

**FILE COPY**



**CERTIFICATE OF INCORPORATION  
OF A  
PRIVATE LIMITED COMPANY**

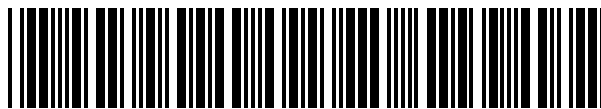
Company Number **14691308**

The Registrar of Companies for England and Wales, hereby certifies that

**COMPLI SOLUTIONS LIMITED**

is this day incorporated under the Companies Act 2006 as a private company, that the company is limited by shares, and the situation of its registered office is in England and Wales

Given at Companies House, Cardiff, on **27th February 2023**



\*N14691308J\*



**Companies House**



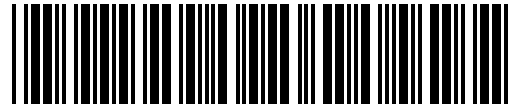
**THE OFFICIAL SEAL OF THE  
REGISTRAR OF COMPANIES**



Companies House

**IN01**(ef)

**Application to register a company**



Received for filing in Electronic Format on the: **24/02/2023**

XBY2FZU0

*Company Name in full:*

**COMPLI SOLUTIONS LIMITED**

*Company Type:*

**Private company limited by shares**

*Situation of Registered Office:*

**England and Wales**

*Proposed Registered Office Address:*

**UNIT 302 SCREENWORKS 22 Highbury Grove  
LONDON  
UNITED KINGDOM N5 2EF**

*Sic Codes:*

**62012**

*Company Director*      *1*

## *Company Director*      2

*Type:*                                      **Person**

*Full Forename(s):*                      **VANESA**

*Surname:*                                **PAZOS-CHAMORRO**

*Former Names:*

*Service Address:*                      **recorded as Company's registered office**

*Country/State Usually*                **ENGLAND**

*Resident:*

*Date of Birth:*      **\*\*/11/1981**                                      *Nationality:*      **BRITISH**

*Occupation:*      **DIRECTOR**

*The subscribers confirm that the person named has consented to act as a director.*

## ***Statement of Capital (Share Capital)***

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<i>Class of Shares:</i>	<b>A</b>	<i>Number allotted</i>	<b>7057536</b>
	<b>ORDINARY</b>	<i>Aggregate nominal value:</i>	<b>705.7536</b>
<i>Currency:</i>	<b>GBP</b>		
<i>Prescribed particulars</i>			

**EACH SHARE IS ENTITLED TO ONE VOTE IN ANY CIRCUMSTANCES. EACH SHARE IS EQUALLY ENTITLED TO A DISTRIBUTION OF DIVIDENDS. EACH SHARE IS EQUALLY ENTITLED TO A DISTRIBUTION OF CAPITAL.**

<i>Class of Shares:</i>	<b>D</b>	<i>Number allotted</i>	<b>1000</b>
<i>Currency:</i>	<b>GBP</b>	<i>Aggregate nominal value:</i>	<b>0.1</b>
<i>Prescribed particulars</i>			

**EACH SHARE IS ENTITLED TO ONE VOTE IN ANY CIRCUMSTANCES. EACH SHARE IS EQUALLY ENTITLED TO A DISTRIBUTION OF DIVIDENDS. EACH SHARE IS EQUALLY ENTITLED TO A DISTRIBUTION OF CAPITAL.**

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### **Statement of Capital (Totals)**

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<i>Currency:</i>	<b>GBP</b>	<i>Total number of shares:</i>	<b>7057536</b>
		<i>Total aggregate nominal value:</i>	<b>705.7536</b>
		<i>Total aggregate unpaid:</i>	<b>705.7536</b>
<i>Currency:</i>	<b>GBP</b>	<i>Total number of shares:</i>	<b>1000</b>
		<i>Total aggregate nominal value:</i>	<b>0.1</b>
		<i>Total aggregate unpaid:</i>	<b>0.1</b>

## ***Initial Shareholdings***

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*Name:* **VANESA PAZOS-  
CHAMORRO**

*Address* **UNIT 302 SCREENWORKS 22  
Highbury Grove  
London  
United Kingdom  
N5 2EF**

*Class of Shares:* **D**

*Number of shares:* **1000**

*Currency:* **GBP**

*Nominal value of each  
share:* **0.0001**

*Amount unpaid:* **0.0001**

*Amount paid:* **0**

*Name:* **NOBA NOMINEE LIMITED**

*Address* **UNIT 302 SCREENWORKS 22  
Highbury Grove  
London  
United Kingdom  
N5 2EF**

*Class of Shares:* **A ORDINARY**

*Number of shares:* **7057536**

*Currency:* **GBP**

*Nominal value of each  
share:* **0.0001**

*Amount unpaid:* **0.0001**

*Amount paid:* **0**

## ***Persons with Significant Control (PSC)***

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**Statement of initial significant control**

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**On incorporation, there will be someone who will count as a Person with Significant Control (either a registerable person or relevant legal entity (RLE)) in relation to the company**

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## ***Individual Person with Significant Control details***

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*Names:* **VANESA PAZOS CHAMORRO**

*Country/State Usually Resident:* **ENGLAND**

*Date of Birth:* **\*\*/11/1981** *Nationality:* **BRITISH**

*Service address recorded as Company's registered office*

*The subscribers confirm that each person named as an individual PSC in this application knows that their particulars are being supplied as part of this application.*



<i>Nature of control</i>	<b>The person holds, directly or indirectly, more than 50% but less than 75% of the voting rights in the company.</b>
<i>Nature of control</i>	<b>The person has the right, directly or indirectly, to appoint or remove a majority of the board of directors of the company.</b>

## ***Relevant Legal Entity (RLE) details***

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*Company Name:* **NOBA NOMINEE LIMITED**

*Service Address:* **UNIT 302 SCREENWORKS 22 Highbury Grove  
LONDON  
UNITED KINGDOM  
N5 2EF**

*Legal Form:* **PRIVATE COMPANY LIMITED BY SHARES**

*Governing Law:* **COMPANIES ACT 2006**

*Register Location:* **UK REGISTER OF COMPANIES**

*Country/State:* **UNITED KINGDOM**

*Registration Number:* **13627876**

<i>Nature of control</i>	<b>The relevant legal entity holds, directly or indirectly, 75% or more of the shares in the company.</b>
<i>Nature of control</i>	<b>The relevant legal entity holds, directly or indirectly, more than 25% but not more than 50% of the voting rights in the company.</b>

## ***Statement of Compliance***

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*I confirm the requirements of the Companies Act 2006 as to registration have been complied with.*

*Name:* **VANESA PAZOS-CHAMORRO**  
*Authenticated* **YES**  
*Name:* **NOBA NOMINEE LIMITED**  
*Authenticated* **YES**

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## ***Authorisation***

*Authoriser Designation:* **subscriber** *Authenticated* **YES**

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## COMPANY HAVING A SHARE CAPITAL

### Memorandum of Association of COMPLI SOLUTIONS LIMITED

Each subscriber to this memorandum of association wishes to form a company under the Companies Act 2006 and agrees to become a member of the company and to take at least one share.

Name of each subscriber	Authentication
VANESA PAZOS-CHAMORRO	Authenticated Electronically
NOBA NOMINEE LIMITED	Authenticated Electronically

Dated: 24/02/2023

THE COMPANIES ACT 2006

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

COMPLI SOLUTIONS LIMITED

**THE COMPANIES ACT 2006**  
**PRIVATE COMPANY LIMITED BY SHARES**  
**ARTICLES OF ASSOCIATION**  
**OF**  
**COMPLI SOLUTIONS LIMITED**

**INTRODUCTION**

**1. Interpretation**

1.1 The following definitions and rules of interpretation apply in these Articles:

**A Ordinary Shares:** the ordinary shares of £0.00001 each in the capital of the Company, which have the rights set out in these Articles.

**Act:** the Companies Act 2006.

**acting in concert:** has the meaning given to it in the City Code on Takeovers and Mergers published by the Panel on Takeovers and Mergers (as amended).

**Adoption Date:** the date of adoption of these Articles: 24<sup>th</sup> February 2023.

**Articles:** the Company's articles of association for the time being in force.

**Available Profits:** profits available for distribution within the meaning of part 23 of the Act.

**B Ordinary Shares:** the ordinary shares of £0.00001 each in the capital of the Company, which have the rights set out in these Articles.

**Bad Leaver:** an Employee who ceases to be an Employee as a consequence of:

- a) such person's resignation as an Employee, except in circumstances which constitute a constructive, wrongful and/or unfair dismissal save in the case that unfair dismissal is as a result of a procedural defect; or
- b) that person's dismissal as an Employee for cause, where "cause" shall mean:
  - (i) the lawful termination of that person's contract of employment or consultancy without notice or payment in lieu of notice as a consequence of that person's misconduct or as otherwise permitted pursuant to the terms of that person's contract of employment or consultancy; and/or
  - (ii) that person's fair dismissal pursuant to section 98(2) (a) (capability) or 98(2) (b) (conduct) of the Employment Rights Act 1996.

**Business Day:** a day other than a Saturday, Sunday or public holiday in England when banks in London are open for business.

**Chairman:** has the meaning given to it in article 6.7;

**Company:** means COMPLI SOLUTIONS LIMITED

**Company's Lien:** has the meaning given to it in article 25.

**connected:** has the meaning given in section 252 of the Act.

**Controlling Interest:** an interest in Shares conferring on the holder or holders control of the Company within the meaning of section 1124 of the Corporation Tax Act 2010.

**Credit Institution:** any Financial Conduct Authority registered credit institution (or a credit institution registered with the equivalent body or authority in the country of the relevant credit institution's principal place of business).

**C Shares:** the shares of £0.00001 each in the capital of the Company, which have the rights setout in these Articles.

**Deemed Transfer Notice:** a Transfer Notice which is deemed to have been served by any of the provisions of these Articles.

**Departing Employee:** an Employee who ceases to be a director or employee of, or consultant to, any Group Company and who does not continue as, or become, a director or employee of, or consultant to, any Group Company.

**Directors:** the directors of the Company from time to time.

**Disposal:** the disposal by the Company of all, or a substantial part of, its business and assets.

**D Shares:** the shares of £0.00001 each in the capital of the Company, which have the rights setout in these Articles.

**Early Leaver:** an Employee who becomes a Departing Employee for any reason within 12 months of (but excluding) the Adoption Date.

**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).

**Employee:** an individual who is, or has been, a director and/or an employee of, or who does provide or has provided consultancy services to, any Group Company.

**Employee Trust:** a trust, the terms of which are approved by the Investor, whose beneficiaries are the bona fide employees of the Group.

**Exit:** a Share Sale, a Disposal or a Listing.

**Fair Value:** has the meaning given in article 18.2.

**Family Trust:** as regards any particular Shareholder who is an individual (or deceased or former Shareholder who is an individual) any trust (whether arising under a settlement,



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

**Financial Year:** an accounting reference period (as defined in section 391 of the Act) of the Company.

**First Offer Shareholders:** the holders of B Ordinary Shares.

**Good Leaver:** an Employee who ceases to be an Employee and who is not a Bad Leaver or an Early Leaver and shall include, without limitation, when the Directors (including Investor Director Consent) determine that a person is not a Bad Leaver.

**Group:** the Company, any subsidiary or any holding company from time to time of the Company, and any subsidiary from time to time of a holding company of the Company from time to time and **Group Company:** shall be construed accordingly.

**holding company:** has the meaning given in article 1.11.

**Independent Expert:** the auditors for the time being of the Company or, if they decline the instruction, an independent firm of accountants jointly appointed by the Company and the Seller (or, for the purposes of article 15.5, the Investor) or, in the absence of agreement between the Company and the Seller (or Investor, as the case may be) on the identity of the expert within ten Business Days of the expiry of the period referred to in article 18.1, an independent firm of accountants appointed by the President, for the time being, of the Institute of Chartered Accountants of England and Wales (in each case acting as an expert and not as an arbitrator).

**Investor:** NoBa Nominee Limited (Company number 13627876) and its Permitted Transferees.

**Investor Consent:** the prior consent in writing of the Investor.

**Investor Director:** has the meaning given in article 6.4.

**Lien Enforcement Notice:** means a notice in writing which complies with the requirements of article 26.

**Listing:** the successful application and admission of all or any of the Shares, or securities representing such Shares (including American depositary receipts, American depositary shares and/or other instruments) to the Official List of the Financial Conduct Authority or on the AIM market operated by the London Stock Exchange plc, or the Nasdaq National

Stock Market of the Nasdaq Stock Market Inc., or to any recognised investment exchange (as defined in section 285 of the Financial Services and Markets Act 2000).

**Member of the Same Group:** as regards any company, a company which is from time to time a holding company or a subsidiary of that company or a subsidiary of any such holding company.

**Model Articles:** the model articles for private companies limited by shares contained in Schedule 1 to The Companies (Model Articles) Regulations 2008 (*SI 2008/3229*), as amended prior to the Adoption Date.

**Original Shareholder:** has the meaning given in article 16.1.

**Permitted Transfer:** a transfer of Shares made in accordance with article 16.

**Permitted Transferee:** in relation to:

- a) a Shareholder who is an individual, any of his Privileged Relations, the trustee(s) of a Family Trust or the Investor;
- b) a Shareholder which is a company, a Member of the Same Group as that company; and
- c) the Investor, any person.

**Privileged Relation:** in relation to a Shareholder who is an individual (or a deceased or former Shareholder who is an individual) means a spouse, civil partner (as defined in the Civil Partnerships Act 2004), child or grandchild (including step or adopted or illegitimate child and their issue).

**Relevant Shares:** in relation to an Employee means all Shares held by:

- a) the Employee in question; and
- b) any Permitted Transferee of that Employee (other than those Shares held by those persons that the Investor declares itself satisfied were not acquired directly or indirectly from the Employee or by reason of his/her relationship with the Employee),
- c) and including any Shares acquired by any such person after the date the relevant Transfer Notice is deemed given but before completion of the transfer of Shares pursuant to the relevant Transfer Notice.

**Restricted Shares:** has the meaning given in article 19.7.

**Sale Proceeds:** means the consideration payable (including any deferred and/or contingent consideration) whether in cash or otherwise to those Shareholders selling Shares under a Share Sale.

**Sale Shares:** has the meaning given in article 17.2(a).

**Second Offer Shareholders:** the holders of A Ordinary Shares.

**Seller:** has the meaning given in article 17.2.

**Shareholder:** a holder for the time being of any Share or Shares, but excluding any member holding Shares in treasury.

**Shares:** shares (of any class) in the capital of the Company and **Share:** shall be construed accordingly.

**Share Sale:** the sale of (or the grant of a right to acquire or to dispose of) any Shares (in one transaction or as a series of transactions) which would, if completed, result in the buyer of those Shares (or grantee of that right) and persons acting in concert with him together acquiring a Controlling Interest, except where the identities of the shareholders in the buyer and the proportion of shares of the buyer held by each of them following completion of the sale are the same as the identities of the Shareholders and their respective shareholdings in the Company immediately before the sale.

**subsidiary:** has the meaning given in article 1.11.

**Termination Date:**

- a) where employment ceases by virtue of notice given by the employer to the employee, the date on which notice of termination was served;
- b) where a contract of employment is terminated by the employer and a payment is made in lieu of notice, the date on which notice of termination was served;
- c) where an Employee dies, the date of his death;
- d) where the Employee concerned is a director but not an employee, the date on which his service agreement (or other terms of appointment) with the relevant Group Company is terminated; or
- e) in any other case, the date on which the employment or holding of office is terminated.

**Transfer Notice:** has the meaning given in article 17.2.

**Transfer Price:** has the meaning given in article 18.

**Voting Shares:** the A Ordinary Shares and the B Ordinary Shares and D Shares but not the C Shares.

**Writing or written:** 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, save that, in relation to a Transfer Notice (or Deemed Transfer Notice), "writing" or "written" shall not include the sending or supply of notices, documents or information in electronic form (other than by fax).

- 1.2 Headings in these Articles shall not affect the interpretation of these Articles.
- 1.3 Unless the context otherwise requires, words in the singular shall include the plural and the plural shall include the singular.

- 1.4 Unless the context otherwise requires, a reference to one gender shall include a reference to the other genders.
- 1.5 Save as otherwise specifically provided in these Articles, words and expressions which have particular meanings in the Model Articles shall have the same meanings in these Articles, subject to which and unless the context otherwise requires, words and expressions which have particular meanings in the Act shall have the same meanings in these Articles (but excluding any statutory modification of them not in force on the Adoption Date).
- 1.6 A reference in these Articles to:
- (a) an **Article** is a reference to the relevant numbered article of these Articles; and
  - (b) a **model article** is a reference to the relevant article,
- unless expressly provided otherwise.
- 1.7 A reference to a statute or statutory provision is a reference to it as amended, extended or re-enacted from time to time. A reference to a statute or statutory provision shall include all subordinate legislation made from time to time under that statute or statutory provision.
- 1.8 Any words following the terms **including**, **include**, **in particular**, **for example** or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms.
- 1.9 Where the context permits, **other** and **otherwise** are illustrative and shall not limit the sense of the words preceding them.
- 1.10 A reference in these Articles to a holder, or the holder(s), of Shares, Voting Shares or any class of Shares as the case may be shall, in each case, be deemed to exclude any member holding Shares in treasury.
- 1.11 A reference to a **holding company** or a **subsidiary** means a holding company or a subsidiary (as the case may be) as defined in section 1159 of the Act and for the purposes only of the membership requirement contained in sections 1159(1)(b) and (c), a company shall be treated as a member of another company even if its shares in that other company are registered in the name of:
- (a) another person (or its nominee), by way of security or in connection with the taking of security; or
  - (b) its nominee.

In the case of a limited liability partnership which is a subsidiary of a company or another limited liability partnership, section 1159 of the Act shall be amended so that: (a) references in sections 1159(1)(a) and (c) to voting rights are to the members' rights to vote on all or

substantially all matters which are decided by a vote of the members of the limited liability partnership; and (b) the reference in section 1159(1)(b) to the right to appoint or remove a majority of its board of directors is to the right to appoint or remove members holding a majority of the voting rights.

## **2. Adoption of the Model Articles**

- 2.1 The Model Articles shall apply to the Company, except in so far as they are modified or excluded by these Articles or are inconsistent with these Articles, and, subject to any such modifications, exclusions or inconsistencies, shall together with these Articles constitute the articles of association of the Company to the exclusion of any other articles or regulations set out in any statute or in any statutory instrument or other subordinate legislation.
- 2.2 Model articles 7, 8, 9(1), 11(2) and (3), 12, 13, 14(1) to (4) (inclusive), 16, 18(e), 21, 26(5), 38, 39, 44(2), 49, and 51 to 53 (inclusive) shall not apply to the Company.
- 2.3 Model article 20 shall be amended by the insertion of the words "and the secretary" before the words "properly incur".
- 2.4 In model article 25(2)(c), the words "evidence, indemnity and the payment of a reasonable fee" shall be deleted and replaced with the words "evidence and indemnity".
- 2.5 Model article 29 shall be amended by the insertion of the words ", or the name of any person(s) named as the transferee(s) in an instrument of transfer executed under article 28(2)," after the words "the transmittee's name".

## **DIRECTORS**

### **3. Number of directors**

Unless otherwise determined by ordinary resolution, the number of Directors shall not be less than two.

### **4. Proceedings of directors**

- 4.1 Any decision of the Directors must be taken at a meeting of Directors in accordance with these Articles or must be a decision taken in accordance with article 4.2 (subject to article 4.3 and article 4.4). All decisions made at any meeting of the Directors (or any committee of the Directors) shall be made only by resolution and resolutions at any meeting of the Directors (or committee of the Directors) shall be decided by a majority of votes.
- 4.2 A unanimous decision of the Directors is taken when all Eligible Directors indicate to each other by any means that they share a common view on a matter.

- 4.3 A decision taken in accordance with article 4.2 may take the form of a resolution in writing, where each Eligible Director has signed one or more copies of it, or to which each Eligible Director has otherwise indicated agreement in writing.
- 4.4 A decision may not be taken in accordance with article 4.2 if the Eligible Directors would not have formed a quorum at a Directors' meeting to vote on the matter in accordance with article 4.7 and article 4.8.
- 4.5 Model articles 5(1) to (3) (inclusive) and 6(2) shall be modified by the insertion of the words "(acting with Investor Consent)" following each reference to "the directors" in such model articles.
- 4.6 Meetings of the Directors shall take place at least six times in each year, with a period of not more than two months between any two meetings. Any Director may call a meeting of the Directors, or authorise the company secretary (if any) to give such notice. At least five Business Days' advance notice in writing of each such meeting shall be given to each Director (except with the prior consent of an Investor Director, when meetings of the Directors may take place less frequently or on shorter notice).
- 4.7 The quorum for any meeting (or, where specified below, part of a meeting) of the Directors shall be two Eligible Directors, which must include the Investor Director in office for the time being, unless:
- (a) there is no Investor Director in office for the time being; or
  - (b) such Investor Director has, in respect of any particular meeting (or part of a meeting), otherwise agreed ahead of such meeting; or
  - (c) such Investor Director is not, in respect of any particular meeting (or part of a meeting), an Eligible Director.
- in which case, subject to article 4.8, the quorum for such meeting (or part of the meeting, as the case may be) shall be any two Eligible Directors. If the necessary quorum is not present within 30 minutes from the time appointed for the meeting, or if, during a meeting, such quorum ceases to be present, the meeting shall stand adjourned to such time and place as the Directors determine.
- 4.8 For the purposes of any meeting (or part of a meeting) held pursuant to article 8 to authorise a Conflict (as defined in article 8.1), 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.
- 4.9 If the number of Directors in office for the time being is less than two, the Directors in office must not take any decision other than a decision to:
- (a) appoint further Directors; or

(b) call a general meeting so as to enable the Shareholders to appoint further Directors.

4.10 Questions arising at any meeting of the Directors shall be decided by a majority of votes.

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

4.12 The Directors (acting with Investor Consent) 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.

## **5. Appointment and removal of directors**

5.1 Model article 18 shall be modified by the addition of the following events upon the occurrence of which a person shall cease to be a Director:

- (a) he is convicted of a criminal offence (other than a minor motoring offence) and a majority of the other Directors resolve that he cease to be a Director;
- (b) save in the case of an Investor Director, a majority of the other Directors resolve that he cease to be a Director; and
- (c) in the case of an executive Director only, he shall cease to be employed by the Company or other Group Company (as appropriate) and does not continue as an employee of any other Group Company.

## **6. Investor director, Chairman and observer**

6.1 In respect of every 20% of Shares in issue held by them (disregarding any C Shares), the holders of the A Ordinary Shares from time to time (including any Permitted Transferees), have the right to appoint and maintain in office one natural person as director as such Shareholders may from time to time direct and to remove any director so appointed and, upon his removal whether by the relevant Shareholders or otherwise, to appoint another person to act as a director in his place.

6.2 The holders of the B Ordinary Shares from time to time (including any Permitted Transferees), have the right to appoint and maintain in office two persons as director as such Shareholders may from time to time direct and to remove any director so appointed and, upon his removal whether by the relevant Shareholders or otherwise, to appoint another person to act as a director in his place.

6.3 The holders of the D Shares from time to time (including any Permitted Transferees), have the right to appoint and maintain in office two persons as director (and for such times as it has only one director appointed, such director shall have two votes at any board meeting or directors' resolution) as such Shareholders may from time to time direct and to remove any

director so appointed and, upon his removal whether by the relevant Shareholders or otherwise, to appoint another person to act as a director in his place.

6.4 Appointment and removal of any such director by the Investor or holder of the D Shares shall be by written notice to the Company which shall take effect on delivery at its registered office or at any meeting of the Board and where the Investor specifies that such director appointed by it is an Investor Director he is an investor director for the purposes of these Articles (an **Investor Director**).

6.5 An Investor Director shall be entitled to be appointed to any committee of the Directors established from time to time. On the receipt of the request in writing of his appointor(s), the Company shall procure that an Investor Director shall be appointed as a director of any other Group Company, to the extent specified in such request (but such Investor Director shall not be entitled to any additional fee).

6.6 The reasonable expenses of each Investor Director shall be payable by the Company.

6.7 The Directors may, with Investor Consent, appoint any person as chairman of the board of Directors (**Chairman**) and may, with Investor Consent, remove and replace any such Chairman. If there is no Chairman in office for the time being, or the Chairman is unable to attend any meeting of the Directors, the Directors present at the meeting must appoint another Director present at the meeting to chair the meeting and the appointment of the chairman of the meeting must be the first business of the meeting.

## **7. Transactions or other arrangements with the Company**

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:

- (a) 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;
- (b) shall be an Eligible Director for the purposes of any proposed decision of the Directors (or committee of the Directors) in respect of such existing or proposed transaction or arrangement in which he is interested;
- (c) 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 existing or proposed transaction or arrangement in which he is interested;
- (d) 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;



- (e) 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
- (f) shall not, save as he may otherwise agree, be accountable to the Company for any benefit which he (or a person connected with him) derives from any such transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such 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.

## **8. Directors' conflicts**

- 8.1 The Directors may, in accordance with the requirements set out in this article 8, authorise any matter or situation proposed to them by any Director which would, if not authorised, involve a Director (an **Interested Director**) breaching his duty under section 175 of the Act to avoid conflicts of interest (**Conflict**).
- 8.2 An Investor Director, notwithstanding his office, may be a director or other officer of, employed by, or otherwise interested (including by the holding of shares) in, the Investor or any shareholder of the Investor, and no authorisation under Article 8.1 shall be necessary in respect of any such interest.
- 8.3 A Director appointed by the holder of the D Shares, notwithstanding his office, may be a director or other officer of, employed by, or otherwise interested (including by the holding of shares) in, the Investor or any shareholder of the Investor, and no authorisation under Article 8.1 shall be necessary in respect of any such interest.
- 8.4 Any authorisation under this article 8 will be effective only if:
  - (a) the matter in question shall have been proposed by any Director for consideration in the same way that any other matter may be proposed to the Directors under the provisions of these Articles;
  - (b) any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested Director; and
  - (c) the matter was agreed to without the Interested Director voting or would have been agreed to if the Interested Director's vote had not been counted.
- 8.5 Any authorisation of a Conflict under this article 8 may (whether at the time of giving the authorisation or subsequently):
  - (a) extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised;

- (b) provide that the Interested Director be excluded from the receipt of documents and information and the participation in discussions (whether at meetings of the Directors or otherwise) related to the Conflict;
- (c) subject to Investor Consent, provide that the Interested Director shall or shall not be an Eligible Director in respect of any future decision of the Directors in relation to any resolution related to the Conflict;
- (d) impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the Directors think fit;
- (e) provide that, where the Interested Director obtains, or has obtained (through his involvement in the Conflict and otherwise than through his position as a Director of the Company) information that is confidential to a third party, he will not be obliged to disclose that information to the Company, or to use it in relation to the Company's affairs where to do so would amount to a breach of that confidence; and
- (f) permit the Interested Director to absent himself from the discussion of matters relating to the Conflict at any meeting of the Directors and be excused from reviewing papers prepared by, or for, the Directors to the extent they relate to such matters.

8.6 Where the Directors authorise a Conflict, the Interested Director will be obliged to conduct himself in accordance with any terms and conditions imposed by the Directors in relation to the Conflict.

8.7 The Directors may revoke or vary such authorisation at any time, but this will not affect anything done by the Interested Director, prior to such revocation or variation, in accordance with the terms of such authorisation.

8.8 A Director, notwithstanding his office, may be a Director or other officer of, employed by, or otherwise interested (including by the holding of shares) in his appointor(s) (or any Permitted Transferee of such appointor(s)) and no authorisation under article 8.1 shall be necessary in respect of any such interest.

8.9 An Investor Director shall be entitled from time to time to disclose to his appointor(s) (and to any Permitted Transferee of such appointor(s)) such information concerning the business and affairs of the Company as he shall at his discretion see fit.

8.10 A Director is not required, by reason of being a Director (or because of the fiduciary relationship established by reason of being a Director), to account to the Company for any remuneration, profit or other benefit which he derives from or in connection with a relationship involving a Conflict which has been authorised by the Directors in accordance with these Articles or by the Company in general meeting (subject in each case to any terms

and conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds.

## **9. Secretary**

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

## **SHARES AND DISTRIBUTIONS**

### **10. Dividends**

10.1 In respect of any Financial Year, the Available Profits of the Company shall be used to pay dividends as set out in this article 10.

10.2 Subject to this article 10, any Available Profits which the Company may determine to distribute in respect of any Financial Year will be distributed as follows:

- a) First, in paying to each of the holders of D Shares, a dividend in respect of each D Share, an amount equal to 100% of the nominal value thereof;
- b) The balance of such dividend amount shall be distributed among the holders of Shares (other than the D Shares) (pari passu as if they constituted Shares of the same class) pro rata to their respective holdings of Shares (excluding any D Shares)

10.3 Subject to the Act, the Directors may pay interim dividends provided that:

- (a) the Available Profits of the Company justify the payment; and
- (b) the Company obtains Investor Consent to any such interim dividend.

10.4 Notwithstanding any other provision of this article 10, no dividend may be paid to the Company in respect of any Shares held in treasury.

### **11. Return of capital**

11.1 The rights as regards return of capital attaching to each class of Shares shall be as set out in this article.

11.2 On a return of capital on liquidation or otherwise (except purchase by the Company of any Shares), the surplus assets of the Company remaining after payment of its liabilities shall be applied in the following order of priority:

- a) First, in paying to each holder of the D Shares in respect of each D Share of which it is the holder, an amount equal to 100% of the nominal value thereof; and
- b) The balance of such assets shall among the holders of Shares (other than the D Shares) (pari passu as if they constituted Shares of the same class) pro rata to their

respective holdings of Shares (excluding any D shares).

## **12. Exit provisions**

- 12.1 On a Share Sale, the Sale Proceeds shall be distributed as set out in article 11. The Directors shall not register any transfer of Shares if the Sale Proceeds are not distributed in that manner (save in respect of any Shares not sold in connection with that Share Sale) provided that, if the Sale Proceeds are not settled in their entirety upon completion of the Share Sale:
- (a) the Directors may register the transfer of the relevant Shares, provided that the Sale Proceeds due on the date of completion of the Share Sale have been distributed in the order of priority set out in article 11; and
  - (b) each Shareholder shall take any reasonable action (to the extent lawful and within its control) required by the Investor to ensure that the balance of the Sale Proceeds are distributed in the order of priority set out in article 11.
- 12.2 On a Disposal, the surplus assets of the Company remaining after payment of its liabilities shall be distributed (to the extent that the Company is lawfully permitted to do so) as set out in article 11, provided always that if it is not lawful for the Company to distribute its surplus assets in accordance with the provisions of these Articles, each Shareholder shall (to the extent lawful and within its control) take any reasonable action required by the Investor (including, but without prejudice to the generality of this article 12.2, such action as may be necessary to put the Company into voluntary liquidation so that article 11 applies).
- 12.3 In the event of an Exit approved by the Directors (acting with Investor Consent) (**Proposed Exit**), all Shareholders shall consent to, vote for, raise no objections to and waive any applicable rights in connection with the Proposed Exit. The Shareholders shall be required to take all lawful actions with respect to the Proposed Exit as are reasonably required by the Directors to facilitate the Proposed Exit. If any Shareholder fails to comply with the provisions of this article 12.3:
- (a) the Company shall be constituted the agent and attorney of each defaulting Shareholder for taking such actions as are necessary to effect the Proposed Exit;
  - (b) the Directors may authorise an officer of the Company or a Shareholder to execute and deliver on behalf of such defaulting Shareholder all or any necessary documents; and
  - (c) the Company may receive any purchase money due to the defaulting Shareholder in trust for each of the defaulting Shareholders (without any obligation to pay interest).

## **13. Variation of class rights**

- 13.1 Whenever the share capital of the Company is divided into different classes of Shares, the special rights attached to any such class may only be varied or abrogated (either whilst the Company is a going concern or during or in contemplation of a winding up) with the

consent in writing of the holders of at least 75% in nominal value of the issued Shares of that class (excluding any holder(s) of Restricted Shares).

- 13.2 The creation of a new class of Shares which has preferential rights to one or more existing classes of Shares shall not constitute a variation of the rights of those existing classes of Shares.

**14. Pre-emption rights on the issue of further shares**

- 14.1 Save to the extent authorised by these Articles and with Investor Consent, 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.

- 14.2 Subject to the remaining provisions of this article 14, the Directors are generally and unconditionally authorised, for the purposes of section 551 of the Act, to exercise any power of the Company to:

- (a) offer or allot;
- (b) grant rights to subscribe for or to convert any security into; and
- (c) otherwise deal in, or dispose of,

any Shares (or any options, warrants, conversion rights and all other rights to acquire or subscribe for Shares) to any person, at any time and subject to any terms and conditions as the Directors think proper.

- 14.3 The authority referred to in article 14.2:

- (a) shall be limited to a maximum nominal amount of £2,500,000 in relation to new issues of Shares (other than C Shares) and £250,000 of C Shares;
- (b) shall only apply insofar as the Company has not, subject to these Articles, renewed, waived or revoked it by ordinary resolution; and
- (c) may only be exercised for a period of five years from the Adoption Date save that, subject to these Articles, the Directors may make an offer or agreement which would, or might, require any Shares to be allotted after the expiry of such authority (and the Directors may allot Shares in pursuance of an offer or agreement as if such authority had not expired).

- 14.4 In accordance with section 567(1) of the Act, sections 561 and 562 of the Act shall not apply to an allotment of equity securities (as defined in section 560(1) of the Act) made by the Company where:

- (a) it is within the limits imposed by article 14.3; or
- (b) it relates to an employee incentive arrangement which has Investor Consent.

**15. Transfers of shares: general**

- 15.1 In these Articles, reference to the transfer of a Share includes the transfer, assignment or other disposal of a beneficial or other interest in that Share, or the creation of a trust or encumbrance over that Share, and reference to a Share includes a beneficial or other interest in a Share.
- 15.2 No Share shall be transferred, and the Directors shall refuse to register a transfer of any Share, unless it is made with Investor Consent or in accordance with Article 16. Subject to article 15.5, the Directors shall register any duly stamped transfer made in accordance with these Articles, unless they suspect that the proposed transfer may be fraudulent.
- 15.3 If a Shareholder transfers (or purports to transfer) a Share other than in accordance with these Articles, he shall, save with Investor Consent to the contrary, be deemed to have immediately served a Transfer Notice in respect of all Shares held by him.
- 15.4 Any transfer of a Share by way of sale which is required to be made under article 19, article 20 or article 21 shall be deemed to include a warranty that the transferor sells the Share with full title guarantee.
- 15.5 The Directors may (and shall, if requested by the Investor), as a condition to the registration of any transfer of Shares, require the transferee to execute and deliver to the Company a deed, in favour of the Company and the Investor agreeing to be bound by the terms of any shareholders' agreement (or similar document) in force between any of the Shareholders and the Company, in such form as the Directors (acting with Investor Consent) may reasonably require (but not so as to oblige the transferee to have any obligations or liabilities greater than those of the proposed transferor). If any condition is imposed in accordance with this article 15.5, the transfer may not be registered unless and until that deed has been executed and delivered to the Company's registered office by the transferee.
- 15.6 To enable the Directors to determine whether or not there has been any transfer (or purported transfer) of Shares the Directors may, and shall if so requested by an Investor Director, require:
- (a) any holder (or the legal representatives of a deceased holder); or
  - (b) any person named as a transferee in a transfer lodged for registration; or
  - (c) such other person as the Directors or an Investor Director may reasonably believe to have information relevant to that purpose,

to provide the Company with any information and evidence that the Directors think fit regarding any matter which they deem relevant to that purpose.

- 15.7 If any such information or evidence referred to in article 15.6 is not provided to enable the Directors to determine to their reasonable satisfaction that no breach has occurred, or that as a result of the information and evidence provided the Directors are reasonably satisfied that a breach has occurred, the Directors shall immediately notify the holder of such Shares of that fact in writing and, if the holder fails to remedy that situation to the reasonable satisfaction of the Directors (including an Investor Director) within five Business Days of receipt of such written notice, then, unless otherwise directed in writing by the Investor:
- (a) the relevant Shares shall cease to confer on the holder of them any rights:
    - (i) to vote (whether on a show of hands, on a poll or otherwise and whether in person, by proxy or otherwise), including in respect of any resolution of any class of Shares;
    - (ii) to receive dividends otherwise attaching to those Shares; and
  - (b) the Directors may, by notice in writing to the relevant holder, determine that a Transfer Notice shall be deemed to have been given in respect of some or all of his Shares with effect from the date of service of the notice (or such later date as may be specified in such notice).

The Directors may (with Investor Consent) reinstate the rights referred to in article 15.7(a) at any time and, in any event, such rights shall be reinstated on completion of a transfer made pursuant to article 15.7(b).

- 15.8 Unless expressly provided otherwise in these Articles, if a Transfer Notice is deemed to have been given under these Articles, the Deemed Transfer Notice shall be treated as having specified that:
- (a) it does not contain a Minimum Transfer Condition; and
  - (b) the Seller wishes to transfer all the Shares held by him (including any Shares acquired after the date the relevant Transfer Notice is deemed given but before completion of the transfer of Shares pursuant to the relevant Transfer Notice).

- 15.9 Any Transfer Notice (but not an Offer Notice (as defined in article 20) or a Drag Along Notice (as defined in article 21)) served in respect of the transfer of any Share which has not completed before the date of service of a Deemed Transfer Notice shall (save with Investor Consent to the contrary) automatically be revoked by the service of a Deemed Transfer Notice.

## 16. Permitted transfers of shares

- 16.1 A Shareholder (the **Original Shareholder**) may transfer all or any of his or its Shares to a Permitted Transferee.



- 16.2 Where Shares are held by the trustee(s) of a Family Trust, the trustee(s) may transfer Shares to:
- (a) the Original Shareholder;
  - (b) any Privileged Relation(s) of the Original Shareholder;
  - (c) subject to article 16.3, the trustee(s) of another Family Trust of which the Original Shareholder is the Settlor; or
  - (d) subject to article 16.3, to the new (or remaining) trustee(s) upon a change of trustee(s) of a Family Trust,
- without any price or other restriction.
- 16.3 A transfer of Shares may only be made to the trustee(s) of a Family Trust if an Investor Director is satisfied:
- (a) with the terms of the trust instrument and, in particular, with the powers of the trustee(s);
  - (b) with the identity of the proposed trustee(s);
  - (c) that the proposed transfer will not result in 50% or more of the aggregate of the Company's equity share capital being held by trustees of that and any other trusts; and
  - (d) that no costs incurred in connection with the setting up or administration of that Family Trust are to be paid by the Company.
- 16.4 If the Original Shareholder is a company, and a Permitted Transfer has been made, the Permitted Transferee shall, within ten Business Days of ceasing to be a Member of the Same Group as the Original Shareholder, transfer the Shares held by it to:
- (a) the Original Shareholder; or
  - (b) a Member of the Same Group as the Original Shareholder,
- (which in either case is not in liquidation), without any price or other restriction. If the Permitted Transferee fails to make a transfer in accordance with this article 16.4, a Transfer Notice shall be deemed to have been given in respect of such Shares on the expiry of the period set out in this article 16.4.
- 16.5 If the Original Shareholder is an individual and a Permitted Transfer has been made to a Privileged Relation of the Original Shareholder, the Permitted Transferee (or the transmittee(s) of any such person), shall within ten Business Days of ceasing to be a Privileged Relation of the Original Shareholder (whether by reason of death, divorce or otherwise) either:

- (a) execute and deliver to the Company a transfer of the Shares held by him to the Original Shareholder (or to any Permitted Transferee of the Original Shareholder) for such consideration as may be agreed between them; or
- (b) give a Transfer Notice to the Company in accordance with article 17,

failing which a Transfer Notice shall be deemed to have been given in respect of such Shares on the expiry of the period set out in this article 16.5. This article 16.5 shall not apply to a transferee of a Permitted Transferee if that transferee is also a Permitted Transferee of the Original Shareholder, to the extent that such transferee is legally or beneficially entitled to those Shares.

- 16.6 Notwithstanding any other provision of this article 16, a transfer of any Shares approved by the Directors (acting with Investor Consent) may be made without any price or other restriction and any such transfer shall be registered by the Directors.

## 17. **Pre-emption rights on the transfer of shares**

- 17.1 Except where the provisions of article 16, article 20 or article 21 apply, any transfer of Shares by a Shareholder shall be subject to the pre-emption rights in this article 17.
- 17.2 A Shareholder who wishes to transfer Shares (a **Seller**) shall, before transferring or agreeing to transfer any Shares, give notice in writing (a **Transfer Notice**) to the Company specifying:
  - (a) subject to article 15.8(b), the number of Shares he wishes to transfer (**Sale Shares**);
  - (b) the name of the proposed transferee, if any;
  - (c) subject to article 19.5, the price per Sale Share (in cash), if any, at which he wishes to transfer the Sale Shares (the **Proposed Sale Price**); and
  - (d) subject to article 15.8(a), whether the Transfer Notice is conditional on all or a specific number of the Sale Shares being sold (a **Minimum Transfer Condition**).
- 17.3 Once given, a Transfer Notice may only be withdrawn with Investor Consent.
- 17.4 A Transfer Notice (or Deemed Transfer Notice) constitutes the Company the agent of the Seller for the sale of the Sale Shares at the Transfer Price.
- 17.5 As soon as practicable following the later of:
  - (a) receipt of a Transfer Notice (or in the case of a Deemed Transfer Notice, the date such notice is deemed to be served); and
  - (b) the determination of the Transfer Price,

the Directors shall (unless the Transfer Notice is withdrawn in accordance with article 17.3) offer the Sale Shares for sale in the manner set out in the remaining provisions of this article 17 at the Transfer Price. Each offer shall be in writing and shall give details of the number and Transfer Price of the Sale Shares offered.

17.6 The Company shall, subject to article 19, offer the Sale Shares in the following order of priority:

- (a) first, to the holders of B Ordinary Shares; and
- (b) second, to the holders of A Ordinary Shares,

in each case on the basis set out in article 17.8 to article 17.16 (inclusive).

17.7 An offer of Sale Shares made in accordance with article 17.6 shall remain open for acceptance for a period from the date of the offer to the date ten Business Days after the offer (both dates inclusive). Any Sale Shares not allocated within that period shall be dealt with in accordance with article 17.8 and article 17.9.

17.8 Subject to article 17.7, the Directors shall offer the Sale Shares in the order of priority referred to in article 17.6 to the First Offer Shareholders (other than the Seller), inviting them to apply in writing within the period from the date of the offer to the date ten Business Days after the offer (both dates inclusive) (the **First Offer Period**) for the maximum number of Sale Shares they wish to buy.

17.9 If:

- (a) at the end of the First Offer Period, the number of Sale Shares applied for is equal to or exceeds the number of Sale Shares, the Directors shall allocate the Sale Shares to each First Offer Shareholder who has applied for Sale Shares in the proportion which his existing holding of Shares bears to the total number of Shares of the class being offered held by all First Offer Shareholders (other than the Seller). Fractional entitlements shall be rounded down to the nearest whole number (save where such rounding would result in not all Sale Shares being allocated, in which case, the allocation of any such fractional entitlements shall be determined by the Directors (acting with Investor Consent)). No allocation shall be made to a Shareholder of more than the maximum number of Sale Shares which he has stated he is willing to buy;
- (b) not all Sale Shares are allocated following allocations in accordance with article 17.9(a), but there are applications for Sale Shares that have not been satisfied, the Directors shall allocate the remaining Sale Shares to such applicants in accordance with the procedure set out in article 17.9(a). The procedure set out in this article 17.9(b) shall apply on any number of consecutive occasions until either all Sale Shares have been allocated or all applications for Sale Shares have been satisfied; and

- (c) at the end of the First Offer Period, the total number of Sale Shares applied for is less than the number of Sale Shares, the Directors shall allocate the Sale Shares to the First Offer Shareholders in accordance with their applications. The balance (the **Initial Surplus Shares**) shall be dealt with in accordance with article 17.10.
- 17.10 At the end of the First Offer Period, the Directors shall offer the Initial Surplus Shares (if any) to the Second Offer Shareholders (other than the Seller), inviting them to apply in writing within the period from the date of the offer to the date ten Business Days after the offer (both dates inclusive) (the **Second Offer Period**) for the maximum number of Initial Surplus Shares they wish to buy.
- 17.11 If:
  - (a) at the end of the Second Offer Period, the number of Initial Surplus Shares applied for is equal to or exceeds the number of Initial Surplus Shares, the Directors shall allocate the Initial Surplus Shares to each Second Offer Shareholder who has applied for Initial Surplus Shares in the proportion which his existing holding of Shares of the class held by Second Offer Shareholders bears to the total number of Shares of the class held by all Second Offer Shareholders (other than the Seller). Fractional entitlements shall be rounded down to the nearest whole number (save where such rounding would result in not all Initial Surplus Shares being allocated, in which case, the allocation of any such fractional entitlements shall be determined by the Directors (acting with Investor Consent)). No allocation shall be made to a Shareholder of more than the maximum number of Initial Surplus Shares which he has stated he is willing to buy;
  - (b) not all Initial Surplus Shares are allocated following allocations in accordance with article 17.11(a), but there are applications for Initial Surplus Shares that have not been satisfied, the Directors shall allocate the remaining Initial Surplus Shares to such applicants in accordance with the procedure set out in article 17.11(a). The procedure set out in this article 17.11(b) shall apply on any number of consecutive occasions until either all Initial Surplus Shares have been allocated or all applications for Initial Surplus Shares have been satisfied; and
  - (c) at the end of the Second Offer Period, the total number of Initial Surplus Shares applied for is less than the number of Initial Surplus Shares, the Directors shall allocate the Initial Surplus Shares to the Second Offer Shareholders in accordance with their applications. The balance (the **Second Surplus Shares**) shall, subject to article 17.12, be offered to any other person in accordance with article 17.16.
- 17.12 Where the Transfer Notice contains a Minimum Transfer Condition:
  - (a) any allocation made under article 17.7 to article 17.11 (inclusive) shall be conditional on the fulfilment of the Minimum Transfer Condition; and

- (b) if the total number of Sale Shares applied for under article 17.7 to article 17.11 (inclusive) is less than the number of Sale Shares, the Board shall notify the Seller and all those Shareholders to whom Sale Shares have been conditionally allocated stating that the condition has not been met and that the relevant Transfer Notice has lapsed with immediate effect.

17.13 Where either:

- (a) the Transfer Notice does not contain a Minimum Transfer Condition; or
- (b) allocations have been made in respect of all the Sale Shares,

the Directors shall, when no further offers or allocations are required to be made under article 17.7 to article 17.11 (inclusive), give notice in writing of the allocations of Sale Shares (an **Allocation Notice**) to the Seller and each Shareholder to whom Sale Shares have been allocated (each an **Applicant**). The Allocation Notice shall specify the number of Sale Shares allocated to each Applicant and the place and time for completion of the transfer of the Sale Shares (which shall be at least ten Business Days, but not more than twenty Business Days, after the date of the Allocation Notice).

17.14 On the date specified for completion in the Allocation Notice, the Seller shall, against payment from an Applicant, transfer the Sale Shares allocated to such Applicant, in accordance with any requirements specified in the Allocation Notice.

17.15 If the Seller fails to comply with article 17.14:

- (a) the Chairman (or, failing him, any other Director or some other person nominated by a resolution of the Directors) may, as agent and attorney on behalf of the Seller:
  - (i) complete, execute and deliver in his name all documents necessary to give effect to the transfer of the relevant Sale Shares to the Applicants;
  - (ii) receive the Transfer Price and give a good discharge for it (and no Applicant shall be obliged to see to the distribution of the Transfer Price); and
  - (iii) (subject to the transfer being duly stamped) enter the Applicants in the register of Shareholders as the holders of the Shares purchased by them; and
- (b) the Company shall pay the Transfer Price into a separate bank account in the Company's name on trust (but without interest) for the Seller until he has delivered his certificate(s) for the relevant Shares (or an indemnity, in a form reasonably satisfactory to the Directors, in respect of any lost certificate, together with such other evidence (if any) as the Board may reasonably require to prove good title to those Shares) to the Company.

- 17.16 Where a Transfer Notice lapses pursuant to article 17.12(b) or an Allocation Notice does not relate to all the Sale Shares, then , subject to article 17.17, the Seller may, at any time during the ten Business Days following the date of lapse of the Transfer Notice, or the date of service of the Allocation Notice as the case may be, transfer the Sale Shares (in the case of a lapsed offer) or the Second Surplus Shares (as the case may be) to any person at a price at least equal to the Transfer Price. The sale of the Sale Shares (following the lapse of a Transfer Notice) in accordance with this article 17.16 shall continue to be subject to any Minimum Transfer Condition.
- 17.17 The Seller's right to transfer Shares under article 17.16 does not apply if the Directors reasonably consider that:
- (a) the transferee is a person (or a nominee for a person) whom an Investor Director determines to be a competitor (or a Member of the Same Group as a competitor) of the business of any Group Company;
  - (b) the sale of the Sale Shares is not bona fide or the price is subject to a deduction, rebate or allowance to the transferee; or
  - (c) the Seller has failed or refused to promptly provide information available to him and reasonably requested to enable it to form the opinion referred to in article 17.17(b).

## **18. Valuation**

- 18.1 The Transfer Price for each Sale Share the subject of a Transfer Notice (or Deemed Transfer Notice) shall, save where expressly provided otherwise in these Articles, be the price per Sale Share (in cash) agreed between the Directors (any Director with whom the Seller is connected not voting), acting with Investor Consent, and the Seller or, in default of agreement within ten Business Days of the date of service of the Transfer Notice (or, in the case of a Deemed Transfer Notice, the date on which the board of Directors first has actual knowledge of the facts giving rise to such deemed service), the Fair Value of each Sale Share.
- 18.2 The Fair Value shall be the price per Sale Share determined by the Independent Expert on the following bases and assumptions:
- (a) valuing the Sale Shares as on an arm's-length sale between a willing seller and a willing buyer as at the date the Transfer Notice was served (or deemed served);
  - (b) if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so;
  - (c) that the Sale Shares are capable of being transferred without restriction;
  - (d) valuing the Sale Shares as a rateable proportion of the total value of all the issued Shares without any premium or discount being attributable to the percentage of the issued share capital of the Company which they represent; and

- (e) reflecting any other factors which the Independent Expert reasonably believes should be taken into account.

- 18.3 If any difficulty arises in applying any of these assumptions or bases then the Independent Expert shall resolve that difficulty in whatever manner it shall in its absolute discretion think fit.
- 18.4 The Directors will give the Independent Expert access to all accounting records or other relevant documents of the Group, subject to it agreeing such confidentiality provisions as the Directors may reasonably impose.
- 18.5 The Independent Expert shall act as expert and not as arbitrator and its determination shall be final and binding on the parties (in the absence of fraud or manifest error).
- 18.6 The Independent Expert shall be requested to determine the Fair Value within 20 Business Days of its appointment and to deliver its certificate to the Company. Forthwith upon receipt, the Company shall deliver a copy of the certificate to the Seller.
- 18.7 The cost of obtaining the Independent Expert's certificate shall be borne by the parties equally or in such other proportions as the Independent Expert directs.

## **19. Compulsory transfers**

- 19.1 A person entitled to a Share in consequence of the bankruptcy of a Shareholder (or equivalent procedure in any jurisdiction outside England and Wales) shall be deemed to have given a Transfer notice in respect of that Share at such time as the Directors (acting with Investor Consent) may determine.
- 19.2 If a Shareholder which is a body corporate either suffers or resolves to appoint a liquidator, administrator or administrative receiver over it, or any material part of its assets (other than a voluntary liquidation for the purpose of a bona fide scheme of solvent amalgamation or reconstruction) or suffers or takes any equivalent action in any jurisdiction outside England and Wales, that Shareholder shall be deemed to have given a Transfer Notice in respect of all Shares held by it at such time as the Directors (acting with Investor Consent) may determine. This article 19.2 shall not apply to the Investor.
- 19.3 If there is a change in control (as 'control' is defined in section 1124 of the Corporation Tax Act 2010) of any Shareholder which is a company, it shall be bound at any time, if and when required in writing by the Directors to do so, to give (or procure the giving in the case of a nominee) a Transfer Notice in respect of all the Shares registered in its name (or the name of its nominee(s)) save that, where that Shareholder acquired Shares as a Permitted Transferee of an Original Shareholder, it shall first be permitted to transfer those Shares back to the Original Shareholder from whom it received its Shares or to any other Permitted

Transferee of that Original Shareholder before being required to serve a Transfer Notice. This article 19.3 shall not apply to the Investor.

- 19.4 If an Employee becomes a Departing Employee a Transfer Notice shall, unless the Directors (with Investor Consent) otherwise direct in writing in respect of any particular Relevant Shares prior to or within ten Business Days after the relevant Termination Date, be deemed to have been served on the relevant Termination Date in respect of all Relevant Shares (a **Compulsory Employee Transfer**) and any Transfer Notice served in respect of any of such Relevant Shares before the date such Employee becomes a Departing Employee shall automatically lapse.
- 19.5 Notwithstanding any other provisions of these Articles, the Transfer Price in respect of a Compulsory Employee Transfer shall, where the Departing Employee is:
- (a) a Bad Leaver or an Early Leaver, be restricted to a maximum of the lower of the aggregate issue price of such Sale Shares and the aggregate Fair Value of such Sale Shares; and
  - (b) a Good Leaver, be the aggregate Fair Value of such Sale Shares.
- 19.6 Notwithstanding the provisions of article 19.5, the Investor may, by notice in writing served on the Company and the relevant Seller(s), direct that some higher (but not lower) Transfer Price shall apply to any or all Sale Shares which would otherwise be subject to article 19.5.
- 19.7 Forthwith upon a Transfer Notice being deemed to be served under article 19 the Relevant Shares (**Restricted Shares**) shall cease to confer on the holder of them any rights:
- (a) to vote (whether on a show of hands, on a poll or otherwise and whether in person, by proxy or otherwise), including in respect of any resolution of any class of Shares;
  - (b) to receive dividends or other distributions otherwise attaching to those Shares.

The Directors may (with Investor Consent) reinstate the rights referred to in article 19.7 at any time and, in any event, such rights shall be reinstated in respect of any Sharestransferred pursuant to article 19 on completion of such transfer.

## 20. **Mandatory offer on change of control**

- 20.1 In the event that a proposed transfer of Shares (other than a transfer of Shares made pursuant to article 16, article 19 or article 24.2, but after the operation of the pre-emption procedure set out in article 17), whether made as one or as a series of transactions (a **Proposed Transfer**) would, if completed, result in any person other than an existing Shareholder (the **Buyer**), together with any person acting in concert with the Buyer, acquiring a Controlling Interest, the remaining provisions of this article 20 shall apply.



- 20.2 The Seller shall procure that, prior to the completion of the Proposed Transfer, the Buyer shall make an offer (the **Offer**) to each Shareholder and, in respect of all Shares held in treasury, the Company (each an **Offeree**) on the date of the Offer other than any holder(s) of Restricted Shares, to buy all of the Shares held by such Offerees on the date of the Offer for a consideration in cash per Share (the **Offer Price**) which is equal to the highest price per Share offered, paid or to be paid by the Buyer, or any person acting in concert with the Buyer, for any Shares in connection with the Proposed Transfer.
- 20.3 The Offer shall be made by notice in writing (an **Offer Notice**) addressed to each Offeree on the date of the Offer at least ten Business Days (the **Offer Period**) before the date fixed for completion of the Proposed Transfer (the **Sale Date**). The Offer Notice shall specify:
- (a) the identity of the Buyer (and any person(s) acting in concert with the Buyer);
  - (b) the Offer Price and any other terms and conditions of the Offer;
  - (c) the Sale Date; and
  - (d) the number of Shares which would be held by the Buyer (and persons acting in concert with the Buyer) on completion of the Proposed Transfer.
- 20.4 The completion of the Proposed Transfer shall be conditional in all respects on:
- (a) the making of an Offer in accordance with this article 20; and
  - (b) the completion of the transfer of any Shares by any Offeree (each an **Accepting Offeree**) who accepts the Offer within the Offer Period,  
and the Directors shall refuse to register any Proposed Transfer made in breach of this article 20.4.
- 20.5 The Proposed Transfer is, but the purchase of Shares from Accepting Offerees pursuant to an Offer made under this article 20 shall not be, subject to the pre-emption provisions of article 17.
- 21. Drag along**
- 21.1 If the Investor (the **Selling Shareholder**) wishes to transfer all of its interest in Voting Shares (**Sellers' Shares**) to a bona fide purchaser on arm's-length terms (**Proposed Buyer**), the Selling Shareholder shall have the option (**Drag Along Option**) to require all the other holders of Shares on the date of the request, including the Company in respect of Shares held in treasury, if any (**Called Shareholders**) to sell and transfer all their interest in Shares with full title guarantee to the Proposed Buyer (or as the Proposed Buyer may direct) in accordance with the provisions of this article 21.
- 21.2 The Selling Shareholders may exercise the Drag Along Option:

- (a) before the fifth anniversary of the Adoption Date, if the value of the Company is or exceeds £10,000,000, such value to be determined in accordance with Article 18;
  - (b) on or after the fifth anniversary of the Adoption Date.
- 21.3 The Selling Shareholders may exercise the Drag Along Option by giving notice in writing to that effect (a **Drag Along Notice**), at any time before the completion of the transfer of the Sellers' Shares, to the Proposed Buyer and each Called Shareholder. A Drag Along Notice shall specify:
  - (a) that the Called Shareholders are required to transfer all their Shares (**Called Shares**) pursuant to this article 21;
  - (b) the identity of the Proposed Buyer (and, if relevant, the transferee(s) nominated by the Proposed Buyer);
  - (c) the consideration payable for the Called Shares calculated in accordance with article 21.5;
  - (d) the proposed date of completion of transfer of the Called Shares.
- 21.4 Once given, a Drag Along Notice may not be revoked save with the prior consent of the Directors, acting with Investor Consent. However, a Drag Along Notice shall lapse if, for any reason, the Selling Shareholders have not completed the transfer of all the Sellers' Shares to the Proposed Buyer (or as the Proposed Buyer may direct) within twenty Business Days of serving the Drag Along Notice. The Selling Shareholders may serve further Drag Along Notices following the lapse of any particular Drag Along Notice.
- 21.5 The consideration (in cash or otherwise) for which the Called Shareholders shall be obliged to sell each of the Called Shares shall be that to which they would be entitled if the total consideration proposed to be paid by the Proposed Buyer were distributed to the holders of the Called Shares and the Sellers' Shares in accordance with the provisions of article 11.
- 21.6 No Drag Along Notice shall require a Called Shareholder to agree to any terms except those specifically set out in this article 21.
- 21.7 Completion of the sale and purchase of the Called Shares shall take place on the same date as, and conditional upon the completion of, the sale and purchase of the Sellers' Shares unless:
  - (a) all of the Called Shareholders and the Selling Shareholders otherwise agree; or
  - (b) that date is less than ten Business Days after the date of service of the Drag Along Notice, in which case completion of the sale and purchase of the Called Shares shall take place fifteen Business Days after the date of service of the Drag Along Notice.

- 21.8 Within ten Business Days of the Selling Shareholders serving a Drag Along Notice on the Called Shareholders, the Called Shareholders shall deliver stock transfer forms for their Shares in favour of the Proposed Buyer (or as the Proposed Buyer may direct), together with the share certificate(s) in respect of those Shares (or a suitable indemnity in respect thereof) to the Company. On the expiration of that ten Business Day period the Company shall pay the Called Shareholders, on behalf of the Proposed Buyer, the amounts they are respectively due pursuant to article 21.5 to the extent the Proposed Buyer has put the Company in the requisite funds. The Company's receipt for the amounts due pursuant to article 21.5 shall be a good discharge to the Proposed Buyer. The Company shall hold the amounts due to the Called Shareholders pursuant to article 21.5 in trust for the Called Shareholders without any obligation to pay interest.
- 21.9 To the extent that the Proposed Buyer has not, on the expiration of the ten Business Day period, put the Company in funds to pay the amounts due pursuant to article 21.5, the Called Shareholders shall be entitled to the return of the stock transfer forms and share certificate(s) (or suitable indemnity) for the relevant Shares and the Called Shareholders shall have no further rights or obligations under this article 21 in respect of their Shares.
- 21.10 If any Called Shareholder fails to deliver to the Company a duly executed stock transfer form (or forms) in respect of the Called Shares held by him (together with the share certificate(s) in respect of those Called Shares (or a suitable indemnity in respect thereof)) the defaulting Called Shareholder shall be deemed to have appointed any person nominated for the purpose by the Selling Shareholders to be his agent and attorney to execute and deliver all necessary transfers on his behalf, against receipt by the Company (on trust for such holder) of the consideration payable for the Called Shares. After the Proposed Buyer (or person(s) nominated by the Proposed Buyer) has been registered as the holder of any such Called Shares, the validity of such proceedings shall not be questioned by any person. Failure to produce a share certificate shall not impede the registration of any transfer of Shares under this article 21.
- 21.11 Upon any person, following the issue of a Drag Along Notice, becoming a Shareholder (or increasing an existing shareholding) including, without limitation, pursuant to the exercise of any option, warrant or other right to acquire or subscribe for, or to convert any security into, Shares (a **New Shareholder**), a Drag Along Notice shall be deemed to have been served upon the New Shareholder, on the same terms as the previous Drag Along Notice, who shall then be bound to sell and transfer all such Shares acquired by him to the Proposed Buyer (or as the Proposed Buyer may direct) and the provisions of this article 21 shall apply mutatis mutandis to the New Shareholder, save that completion of the sale of such Shares shall take place forthwith upon the later of the Drag Along Notice being deemed served on the New Shareholder and the date of completion of the sale of the Called Shares. References in this Article 23.11 to a person becoming a Shareholder (or increasing an existing shareholding) shall include the Company, in respect of the acquisition of any of its own Shares.

- 21.12 A transfer of Called Shares to a Proposed Buyer (or as the Proposed Buyer may direct) pursuant to a sale in respect of which a Drag Along Notice has been duly served shall not be subject to the pre-emption provisions of article 17.
- 21.13 Any Transfer Notice or Deemed Transfer Notice served in respect of the transfer of any Share which has not completed before the date of service of a Drag Along Notice shall automatically be revoked by the service of a Drag Along Notice.

## **DECISION-MAKING BY SHAREHOLDERS**

### **22. General meetings**

- 22.1 No business other than, subject to article 22.2, the appointment of the chairman of the meeting is to be transacted at a general meeting unless a quorum is present at the commencement of the meeting and also when that business is voted on.
- 22.2 The Chairman shall chair general meetings. If there is no Chairman in office for the time being, or the Chairman is unable to attend any general meeting, the Directors present (or, if no Directors are present, the meeting) must appoint another Director present at the meeting (or, if no Directors are present, a Shareholder) to chair the meeting and the appointment of the chairman of the meeting must be the first business of the meeting.

### **23. Voting**

- 23.1 Subject to any other provisions in these Articles concerning voting rights, each Voting Share in the Company shall carry the right to receive notice of and to attend, speak and vote at all general meetings of the Company.

- 23.2 At a general meeting:

(a) on a show of hands, every Shareholder holding one or more A Ordinary Share, B Ordinary Share or D Share, who (being an individual) is present in person or by proxy or (being a corporation) is present by a duly authorized representative or by proxy, shall have one vote; and

(b) on a poll, the holders of the:

1. (i) A Ordinary Shares and B Ordinary Shares for the time being shall together have 49.90% of the voting rights in the Company between them in proportion to the % of the aggregate A Ordinary Shares and B Ordinary Share that they hold; and
2. (ii) D Shares for the being shall together 50.10% of the voting rights in the Company between them in proportion to the percentage of D Shares that they hold

- 23.3 Any resolution proposed as a written resolution in relation to any of the matters listed in article 23.2 shall be proposed in a form that provides with the ability to cast their votes against as well as in favour of such resolution with the same voting as a for a poll vote.

- 23.4 The C Shares do not carry any rights to attend, speak and vote at all general meetings of the Company
- 23.5 On a vote by written resolution the C Shares shall not entitle the holders to any votes.
- 23.6 A poll may be demanded at any general meeting by any qualifying person (as defined in section 318 of the Act) present and entitled to vote at the meeting.
- 23.7 Model article 44(3) shall be amended by the insertion of the words "A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made" as a new paragraph at the end of that model article.
- 23.8 Model article 45(1) shall be amended by:
- (a) the deletion of model article 45(1)(d) and its replacement with the words "is delivered to the company in accordance with the Articles not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which

the right to vote is to be exercised and in accordance with any instructions contained in the notice of the general meeting (or adjourned meeting) to which they relate"; and

- (b) the insertion of the words "and a proxy notice which is not delivered in such manner shall be invalid" as a new paragraph at the end of that model article.

## **24. Purchase of own shares**

24.1 Subject to the Act but without prejudice to any other provision of these Articles (including, without limitation, article 13.2(e)), the Company may purchase its own shares in accordance with Chapter 4 of Part 18 of the Act, including (without limitation) out of capital up to any amount in a financial year not exceeding the lower of:

- (a) £15,000; and
- (b) the nominal value of 5% of the Company's fully paid share capital at the beginning of each Financial Year.

24.2 Subject to the remaining provisions of this article 26, on a purchase of Shares in accordance with Chapter 4 of Part 18 of the Act, the Company may:

- (a) hold the Shares (or any of them) in treasury;
- (b) deal with any of the Shares, at any time, in accordance with section 727; or
- (c) cancel any of the Shares, at any time, in accordance with section 729 of the Act.

24.3 The provisions of articles 16.4 to 16.11 (inclusive) shall apply to a sale or transfer of Shares held in treasury pursuant to article 26.2(b) save that, for the purposes of this article 26.3 reference in article 16 to an allotment shall include the sale or transfer of Shares; that immediately before the sale or transfer were, in each case, held by the Company as treasury shares.

## **25. Company's Lien over Shares**

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

25.2 The Company's Lien over a share:

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

- (b) extends to any dividend or other money payable by the company in respect of that share and (if the lien is enforced and the share is sold by the company) the proceeds of sale of that share.
- 25.3 The directors may at any time decide that a share which is or would otherwise be subject to the Company's Lien shall not be subject to it, either wholly or in part.
- 26. Enforcement of the Company's Lien**
- 26.1 Subject to the provisions of this article 26, if:
  - (a) a Lien Enforcement Notice has been given in respect of a share; and
  - (b) the person to whom the notice was given has failed to comply with it,the company may sell that share in such manner as the directors decide.
- 26.2 A Lien Enforcement Notice:
  - (a) may only be given in respect of a share which is subject to the Company's Lien and in respect of a sum payable to the company for which the due date for payment has passed;
  - (b) must specify the share concerned;
  - (c) must require payment of the sum within 14 clear days of the notice (that is, excluding the date on which the notice is given and the date on which that 14 day period expires);
  - (d) must be addressed either to the holder of the share or to a transmittee of that holder; and
  - (e) must state the company's intention to sell the share if the notice is not complied with.
- 26.3 Where shares are sold under this article 26:
  - (a) the directors may authorise any person to execute an instrument of transfer of the shares to the purchaser or to a person nominated by the purchaser; and
  - (b) the transferee is not bound to see to the application of the consideration, and the transferee's title is not affected by any irregularity in or invalidity of the process leading to the sale.
- 26.4 The net proceeds of any such sale (after payment of the costs of sale and any other costs of enforcing the lien) must be applied:
  - (a) first, in payment of so much of the sum for which the lien exists as was payable at the date of the Lien Enforcement Notice; and

- (b) second, to the person entitled to the shares at the date of the sale, but only after the certificate for the shares sold has been surrendered to the company for cancellation, or an indemnity in a form reasonably satisfactory to the directors has been given for any lost certificates, and subject to a lien equivalent to the Company's Lien over the shares before the sale for any money payable by that person (or his estate or any joint holder of the shares) after the date of the Lien Enforcement Notice.
- 26.5 A statutory declaration by a director or the company secretary that the declarant is a director or the company secretary and that a share has been sold to satisfy the Company's Lien on a specified date:
  - (a) is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share; and
  - (b) subject to compliance with any other formalities of transfer required by the Articles or by law, constitutes a good title to the share.
- 27. **Call notices**
- 27.1 Subject to the Articles and to the terms on which shares are allotted, the directors may send a notice (a **Call Notice**) to a shareholder requiring the shareholder to pay the company a specified sum of money (a **Call**) which is payable in respect of shares in the company held by that shareholder at the date when the directors decide to send the Call Notice.
- 27.2 A Call Notice:
  - (a) may not require a shareholder to pay a Call which exceeds the total sum unpaid on that shareholder's shares (whether in respect of nominal value or premium);
  - (b) must state when and how any Call to which it relates is to be paid; and
  - (c) may permit or require the Call to be made in instalments.
- 27.3 A shareholder must comply with the requirements of a Call Notice, but no shareholder is obliged to pay any Call before 14 clear days (that is, excluding the date on which the notice is given and the date on which that 14 day period expires) have passed since the notice was sent.
- 27.4 Before the company has received any Call due under a Call Notice the directors may:
  - (a) revoke it wholly or in part; or
  - (b) specify a later time for payment than is specified in the notice,by a further notice in writing to the shareholder in respect of whose shares the Call is made.



**28. Liability to pay Calls**

- 28.1 Liability to pay a Call is not extinguished or transferred by transferring the shares in respect of which it is required to be paid.
- 28.2 Joint holders of a share are jointly and severally liable to pay all Calls in respect of that share.
- 28.3 Subject to the terms on which shares are allotted, the directors may, when issuing shares, provide that Call Notices sent to the holders of those shares may require them:
- (a) to pay Calls which are not the same; or
  - (b) to pay Calls at different times.

**29. When Call Notice need not be issued**

- 29.1 A Call Notice need not be issued in respect of sums which are specified, in the terms on which a share is issued, as being payable to the company in respect of that share (whether in respect of nominal value or premium):
- (a) on allotment;
  - (b) on the occurrence of a particular event; or
  - (c) on a date fixed by or in accordance with the terms of issue.
- 29.2 But if the due date for payment of such a sum has passed and it has not been paid, the holder of the share concerned is treated in all respects as having failed to comply with a Call Notice in respect of that sum, and is liable to the same consequences as regards the payment of interest and forfeiture.

**30. Failure to comply with Call Notice: automatic consequences**

- 30.1 If a person is liable to pay a Call and fails to do so by the call payment date:
- (a) the directors may issue a notice of intended forfeiture to that person; and
  - (b) until the Call is paid, that person must pay the company interest on the Call from the call payment date at the relevant rate.
- 30.2 For the purposes of this article 6:
- (a) the "call payment date" is, subject to article 3.3, the time when the Call Notice states that a Call is payable, unless the directors give a notice specifying a later date, in which case the "call payment date" is that later date; and
  - (b) the "relevant rate" is
    - (i) the rate fixed by the terms on which the share in respect of which the Call is due was allotted;

- (ii) such other rate as was fixed in the Call Notice which required payment of the Call, or has otherwise been determined by the directors; or
- (iii) if no rate is fixed in either of these ways, 5% per annum.

30.3 The relevant rate must not exceed by more than 5 percentage points the base lending rate most recently set by the Monetary Policy Committee of the Bank of England in connection with its responsibilities under Part 2 of the Bank of England Act 1998.

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

### **31. Notice of intended forfeiture**

31.1 A notice of intended forfeiture:

- (a) may be sent in respect of any share in respect of which a Call has not been paid as required by a Call Notice;
- (b) must be sent to the holder of that share (or all the joint holders of that share) or to a transmittee of that holder;
- (c) must require payment of the Call and any accrued interest and all expenses that may have been incurred by the company by reason of such non-payment by a date which is not less than 14 clear days after the date of the notice (that is, excluding the date on which the notice is given and the date on which that 14 day period expires);
- (d) must state how the payment is to be made; and
- (e) must state that if the notice is not complied with, the shares in respect of which the Call is payable will be liable to be forfeited.

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

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

### **33. Effect of forfeiture**

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

- (a) all interests in that share, and all claims and demands against the company in respect of it; and

- (b) all other rights and liabilities incidental to the share as between the person whose share it was prior to the forfeiture and the company.

33.2 Any share which is forfeited in accordance with the Articles:

- (a) is deemed to have been forfeited when the directors decide that it is forfeited;
- (b) is deemed to be the property of the company; and
- (c) may be sold, re-allotted or otherwise disposed of as the directors think fit.

33.3 If a person's shares have been forfeited:

- (a) the company must send that person notice that forfeiture has occurred and record it in the register of shareholders;
- (b) that person ceases to be a shareholder in respect of those shares;
- (c) that person must surrender the certificate for the shares forfeited to the company for cancellation;
- (d) that person remains liable to the company for all sums payable by that person under the Articles at the date of forfeiture in respect of those shares, including any interest (whether accrued before or after the date of forfeiture); and
- (e) the directors may waive payment of such sums wholly or in part or enforce payment without any allowance for the value of the shares at the time of forfeiture or for any consideration received on their disposal.

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

#### **34. Procedure following forfeiture**

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

34.2 A statutory declaration by a director or the company secretary that the declarant is a director or the company secretary and that a share has been forfeited on a specified date:

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

- 34.3 A person to whom a forfeited share is transferred is not bound to see to the application of the consideration (if any) nor is that person's title to the share affected by any irregularity in or invalidity of the process leading to the forfeiture or transfer of the share.
- 34.4 If the company sells a forfeited share, the person who held it prior to its forfeiture is entitled to receive from the company the proceeds of such sale, net of any commission, and excluding any amount which:
- (a) was, or would have become, payable; and
  - (b) had not, when that share was forfeited, been paid by that person in respect of that share,

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

### **35. Surrender of shares**

- 35.1 A shareholder may surrender any share:
- (a) in respect of which the directors may issue a notice of intended forfeiture;
  - (b) which the directors may forfeit; or
  - (c) which has been forfeited.
- 35.2 The directors may accept the surrender of any such share.
- 35.3 The effect of surrender on a share is the same as the effect of forfeiture on that share.
- 35.4 A share which has been surrendered may be dealt with in the same way as a share which has been forfeited.

## **ADMINISTRATIVE ARRANGEMENTS**

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

- 36.1 Subject to article 36.3, any notice, document or other information shall be deemed served on, or delivered to, the intended recipient:
- (a) if delivered by hand, on signature of a delivery receipt; or
  - (b) if sent by fax, at the time of transmission; or
  - (c) if sent by pre-paid first class post, recorded delivery or special delivery to an address in the United Kingdom, at 9.00 am on the second Business Day after posting; or
  - (d) if sent by pre-paid airmail to an address outside the country from which it is sent, at 9.00 am on the fifth Business Day after posting; or

- (e) if sent by reputable international overnight courier to an address outside the country from which it is sent, on signature of a delivery receipt or at the time the notice, document or other information is left at the address; or
- (f) if sent or supplied by email, one hour after the notice, document or information was sent or supplied; or
- (g) if deemed receipt under the previous paragraphs of this article 36.1 would occur outside business hours (meaning 9.00 am to 5.30 pm Monday to Friday on a day that is not a public holiday in the place of deemed receipt), at 9.00 on the day when business next starts in the place of deemed receipt. For the purposes of this article, all references to time are to local time in the place of deemed receipt.

36.2 To prove service, it is sufficient to prove that:

- (a) if delivered by hand or by reputable international overnight courier, the notice was delivered to the correct address; or
- (b) if sent by fax, a transmission report was received confirming that the notice was successfully transmitted to the correct fax number; or
- (c) if sent by post or by airmail, the envelope containing the notice was properly addressed, paid for and posted; or
- (d) if sent by email, the notice was properly addressed and sent to the email address of the recipient.

36.3 A Transfer Notice (or Deemed Transfer Notice) may not be served or delivered in electronic form (other than by fax), or by means of a website.

36.4 In proving that any notice, document or information was properly addressed, it will suffice to show that the notice, document or information was addressed to an address permitted for the purpose by the Act.

## **37. Indemnity and insurance**

37.1 Subject to article 37.2, but without prejudice to any indemnity to which a Relevant Officer is otherwise entitled:

- (a) each Relevant Officer shall be indemnified out of the Company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a Relevant Officer in the actual or purported execution and/or discharge of his duties, or in relation thereto including any liability incurred by him in defending any civil or criminal proceedings, in which judgment is given in his favour or in which he is acquitted, or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part, or in connection with any application in which the court grants him, in his capacity as a Relevant Officer, relief from liability

for negligence, default, breach of duty or breach of trust in relation to the Company's (or other Group Company's) affairs; and

- (b) the Company may provide any Relevant Officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings or application referred to in article 37.1 and otherwise may take any action to enable such Relevant Officer to avoid incurring such expenditure.

37.2 This article 37 does not authorise any indemnity which would be prohibited or rendered void by any provision of the Act or by any other provision of law.

37.3 The Directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any Relevant Officer in respect of any Relevant Loss.

37.4 In this article 37:

- (a) **Relevant Loss** means any loss or liability which has been or may be incurred by a Relevant Officer in connection with that Relevant Officer's duties or powers in relation to the Company (or other Group Company) or any pension fund or employees' share scheme of the Company (or other Group Company); and
- (b) **Relevant Officer** means any director or other officer of any Group Company, but excluding in each case any person engaged by a Group Company as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor.