prepare and deliver the relevant resolutions and Companies House filings);
- 9.1.4 subject to Article 9.1.1, any transfer of D Shares to employees or directors of any Group Company provided that, upon the completion of a transfer of D1 Shares to an employee or director of any Group Company other than Helen Davies-Parsons, David Duncan or Michael Parsons in accordance with this clause 9.1.4, the D1 Shares so transferred shall be immediately re-designated into D2 Shares (and the Directors are hereby authorised to prepare and deliver the relevant resolutions and Companies House filings);
- 9.1.5 any transfer of A Shares and/or D Shares by a holder of such Shares to an Associate, provided that if any such transferee ceases to be an Associate of the original Shareholder it shall forthwith transfer the relevant Shares to the original Shareholder or to another Associate of the original Shareholder;
- 9.1.6 any transfer of A Shares and/or D Shares by a holder of such Shares to trustees of a Family Trust on its establishment by that Shareholder;
- 9.1.7 any transfer of Shares by trustees of a Family Trust in their capacity as such on a change of trustees to the new trustees of that Family Trust; or
- 9.1.8 any transfer of Shares by trustees of a Family Trust in their capacity as trustees of that Family Trust to a person who has an immediate beneficial interest under the trust.
- 9.2 If a Family Trust as constituted whose assets include Shares ceases to be a Family Trust, the trustees shall without delay notify the Company that such event has occurred and shall (unless the Board directs otherwise) forthwith transfer the relevant Shares to the original Shareholder. If the trustees fail to so notify the Company or to transfer the relevant Shares to the original Shareholder, then the directors shall be entitled to execute, or to authorise and instruct such person as it thinks fit to execute, the necessary documents and indemnities on the Family Trust's behalf and, against receipt by the directors on trust for that Shareholder of any consideration payable for the relevant Shares, deliver such transfer and certificate(s) and indemnities to the directors.
- 9.3 Articles 8.5 to 8.11 shall apply in respect of any Share registered in the name of a deceased Shareholder.
- 9.4 No Shares may be transferred under this Article 9 if they are subject to a transfer event pursuant to Article 8 (Mandatory Transfers).

10 INFORMATION ABOUT SHAREHOLDINGS AND TRANSFERS

10.1 For the purpose of ensuring that a transfer of Shares is duly authorised under these Articles or that no circumstances have arisen whereby a transfer of Shares may be required, the directors may from time to time require:

10.1.1 any Shareholder;

10.1.2 the legal personal representatives of any deceased Shareholder;

10.1.3 any person named as transferee in any transfer lodged for registration; or

10.1.4 any person who was, is or may be, an Associate of any of the foregoing,

to provide the Company with such information and evidence as the directors may think fit including (but not limited to) the names, addresses and interests of all persons having interests in the Shares from time to time registered in the Shareholder's name.

10.2 If such information or evidence discloses that a transfer of certain Shares is required, the directors may by notice in writing require that a transfer of the relevant Shares shall occur pursuant to the Articles.

10.3 If such information or evidence is not provided to the satisfaction of the directors within 15 Business Days after request, the directors:

10.3.1 shall refuse to register the transfer in question or (if there is no transfer in question) require by notice in writing to the holder of the relevant Shares that a transfer of the relevant Shares shall occur pursuant to the Articles; and

10.3.2 may serve a notice on the Shareholder or other person entitled or claiming to be entitled to be registered as the holder of the Shares stating that the Shareholder or such other person may not:

(a) attend or vote (personally or by proxy) at any general meeting or at any class meeting or on any written resolution; or

(b) receive dividends on his Shares,

until the evidence or information has been provided to the directors' satisfaction.

11 REGISTRATION OF TRANSFERS

11.1 The directors shall refuse to register a proposed transfer of any Share not made under Articles 7, 8, 9, 12 or 13 unless all the holders of Voting Shares consent to such proposed transfer.

11.2 The directors may refuse to register a transfer of a Share on which the Company has a lien.

11.3 The directors shall refuse to register an allottee or transferee of Shares or a person entitled to Shares by transmission if he is required by the Shareholders' Agreement to execute a deed of adherence (under which he undertakes to adhere to and be bound by the provisions

of such agreement as if he were an original party to it) until the allottee or transferee has executed and delivered such deed.

12 TAG ALONG RIGHTS

12.1 Subject to Article 9.1.1, if any Shareholder, on his own or acting in concert (within the meaning of the edition of the City Code on Takeovers and Mergers current at the relevant time) with one or more other Shareholders (the Proposing Seller), proposes to sell or transfer, in one or a series of related transactions, Shares equal to or greater than 50.1% of all the Voting Shares in issue at the time of the proposed sale or transfer to any person other than another Shareholder or a Permitted Transferee, the Proposing Seller shall procure, before the sale or transfer, that each proposed purchaser makes a bona fide written offer (a Tag Along Offer) to each of the other Shareholders (each a Non-selling Party) to buy all of each Non-selling Party's Shares for the same price per Share (calculated in accordance with Article 3.2) and otherwise on the same terms and conditions as those applying to the proposed sale or transfer by the Proposing Seller of his Shares.

12.2 Each Tag Along Offer shall specify:

12.2.1 the price for the relevant Shares and any other principal terms and conditions of the proposed sale or transfer; and

12.2.2 the period (being not less than 20 Business Days from service of the Tag Along Offer) for acceptance by each Non-selling Party.

12.3 If, within the period specified in each Tag Along Offer, any Non-selling Party accepts the offer in writing, then the Proposing Seller shall procure that the sale by that Non-selling Party of his relevant Shares shall proceed on the same financial terms (including price per Share calculated in accordance with Article 3.2) and at the same time as the sale of the Proposing Seller's Shares.

12.4 Any acceptance by a Non-selling Party of a Tag Along Offer shall be irrevocable, but no sale of that Non-selling Party's Shares pursuant to its acceptance shall take place unless and until the sale of the Proposing Seller's Shares is completed.

12.5 The expression price per Share used in this Article 12 shall be deemed to include an amount equal to the relevant proportions of any other consideration (in cash or otherwise) received or receivable by the holders of the Shares in question which, having regard to the substance of the transaction as a whole, can reasonably be regarded as an addition to the price paid or payable for the specified Shares and, in the event of disagreement, the calculation of the price shall be referred to a chartered accountant or other expert (acting as an expert and not as arbitrator) nominated by the parties concerned (or in the event of disagreement as to nomination, appointed by the President for the time being or next most senior officer available of the Institute of Chartered Accountants in England and Wales) whose decision shall, in the absence of fraud or manifest error, be final and binding.

13 DRAG ALONG RIGHTS

13.1 Subject to Article 9.1.1, the provisions of this Article 13 shall apply if any Shareholder (on his own or acting in concert with one or more other Shareholders (each a Selling Shareholder))

proposes to sell or transfer Shares (the Sale Shares) that in aggregate constitute at least 50.1% of all the Voting Shares in issue at the time of the proposed sale or transfer as part of a bona fide arm's length transaction to any person other than another Shareholder or a Permitted Transferee.

- 13.2 The Selling Shareholder may (but shall not, subject to Article 12, be obliged to) give to the Company not less than 15 days' prior written notice of that proposed sale or transfer. That notice (the Sale Notice) will include details of the Sale Shares and the proposed price for the entire issued share capital of the Company to be paid by the proposed buyer (the Proposed Buyer), details of the Proposed Buyer and the place, date and time for completion of the proposed purchase being a date not less than 10 Business Days from service of the Sale Notice (the Drag Along Completion). Any Sale Notice received by the Company less than 10 Business Days before the proposed date of the Drag Along Completion shall be ineffective.
- 13.3 As soon as practicable upon receipt of a Sale Notice, the Company shall give notice in writing (Drag Along Notice) to each of the Shareholders (other than the Selling Shareholder) giving the details contained in the Sale Notice and requiring each of them to sell to the Proposed Buyer at the Drag Along Completion all the Shares held by them (and any of their Permitted Transferees), provided that the Selling Shareholder may withdraw a Sale Notice at any time prior to the Drag Along Completion by written notice to the Company to that effect and, on service of that notice, each Drag Along Notice shall no longer be binding and shall cease to have any effect.
- 13.4 Each Shareholder who is given a Drag Along Notice shall, in the event of the proposed sale or transfer proceeding, sell (or procure the sale of) all the Shares referred to in his Drag Along Notice to the Proposed Buyer on the Drag Along Completion at the price per Share calculated in accordance with Article 3.2 and otherwise on terms no less favourable than those applicable to the sale of Shares by the Selling Shareholder.
- 13.5 If any of the Shareholders or their Permitted Transferees (each a Defaulting Shareholder) shall fail to comply with the terms of Article 13.4 in any respect:
 - 13.5.1 the Company shall be constituted the agent of each Defaulting Shareholder for the sale of his Shares (together with all rights then attached to those Shares) referred to in his Drag Along Notice in accordance with that notice;
 - 13.5.2 the Board may authorise a director to execute and deliver on behalf of each Defaulting Shareholder the necessary transfers;
 - 13.5.3 the Company may receive the purchase money in trust for each Defaulting Shareholder and cause the Proposed Buyer to be registered as the holder of such Shares;
 - 13.5.4 the receipt by the Company of the purchase money pursuant to those transfers shall constitute a good and valid discharge to the Proposed Buyer (who shall not be bound to see to the application of those monies);

- 13.5.5 after the Proposed Buyer has been registered in purported exercise of the powers in this Article 13.5, the validity of the proceedings shall not be questioned by any person; and
 - 13.5.6 the Company shall not pay the purchase monies to a Defaulting Shareholder until he shall, in respect of the Shares subject to the Drag Along Notice, have delivered a share certificate (or a suitable indemnity in lieu) and the necessary transfers to the Company.
- 13.6 The expression proposed price used in this Article 13 shall be deemed to include an amount equal to the relevant proportions of any other consideration (in cash or otherwise and including any consideration (in cash or otherwise) paid for Shares which have been purchased by the Proposed Buyer or any person acting in concert with the Proposed Buyer during the period of six months prior to the date of the Sale Notice) received or receivable by the holders of the Shares in question which, having regard to the substance of the transaction as a whole, can reasonably be regarded as an addition to the price paid or payable for the specified Shares and, in the event of disagreement, the calculation of the price shall be referred to a chartered accountant or other expert (acting as an expert and not as arbitrator) nominated by the parties concerned (or in the event of disagreement as to nomination, appointed by the President for the time being or next most senior officer available of the Institute of Chartered Accountants in England and Wales) whose decision shall, in the absence of fraud or manifest error, be final and binding.
- 14 PROCEEDINGS AT GENERAL MEETINGS
- 14.1 At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before, or on the declaration of the result of, the show of hands) demanded by the Chairman or by any Shareholder present in person or by proxy. Unless a poll be so demanded a declaration by the Chairman that a resolution has on a show of hands been carried or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the book containing the minutes of the proceedings of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution. The demand for a poll may be withdrawn.
 - 14.2 If and for so long as the Company has only one member that member present in person or by proxy or, where that member is a corporation, its duly authorised representative shall be a quorum at any general or class meeting of the Company. Model Article 38 shall be modified accordingly.
- 15 GENERAL MEETING ON MEMBERS' REQUISITION
- 15.1 In addition to any relevant provisions of the Act, the directors shall forthwith proceed to convene a general meeting of the Company on the requisition of holders of not less than 50% of the Voting Shares in issue at the date of deposit of the requisition, such meeting to be convened for such date as is specified in the requisition or as soon thereafter as the Act permits.

- 15.2 The requisition must state the objects of the meeting, and must be signed by or on behalf of the requisitionists and deposited at the registered office of the Company, and may consist of several documents in like form each signed by or on behalf of one or more requisitionists.
- 15.3 If the directors do not within 7 days from the date of deposit of the requisition proceed to convene a meeting in accordance with this Article 15, the requisitionists, or any of them representing more than one half of the total voting rights of all of them, may themselves convene a meeting, but any meeting so convened shall not be held after the expiration of three months from that date.
- 15.4 A meeting convened under this Article by requisitionists shall be convened in the same manner, as nearly as possible, as that in which meetings are to be convened by directors.
- 15.5 Any reasonable expenses incurred by the requisitionists by reason of the failure of the directors to convene a meeting in accordance with this Article shall be repaid to the requisitionists by the Company, and any sum so repaid shall be retained by the Company out of any sums due or to become due from the Company by way of fees or other remuneration in respect of their services to such of the directors as were in default.
- 16 DIRECTORS: NUMBER AND APPOINTMENT OF DIRECTORS
- 16.1 The directors shall not be required to retire by rotation. Subject to any special resolution of the Company, the number of directors (other than alternate directors) shall be subject to a minimum of two and no maximum provided that:
- 16.1.1 if there is only one director, that director may appoint sufficient directors to make up a quorum or call a general meeting to do so; and
- 16.1.2 if there is more than one director:
- (a) a directors' meeting may take place, if it is called in accordance with these Articles and at least two directors participate in it, with a view to appointing sufficient directors to make up a quorum (as required by these Articles) or calling a general meeting to do so; and
- (b) if a directors' meeting is called but only one director attends at the appointed date and time to participate in it, that director may appoint sufficient directors to make up a quorum or call a general meeting to do so.
- 16.2 No shareholding qualification for directors or alternate directors shall be required, but nevertheless they shall be entitled to attend and speak at any general meeting of the Company.
- 16.3 A person may be appointed a director notwithstanding that he shall have attained the age of 70 years and no director shall be liable to vacate office by reason of his attaining that or any other age.
- 16.4 The Chairman or other director chairing the meeting shall not have a casting vote.

17 ALTERNATE DIRECTORS

- 17.1 Each director (other than an alternate director) shall have the power at any time to appoint as an alternate director either another director or any other person approved for that purpose by a resolution of the directors (such approval not to be unreasonably withheld) and, at any time, to terminate such appointment. Every appointment and removal of an alternate director shall be in writing signed by the appointor and (subject to any approval required) shall (unless all the directors agree otherwise) only take effect upon receipt of such written appointment or removal at the registered office of the Company.
- 17.2 An alternate director so appointed shall not be entitled as such to receive any remuneration from the Company except only such part (if any) of the remuneration otherwise payable to his appointor as such appointor may by notice in writing to the Company from time to time direct, but shall otherwise be subject to the provisions of these Articles with respect to directors. An alternate director shall during his appointment be an officer of the Company and shall not be deemed to be an agent of his appointor.
- 17.3 An alternate director shall (subject to his giving to the Company an address at which notice may be served upon him) be entitled to receive notices of all meetings of the directors and of any committee of the directors of which his appointor is a member and to attend and to vote as a director at any such meeting at which his appointor is not personally present and generally in the absence of his appointor to perform and exercise all functions, rights, powers and duties of his appointor as a director and to receive notice of all general meetings.
- 17.4 The appointment of an alternate director shall automatically determine on the happening of any event which if he were a director would cause him to vacate such office or if his appointor shall cease for any reason to be a director.
- 17.5 A director or any other person may act as alternate director to represent more than one director and an alternate director shall be entitled at meetings of the directors or of any committee of the directors to one vote for every director whom he represents in addition to his own vote (if any) as a director, but he shall count as only one for the purpose of determining whether a quorum is present.

18 REMUNERATION OF DIRECTORS

Each of the directors shall be entitled to fees for his services at such rate as may from time to time be determined by the directors or by a committee authorised by the directors. The directors shall also be entitled to be repaid by the Company all such reasonable expenses (including travelling, hotel and incidental expenses) as they may incur in attending meetings of the directors, or of committees of the directors, or general meetings, or separate meetings of the holders of any class of shares or which they may otherwise properly incur in or about the business of the Company.

19 DIRECTORS' EXPENSES

Model Article 20 shall be amended by the insertion of the words "(including alternate directors)" before the words "properly incur".

20 POWERS OF DIRECTORS

The directors may (by establishment or maintenance of schemes or otherwise) pay or procure the payment of pensions, annuities, allowances, gratuities and superannuation or other benefits to or for the benefit of past or present directors or employees who are or were at any time employed by or in the service of the Company or held any place of profit with the Company or any of its subsidiaries or any company associated with, or any business acquired by, any of them or to or for the benefit of persons who are or were related to or dependants of any such directors or employees and may make contributions to any fund and pay premiums for the purchase or payment of any such pension, annuity, allowance, gratuity, superannuation or other benefit or make payments for or towards the insurance of any such person.

21 PROCEEDINGS OF THE DIRECTORS

21.1 The directors may meet together for the dispatch of business, adjourn and otherwise regulate their meetings as they think fit. A meeting of the directors at which a quorum is present shall be competent to exercise all powers, authorities and discretions for the time being vested in or exercisable by the directors. Questions arising at any meeting shall be determined by a majority of votes.

21.2 Each A Director present at such meetings in person or represented by an alternate shall have two votes and each other director (including each C Director and each D Director) present at such meetings in person or represented by an alternate shall have one vote.

21.3 A director may, and the Secretary (if any) on the requisition of a director shall, call a meeting of the directors. Notice of any meeting of the directors shall be in writing and shall be given to all directors, whether within or outside the UK, at the address specified by such directors for the service of such notice, not less than five Business Days before the proposed date of the meeting. A director may waive notice of any meeting either before or after the meeting.

Quorum for directors' meetings

21.4 The quorum necessary for the transaction of business of the directors shall be two, at least one A Director and one other Director (who may also be an A Director), provided that, for the purposes of any meeting (or part of a meeting) held pursuant to Article 23 to authorise a director's conflict, if there is only one eligible director in office other than the conflicted director(s), the quorum for such meeting (or part of a meeting) shall be one eligible director. A person who holds office only as an alternate director shall, if his appointor is not present, be counted in the quorum.

21.5 If a quorum is not present or ceases to be present, the meeting shall be adjourned to the same day in the next week at the same time and place and such directors as may be present at such adjourned meeting shall constitute a quorum. If a quorum is not present at any such

adjourned meeting within half an hour from the time appointed, then the meeting shall proceed.

Participation in directors' meetings

- 21.6 Any or all of the directors may take part in a meeting of the directors by way of a conference telephone or similar equipment that allows all persons participating in the meeting to hear and speak to each other. Each director taking part in this way shall be counted as being present at the meeting. Meetings shall be treated as taking place where most of the participants are or, if there is no such place, where the chairman of the meeting is.

Validity of votes

- 21.7 All acts done by any meeting of the directors, or of a committee or sub-committee of the directors, or by any person acting as a director or by an alternate director shall, notwithstanding it be afterwards discovered that there was some defect in the appointment or continuance in office of any director, alternate director or person acting as aforesaid, or that they or any of them were disqualified, or had vacated office or were not entitled to vote, be as valid as if every such person had been duly appointed or had duly continued in office and was qualified and had continued to be a director or, as the case may be, an alternate director and had been entitled to vote.

22 TRANSACTIONS OR OTHER ARRANGEMENTS WITH THE COMPANY

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

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

22.1.2 shall be an eligible director for the purposes of any proposed decision of the directors (or committee of directors) in respect of such contract or proposed contract in which he is interested;

22.1.3 shall be entitled to vote at a meeting of directors (or of a committee of the directors) or participate in any unanimous decision, in respect of such contract or proposed contract in which he is interested;

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

22.1.5 may be a director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate in which the Company is otherwise (directly or indirectly) interested; and

22.1.6 shall not, save as he may otherwise agree, be accountable to the Company for any benefit which he (or a person connected with him, as defined in section 252 of the Act) derives from any such contract, transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such contract, transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the Act.

23 DIRECTORS' INTERESTS

23.1 For the purposes of section 175 of the Act, the directors shall have the power to authorise, on such terms and subject to such conditions as they may determine (a Conflict Authorisation) any matter proposed to them in accordance with these Articles which otherwise might give rise to a situation (a Conflict Situation) in which a director (an Interested Director) would have a direct or indirect interest which conflicts, or may conflict, with the interests of the Company (including in relation to the exploitation of any property, information or opportunity, whether or not the Company could take advantage of it). Any Conflict Authorisation shall extend to any actual or possible conflict of interest which may reasonably be expected to arise out of the Conflict Situation so authorised.

23.2 Where the directors give a Conflict Authorisation:

23.2.1 it shall be recorded in writing (but the authorisation shall be effective whether or not it is recorded); and

23.2.2 the directors may revoke or vary the authority at any time but this will not affect anything done by the Interested Director in accordance with the authorisation before the revocation or variation.

23.3 A Conflict Authorisation will be only effective if:

23.3.1 at the meeting of the directors at which the Conflict Situation is considered, any requirement as to quorum is met without counting the Interested Director; and

23.3.2 it is agreed to without any Interested Director voting, or would have been agreed to if the votes of any Interested Director had not been counted.

23.4 Subject to Article 23.3 and the provisions of the Act, any matter proposed to the directors and any authorisation by the directors in relation to a Conflict Situation shall be dealt with in the same way as any other matter may be proposed to and resolved upon by the directors.

23.5 For the purposes of Article 23.1, a conflict of interest includes a conflict of interest and duty and a conflict of duties.

23.6 An Interested Director shall be obliged:

23.6.1 to disclose to the other directors, as soon as reasonably practicable, the nature and extent of his interest in any Conflict Situation; and

23.6.2 to act in accordance with any conditions determined by the directors under Article 23.1.

23.7 Any conditions to which a Conflict Authorisation is made subject (Conflict Authorisation Terms) may include (without limitation to Article 23.1) provision that:

23.7.1 where the Interested Director obtains (other than in his capacity as a director of the Company or as its employee or agent or, if the directors so decide, in any other capacity that would otherwise oblige him to disclose it to the Company) information that is confidential to a third party, he will not be obliged to disclose it to the Company or to use it directly or indirectly for the benefit of the Company or in performing his duties as a director of the Company in circumstances where to do so would amount to a breach of a duty of confidence owed to that third party;

23.7.2 the Interested Director may (but shall be under no obligation to) absent himself from the discussion of, or the making of decisions relating to, the relevant matter (whether at any meeting of the directors or otherwise) and be excused from reviewing documents and information prepared by or for the directors to the extent that they relate to that matter; and

23.7.3 the Interested Director be excluded from the receipt of documents and information, the participation in discussion or the making of decisions (whether at directors' meetings or otherwise) related to the relevant matter,

and anything done (or omitted to be done) by the Interested Director in accordance with any such provision (or otherwise in accordance with any Conflict Authorisation Terms given under Article 23.1) will not constitute a breach by him of his duties under sections 172 to 174 of the Act.

24 NOTICES

24.1 Every director and every alternate director shall, upon supplying the Company with an address for the giving of notices, be entitled to receive notices of general meetings, provided always that non-receipt of any such notice by any director or alternate director shall not invalidate the proceedings at the meeting convened by such notice.

24.2 A notice may be given:

24.2.1 by the Company to any Shareholder or director either personally or by sending it by first class post (airmail if abroad) or by fax, electronic mail to his usual address or other means of electronic communications to him or to his registered address or to the address supplied by him to the Company for the giving of notice to him; or

24.2.2 to the Company for the purpose of these Articles by like method at its registered office for the time being.

24.3 Where a notice is sent by post, service of the notice shall be deemed to be effected by properly addressing, preparing and posting a letter containing the notice, and to have been effected at the expiration of 48 hours after the letter containing the same is posted. A notice contained in an electronic communication shall be deemed to be effected at the time the electronic communication was sent.

25 INDEMNITY AND INSURANCE

- 25.1 Subject to the provisions of the Act, but without prejudice to any indemnity to which the person concerned may otherwise be entitled, every director or other officer of the Company (other than any person, whether an officer or not, engaged by the Company as Auditor) shall be entitled to be indemnified out of the assets of the Company against all losses or liabilities which he may sustain or incur for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company, including any liability incurred by him in defending any proceedings in relation thereto but this Article shall be deemed not to provide for, or entitle any such person to, indemnification to the extent that it would cause this Article, or any element of it, to be treated as void under the Act.
- 25.2 Without prejudice to the provisions of Article 25.1 the directors shall have power to purchase and maintain for or for the benefit of any such persons as are indemnified or entitled to indemnification under that Article insurance against any losses or liabilities to which that Article applies.

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PART 1 INTERPRETATION AND LIMITATION OF LIABILITY

Defined terms

1. In the articles, unless the context requires otherwise—

“articles” means the company’s articles of association;

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

“chairman” has the meaning given in article 12;

“chairman of the meeting” has the meaning given in article 39;

“Companies Acts” means the Companies Acts (as defined in section 2 of the Companies Act 2006), in so far as they apply to the company;

“director” means a director of the company, and includes any person occupying the position of director, by whatever name called;

“distribution recipient” has the meaning given in article 31;

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

“electronic form” has the meaning given in section 1168 of the Companies Act 2006;

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

“hard copy form” has the meaning given in section 1168 of the Companies Act 2006;
“holder” in relation to shares means the person whose name is entered in the register of members as the holder of the shares;
“instrument” means a document in hard copy form;
“ordinary resolution” has the meaning given in section 282 of the Companies Act 2006;
“paid” means paid or credited as paid;
“participate”, in relation to a directors’ meeting, has the meaning given in article 10;
“proxy notice” has the meaning given in article 45;
“shareholder” means a person who is the holder of a share;
“shares” means shares in the company;
“special resolution” has the meaning given in section 283 of the Companies Act 2006;
“subsidiary” has the meaning given in section 1159 of the Companies Act 2006;
“transmittee” means a person entitled to a share by reason of the death or bankruptcy of a shareholder or otherwise by operation of law; and
“writing” means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise.
Unless the context otherwise requires, other words or expressions contained in these articles bear the same meaning as in the Companies Act 2006 as in force on the date when these articles become binding on the company.

Liability of members

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

PART 2 DIRECTORS

DIRECTORS’ POWERS AND RESPONSIBILITIES

Directors’ general authority

3. Subject to the articles, the directors are responsible for the management of the company’s business, for which purpose they may exercise all the powers of the company.

Shareholders’ reserve power

4.—(1) The shareholders may, by special resolution, direct the directors to take, or refrain from taking, specified action.

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

Directors may delegate

5.—(1) Subject to the articles, the directors may delegate any of the powers which are conferred on them under the articles—

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

as they think fit.

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

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

Committees

6.—(1) Committees to which the directors delegate any of their powers must follow procedures which are based as far as they are applicable on those provisions of the articles which govern the taking of decisions by directors.
 (2) The directors may make rules of procedure for all or any committees, which prevail over rules derived from the articles if they are not consistent with them.

DECISION-MAKING BY DIRECTORS

Directors to take decisions collectively

7.—(1) The general rule about decision-making by directors is that any decision of the directors must be either a majority decision at a meeting or a decision taken in accordance with article 8.

(2) If—

- (a) the company only has one director, and
- (b) no provision of the articles requires it to have more than one director, the general rule does not apply, and the director may take decisions without regard to any of the provisions of the articles relating to directors' decision-making.

Unanimous decisions

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

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

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

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

Calling a directors' meeting

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

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

- (a) its proposed date and time;
- (b) where it is to take place; and
- (c) if it is anticipated that directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting.

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

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

Participation in directors' meetings

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

- (a) the meeting has been called and takes place in accordance with the articles, and
- (b) they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.

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

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

Quorum for directors' meetings

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

(2) The quorum for directors' meetings may be fixed from time to time by a decision of the directors, but it must never be less than two, and unless otherwise fixed it is two.

(3) If the total number of directors for the time being is less than the quorum required, the directors must not take any decision other than a decision—

- (a) to appoint further directors, or
- (b) to call a general meeting so as to enable the shareholders to appoint further directors.

Chairing of directors' meetings

12.—(1) The directors may appoint a director to chair their meetings.

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

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

(4) If the chairman is not participating in a directors' meeting within ten minutes of the time at which it was to start, the participating directors must appoint one of themselves to chair it.

Casting vote

13.—(1) If the numbers of votes for and against a proposal are equal, the chairman or other director chairing the meeting has a casting vote.

(2) But this does not apply if, in accordance with the articles, the chairman or other director is not to be counted as participating in the decision-making process for quorum or voting purposes.

Conflicts of interest

14.—(1) If a proposed decision of the directors is concerned with an actual or proposed transaction or arrangement with the company in which a director is interested, that director is not to be counted as participating in the decision-making process for quorum or voting purposes.

(2) But if paragraph (3) applies, a director who is interested in an actual or proposed transaction or arrangement with the company is to be counted as participating in the decision-making process for quorum and voting purposes.

(3) This paragraph applies when—

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

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

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

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

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

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

Records of decisions to be kept

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

Directors' discretion to make further rules

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

APPOINTMENT OF DIRECTORS

Methods of appointing directors

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

- (a) by ordinary resolution, or
- (b) by a decision of the directors.

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

(3) For the purposes of paragraph (2), where 2 or more shareholders die in circumstances rendering it uncertain who was the last to die, a younger shareholder is deemed to have survived an older shareholder.

Termination of director's appointment

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

- (a) that person ceases to be a director by virtue of any provision of the Companies Act 2006 or is prohibited from being a director by law;
- (b) a bankruptcy order is made against that person;
- (c) a composition is made with that person's creditors generally in satisfaction of that person's debts;
- (d) a registered medical practitioner who is treating that person gives a written opinion to the company stating that that person has become physically or mentally incapable of acting as a director and may remain so for more than three months;
- (e) [paragraph omitted pursuant to The Mental Health (Discrimination) Act 2013];
- (f) notification is received by the company from the director that the director is resigning from office, and such resignation has taken effect in accordance with its terms.

Directors' remuneration

19.—(1) Directors may undertake any services for the company that the directors decide.

(2) Directors are entitled to such remuneration as the directors determine—

- (a) for their services to the company as directors, and
- (b) for any other service which they undertake for the company.

(3) Subject to the articles, a director's remuneration may—

- (a) take any form, and
- (b) include any arrangements in connection with the payment of a pension, allowance or gratuity, or any death, sickness or disability benefits, to or in respect of that director.

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

(5) Unless the directors decide otherwise, directors are not accountable to the company for any remuneration which they receive as directors or other officers or employees of the company's subsidiaries or of any other body corporate in which the company is interested.

Directors' expenses

20. The company may pay any reasonable expenses which the directors properly incur in connection with their attendance at—

- (a) meetings of directors or committees of directors,
- (b) general meetings, or

- (c) separate meetings of the holders of any class of shares or of debentures of the company, or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the company.

PART 3 SHARES AND DISTRIBUTIONS SHARES

All shares to be fully paid up

21.—(1) No share is to be issued for less than the aggregate of its nominal value and any premium to be paid to the company in consideration for its issue.

(2) This does not apply to shares taken on the formation of the company by the subscribers to the company's memorandum.

Powers to issue different classes of share

22.—(1) Subject to the articles, but without prejudice to the rights attached to any existing share, the company may issue shares with such rights or restrictions as may be determined by ordinary resolution.

(2) The company may issue shares which are to be redeemed, or are liable to be redeemed at the option of the company or the holder, and the directors may determine the terms, conditions and manner of redemption of any such shares.

Company not bound by less than absolute interests

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

Share certificates

24.—(1) The company must issue each shareholder, free of charge, with one or more certificates in respect of the shares which that shareholder holds.

(2) Every certificate must specify—

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

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

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

(5) Certificates must—

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

Replacement share certificates

25.—(1) If a certificate issued in respect of a shareholder's shares is—

- (a) damaged or defaced, or
- (b) said to be lost, stolen or destroyed,

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

(2) A shareholder exercising the right to be issued with such a replacement certificate—

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

Share transfers

- 26.—(1) Shares may be transferred by means of an instrument of transfer in any usual form or any other form approved by the directors, which is executed by or on behalf of the transferor.
- (2) No fee may be charged for registering any instrument of transfer or other document relating to or affecting the title to any share.
- (3) The company may retain any instrument of transfer which is registered.
- (4) The transferor remains the holder of a share until the transferee's name is entered in the register of members as holder of it.
- (5) The directors may refuse to register the transfer of a share, and if they do so, the instrument of transfer must be returned to the transferee with the notice of refusal unless they suspect that the proposed transfer may be fraudulent.

Transmission of shares

- 27.—(1) If title to a share passes to a transmittee, the company may only recognise the transmittee as having any title to that share.
- (2) A transmittee who produces such evidence of entitlement to shares as the directors may properly require—
- (a) may, subject to the articles, choose either to become the holder of those shares or to have them transferred to another person, and
 - (b) subject to the articles, and pending any transfer of the shares to another person, has the same rights as the holder had.
- (3) But transmittees do not have the right to attend or vote at a general meeting, or agree to a proposed written resolution, in respect of shares to which they are entitled, by reason of the holder's death or bankruptcy or otherwise, unless they become the holders of those shares.

Exercise of transmittees' rights

- 28.—(1) Transmittees who wish to become the holders of shares to which they have become entitled must notify the company in writing of that wish.
- (2) If the transmittee wishes to have a share transferred to another person, the transmittee must execute an instrument of transfer in respect of it.
- (3) Any transfer made or executed under this article is to be treated as if it were made or executed by the person from whom the transmittee has derived rights in respect of the share, and as if the event which gave rise to the transmission had not occurred.

Transmittees bound by prior notices

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

DIVIDENDS AND OTHER DISTRIBUTIONS

Procedure for declaring dividends

- 30.—(1) The company may by ordinary resolution declare dividends, and the directors may decide to pay interim dividends.
- (2) A dividend must not be declared unless the directors have made a recommendation as to its amount. Such a dividend must not exceed the amount recommended by the directors.
- (3) No dividend may be declared or paid unless it is in accordance with shareholders' respective rights.
- (4) Unless the shareholders' resolution to declare or directors' decision to pay a dividend, or the terms on which shares are issued, specify otherwise, it must be paid by reference to each shareholder's holding of shares on the date of the resolution or decision to declare or pay it.
- (5) If the company's share capital is divided into different classes, no interim dividend may be paid on shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrear.
- (6) The directors may pay at intervals any dividend payable at a fixed rate if it appears to them that the profits available for distribution justify the payment.
- (7) If the directors act in good faith, they do not incur any liability to the holders of shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on shares with deferred or non-preferred rights.

Payment of dividends and other distributions

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

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

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

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

No interest on distributions

32. The company may not pay interest on any dividend or other sum payable in respect of a share unless otherwise provided by—

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

Unclaimed distributions

33.—(1) All dividends or other sums which are—

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

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

(3) If—

- (a) twelve years have passed from the date on which a dividend or other sum became due for payment, and
- (b) the distribution recipient has not claimed it, the distribution recipient is no longer entitled to that dividend or other sum and it ceases to remain owing by the company.

Non-cash distributions

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

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

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

Waiver of distributions

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

- (a) the share has more than one holder, or
- (b) more than one person is entitled to the share, whether by reason of the death or bankruptcy of one or more joint holders, or otherwise, the notice is not effective unless it is expressed to be given, and signed, by all the holders or persons otherwise entitled to the share.

CAPITALISATION OF PROFITS

Authority to capitalise and appropriation of capitalised sums

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

- (a) decide to capitalise any profits of the company (whether or not they are available for distribution) which are not required for paying a preferential dividend, or any sum standing to the credit of the company's share premium account or capital redemption reserve; and
- (b) appropriate any sum which they so decide to capitalise (a "capitalised sum") to the persons who would have been entitled to it if it were distributed by way of dividend (the "persons entitled") and in the same proportions.

(2) Capitalised sums must be applied—

- (a) on behalf of the persons entitled, and
- (b) in the same proportions as a dividend would have been distributed to them.

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

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

(5) Subject to the articles the directors may—

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

PART 4

DECISION-MAKING BY SHAREHOLDERS

ORGANISATION OF GENERAL MEETINGS

Attendance and speaking at general meetings

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

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

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

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

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

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

Quorum for general meetings

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

Chairing general meetings

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

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

- (a) the directors present, or
- (b) (if no directors are present), the meeting, must appoint a director or shareholder to chair the meeting, and the appointment of the chairman of the meeting must be the first business of the meeting.

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

Attendance and speaking by directors and non-shareholders

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

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

- (a) shareholders of the company, or
- (b) otherwise entitled to exercise the rights of shareholders in relation to general meetings, to attend and speak at a general meeting.

Adjournment

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

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

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

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

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

- (a) either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the directors, and
- (b) have regard to any directions as to the time and place of any adjournment which have been given by the meeting.

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

- (a) to the same persons to whom notice of the company’s general meetings is required to be given, and
- (b) containing the same information which such notice is required to contain.

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

VOTING AT GENERAL MEETINGS

Voting: general

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

Errors and disputes

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

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

Poll votes

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

(a) in advance of the general meeting where it is to be put to the vote, or
(b) at a general meeting, either before a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared.

(2) A poll may be demanded by—

(a) the chairman of the meeting;
(b) the directors;
(c) two or more persons having the right to vote on the resolution; or
(d) a person or persons representing not less than one tenth of the total voting rights of all the shareholders having the right to vote on the resolution.

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

(a) the poll has not yet been taken, and
(b) the chairman of the meeting consents to the withdrawal.

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

Content of proxy notices

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

(a) states the name and address of the shareholder appointing the proxy;
(b) identifies the person appointed to be that shareholder’s proxy and the general meeting in relation to which that person is appointed;
(c) is signed by or on behalf of the shareholder appointing the proxy, or is authenticated in such manner as the directors may determine; and
(d) is delivered to the company in accordance with the articles and any instructions contained in the notice of the general meeting to which they relate.

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

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

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

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

Delivery of proxy notices

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

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

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

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

Amendments to resolutions

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

PART 5

ADMINISTRATIVE ARRANGEMENTS

Means of communication to be used

- 48.—(1) Subject to the articles, anything sent or supplied by or to the company under the articles may be sent or supplied in any way in which the Companies Act 2006 provides for documents or information which are authorised or required by any provision of that Act to be sent or supplied by or to the company.
- (2) Subject to the articles, any notice or document to be sent or supplied to a director in connection with the taking of decisions by directors may also be sent or supplied by the means by which that director has asked to be sent or supplied with such notices or documents for the time being.
- (3) A director may agree with the company that notices or documents sent to that director in a particular way are to be deemed to have been received within a specified time of their being sent, and for the specified time to be less than 48 hours.

Company seals

- 49.—(1) Any common seal may only be used by the authority of the directors.
- (2) The directors may decide by what means and in what form any common seal is to be used.
- (3) Unless otherwise decided by the directors, if the company has a common seal and it is affixed to a document, the document must also be signed by at least one authorised person in the presence of a witness who attests the signature.
- (4) For the purposes of this article, an authorised person is—
- (a) any director of the company;
 - (b) the company secretary (if any); or
 - (c) any person authorised by the directors for the purpose of signing documents to which the common seal is applied.

No right to inspect accounts and other records

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

Provision for employees on cessation of business

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

DIRECTORS' INDEMNITY AND INSURANCE

Indemnity

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

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

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

(3) In this article—

- (a) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate, and
- (b) a "relevant director" means any director or former director of the company or an associated company.

Insurance

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

(2) In this article—

- (a) a "relevant director" means any director or former director of the company or an associated company,
- (b) a "relevant loss" means any loss or liability which has been or may be incurred by a relevant director in connection with that director's duties or powers in relation to the company, any associated company or any pension fund or employees' share scheme of the company or associated company, and
- (c) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate.