

Company Number SC478179

THE COMPANIES ACT 2006

COMPANY LIMITED BY SHARES

NEW ARTICLES OF ASSOCIATION

of

TARTAN LEISURE LIMITED

adopted by a special resolution passed on 14 July 2023



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THE COMPANIES ACT 2006
COMPANY LIMITED BY SHARES
NEW ARTICLES OF ASSOCIATION
of
TARTAN LEISURE LIMITED

adopted by a special resolution passed on 4th Feb 2023

1. Definitions and Interpretation

- 1.1 In these Articles the following words and expressions shall have the following meanings:

"2022 Loan Note Instrument" means the convertible loan note instrument by the Company dated 12 July 2022 pursuant to which the Company constituted secured convertible loan notes 2022 up to a principal amount of £11,514,375 (as amended from time to time);

"2022 Loan Notes" means the loan notes issued pursuant to the 2022 Loan Note Instrument;

"2023 Loan Note Instrument" means the convertible loan note instrument to be entered into on or around the Date of Adoption by the Company pursuant to which the Company will constitute secured convertible loan notes 2023 up to a principal amount of £6,695,000;

"2023 Loan Notes" means the loan notes issued pursuant to the 2023 Loan Note Instrument;

"Act" means the Companies Act 2006 (as amended from time to time);

"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 from time to time),

"Asset Sale" means the disposal by the Company of all or substantially all of its undertaking and assets (where disposal may include, without limitation, the grant by the Company of a sale of assignation of an exclusive licence of intellectual property not entered into in the ordinary course of business);

"Associate" in relation to any person means

- (a) any person who is an associate of that person and the question of whether a person is an associate of another is to be determined in accordance with section 435 of the Insolvency Act 1986 and (whether or not an associate as so determined);

- (b) any Member of the same Group.
- (c) any Member of the same Fund Group;

"Auditors" means the auditors of the Company from time to time.

"Available Profits" means profits available for distribution within the meaning of part 23 of the Act;

"Bad Leaver" means the Executive where he ceases to be an Employee by reason of.

- (a) gross misconduct or a material or repudiatory breach of the terms of his service agreement or consultancy agreement,
- (b) fraud against the Company;
- (c) being convicted of a criminal offence (other than a road traffic offence not punishable by way of a custodial sentence);
- (d) refusal or failure to carry out duties and responsibilities to the Company as may be lawfully prescribed by the Board from time to time after having reasonable notice of and reasonable opportunity to rectify such lack of compliance; or
- (e) breach of the restrictive covenants set out in the Investment Agreement, his service agreement, employment contract or any other consultancy agreement to which he is a party.

"Bank" means Scottish Investments Limited, a company incorporated in Scotland with registered number SC681617 and whose registered office is at Waverley Gate, 2-4 Waterloo Place, Edinburgh, United Kingdom, United Kingdom, EH1 3EG, a wholly owned subsidiary of the Scottish National Investment Bank plc;

"Bank Group" means the Scottish National Investment Bank plc, the Bank, Scottish Investments Services Limited and any body or entity controlled, either directly or indirectly, (where "control" means the ability to direct the policies or operations of an entity whether by contract, ownership of equity interests or otherwise) by the Scottish National Investment Bank plc but for the avoidance of doubt, excludes any body or entity in which the Bank (or any other member of the Bank Group) holds any equity or debt or other economic interest as part of its portfolio of investment;

"Bank Option" has the meaning given to that term in Article 36.1;

"Bank Option Notice" has the meaning given to that term in Article 36.1,

"Board" means the board of Directors and any committee of the board constituted for the purpose of taking any action or decision contemplated by these Articles;

"Business Day" means a day on which Scottish clearing banks are ordinarily open for the transaction of normal banking business in Edinburgh (other than a Saturday or Sunday);

"Buyback Completion Date" has the meaning given to that term in Article 36.5(c).

"Buyback Notice" has the meaning given to that term in Article 36.4;

"Buyback Shares" has the meaning given to that term in Article 36.5(a).

"Civil Partner" means in relation to a Shareholder, a civil partner (as defined in the Civil Partnership Act 2004) of the Shareholder;

"Company" means Tartan Leisure Limited,

"Company's Lien" has the meaning given in Article 31.1.

"Controlling Interest" means an interest in shares giving to the holder or holders control of the Company within the meaning of section 1124 of the CTA 2010;

"CTA 2010" means the Corporation Tax Act 2010;

"Date of Adoption" means the date on which these Articles were adopted, as recorded on the first page of these Articles;

"Director(s)" means a director or directors of the Company from time to time;

"Effective Termination Date" means the date on which the Executive's employment or consultancy terminates;

"electronic address" has the same meaning as in section 333 of the Act.

"electronic form" and **"electronic means"** have the same meaning as in section 1168 of the Act;

"Eligible Director" means a Director who would be entitled to vote on a matter had it been proposed as a resolution at a meeting of the Directors.

"Employee" means an individual who is employed by or who provides consultancy services to a TLL Group Company or is a director of a TLL Group Company.

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

"Equity Securities" has the meaning given in sections 560(1) to (3) inclusive of the Act.

"Executive" means Andrew Hadden;

"Executive Shares" in relation to the Executive means all Shares held by

- (a) the Executive, and
- (b) any Permitted Transferee of the Executive (but only to the extent such Permitted Transferee derived title to Shares from the Executive).

"Expert Valuer" is as determined in accordance with Article 15.2;

"Facility Agreement" means the development and term loan facility agreement entered into by the Bank as lender and the Company as borrower dated 12 July 2022 (as amended, restated, varied or supplemented from time to time including on or around the Date of Adoption);

"Fair Value" is as determined in accordance with Article 15.3;

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

"Finance Documents" means any documents entered into by the Company in respect of borrowings, including but not limited to any such agreements entered into on or around the date hereof, including the Facility Agreement;

"Financial Year" has the meaning set out in section 390 of the Act;

"Founder Investor Shareholders' Observer" means such observer nominated by the Founder Investor Shareholders under Article 23.1;

"Founder Investor Shareholders" means those persons who subscribed for Shares pursuant to the Subscription Agreement and their Permitted Transferees;

"Fund Manager" means a person whose principal business is to make, manage or advise upon investments in securities;

"hard copy form" has the same meaning as in section 1168 of the Act;

"Independent NXD" has the meaning attributed to it in Article 23.5;

"Intercreditor Agreement" has the meaning given to that term in the Facility Agreement

"Investment Agreement" means the investment agreement between the Company, the Bank and others dated 12 July 2022, (as amended, restated, varied or supplemented from time to time including on or around the Date of Adoption);

"Investor Consent" means the prior written consent of the Bank (which consent may be communicated to the Company by the Independent NXD or such other person as the Bank shall nominate in writing to the Company).

"Investor Observer" has the meaning attributed to it in Article 23.9;

"Investor Shareholders" means the Shareholders (excluding the Original Founder Shareholders) from time to time;

"Leaver Shares" has the meaning attributed to it in Article 16.5;

"Lien Enforcement Notice" has the meaning given in Article 31.3.

"Loan Note Instruments" means the 2022 Loan Note Instrument and the 2023 Loan Note Instrument

"Loan Notes" means the 2022 Loan Notes and the 2023 Loan Notes.

"Maximum Buyback Amount" has the meaning given to that term in Article 36.3;

"a Member of the same Fund Group" means if an Investor Shareholder is a fund, partnership, company, syndicate or other entity whose business is managed by a Fund Manager (an "Investment Fund") or is a nominee of that Investment Fund:

- (a) any participant or partner in or member of any such Investment Fund or the holders of any unit trust which is a participant or partner in or member of any Investment Fund (but only in connection with the dissolution of the Investment Fund or any distribution of assets of the Investment Fund pursuant to the operation of the Investment Fund in the ordinary course of business);
- (b) any Investment Fund managed or advised by that Fund Manager;
- (c) any Parent Undertaking or Subsidiary Undertaking of that Fund Manager, or any Subsidiary Undertaking of any Parent Undertaking of that Fund Manager, or
- (d) any trustee, nominee or custodian of such Investment Fund and vice versa;

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

"Mission Covenants" means the mission covenants set out in Part C of Part 7 of the Schedule to the Investment Agreement;

"Missions" means the missions set out for the Bank from time to time, which can be found at <https://www.thebank.scot/about/our-missions>;

"Mission Breach Notice" has the meaning given to that term in Article 36.1;

"Model Articles" the model articles for private companies limited by shares contained in Schedule 1 of Companies (Model Articles) Regulations 2008 (SI 2008/3229) as amended prior to the Date of Adoption of these Articles a copy of which is appended at the end of these Articles;

"New Securities" means any shares or other securities convertible into, or carrying the right to subscribe for, those shares issued by the Company after the Date of Adoption (other than Shares issued pursuant to Article 11.6).

"Offer" has the meaning set out in Article 17.2;

"Offer Period" has the meaning set out in Article 17.3;

"Option Transfer Price" has the meaning given to that term in Article 36.1;

"Ordinary Shares" means the ordinary shares of £0.0001 each in the capital of the Company from time to time.

"Original Founder Shareholders" means Andrew Thompson Hadden, Scott MacEwan Alexander Brewster and Peter Coyne Hadden and Alexander Kinloch Brewster;

"Original Shareholder" has the meaning set out in Article 13.1

"Permitted Transfer" means a transfer of Shares in accordance with Article 13;

"Permitted Transferee" means.

- (a) in relation to a Shareholder who is an individual, any of his Privileged Relations, Trustees or Qualifying Companies;
- (b) in relation to the Bank (or another member of the Bank Group) means any other member of the Bank Group (as the context requires);
- (c) in relation to a Shareholder which is an undertaking (as defined in section 1161(1) of the Act) means any Member of the same Group; and
- (d) in relation to a Shareholder which is an investment fund means any Member of the same Fund Group

"Privileged Relation" in relation to a Shareholder who is an individual member or deceased or former member means a spouse, Civil Partner, child or grandchild (including step or adopted or illegitimate child and their issue).

"Preferred A Ordinary Preference Amount" means a price per Preferred A Ordinary Share equal to the amount paid up or credited as paid up (including premium) for such Preferred A Ordinary Share multiplied by 1.5.

"Preferred A Ordinary Shareholders" means the holders from time to time of the Preferred A Ordinary Shares;

"Preferred A Ordinary Shares" means the preferred A ordinary shares of £0.0001 each in the capital of the Company from time to time.

"Preferred Ordinary Preference Amount" means a price per Preferred Ordinary Share equal to the amount paid up or credited as paid up (including premium) for such Preferred Ordinary Share;

"Preferred Ordinary Shareholders" means the holders from time to time of the Preferred Ordinary Shares;

"Preferred Ordinary Shares" means the preferred ordinary shares of £0.0001 each in the capital of the Company from time to time;

"Proceeds of Sale" means the consideration payable (including any deferred consideration) whether in cash or otherwise to those Shareholders selling Shares under a Share Sale.

"Proposed Purchaser" means a proposed purchaser who at the relevant time has made an offer on arm's length terms;

"Proposed Sale Date" has the meaning given in Article 17.3;

"Proposed Sale Notice" has the meaning given in Article 17.3;

"Proposed Sale Shares" has the meaning given in Article 17.3;

"Proposed Seller" means any person proposing to transfer any shares in the capital of the Company;

"Proposed Transfer" has the meaning given in Article 17.1;

"PWP" means Promethean Wave Projects Limited (company number SC735036 incorporated under the laws of Scotland) whose registered office is at 112 George Street, Edinburgh, Scotland, EH2 4LH,

"PWP Completion" has the meaning attributed to it in the Investment Agreement,

"PWP Director" has the meaning attributed to it in Article 23.6,

"PWP Observer" has the meaning attributed to it in Article 23.10.

"Qualifying Company" means a company in which a Shareholder or Trustee(s) holds the entire issued share capital and over which that Shareholder or Trustee(s) exercises control (within the meaning of section 1124 of the CTA 2010);

"Qualifying Person" has the meaning given in section 318(3) of the Act.

"Redemption Completion Date" has the meaning attributed to it in Article 36.3,

"Redemption Notice" has the meaning attributed to it in Article 36.2;

"Relevant Interest" has the meaning set out in Article 26.5,

"Restricted Member" has the meaning set out in Article 16.8;

"Restricted Shares" has the meaning set out in Article 16.9;

"SA" means the subscription agreement among the Company, the Bank and others entered into on or around the Date of Adoption.

"Sale Shares" has the meaning set out in Article 14.2(a);

"Seller" has the meaning set out in Article 14.2;

"Senior Creditor" means Oaknorth Bank plc (08595042)

"Senior Discharge Date" has the meaning given to that term in the Facility Agreement

"Senior Facility" means the facility agreement between the Senior Creditor and the Company dated 26 November 2021 (as amended, restated, varied or supplemented from time to time).

"Shareholders" means any holder or holders of any Shares.

"Shares" means the Ordinary Shares, Preferred A Ordinary Shares and Preferred Ordinary Shares from time to time;

"shares" means any share or shares in the capital of the Company;

"Share Sale" means the sale of (or the grant of a right to acquire or to dispose of) any of the shares in the capital of the Company (in one transaction or as a series of transactions) which will result in the purchaser of those shares (or grantee of that right) and persons Acting in Concert with him together acquiring a Controlling Interest in the Company, except where following completion of the sale the shareholders and the proportion of shares held by each of them are the same as the shareholders and their shareholdings in the Company immediately prior to the sale;

"Shareholders Agreement" means the shareholders agreement entered into on 27 November 2019 among the Original Founder Shareholders, the Company, and the Founder Investor Shareholders, as subsequently varied and/or entered into by further Shareholders from time to time;

"Subsidiary", "Subsidiary Undertaking" and "Parent Undertaking" have the respective meanings set out in sections 1159 and 1162 of the Act;

"Subscription Agreement" means the subscription agreement referred to in the Shareholders Agreement, as subsequently varied and/or entered into by further Shareholders from time to time;

"TLL Group Company" means (i) the Company; (ii) any company which is from time to time a Parent Undertaking or a Subsidiary Undertaking of the Company; or (iii) any company which is from time to time a Subsidiary Undertaking of any such Parent Undertaking;

"Transfer Notice" shall have the meaning given in Article 14.2;

"Transfer Price" shall have the meaning given in Article 14.2.

"Trustees" in relation to a Shareholder means the trustee or the trustees of a Family Trust;

"Warrant Instrument" means the warrant instrument referred to in the Investment Agreement; and

"Warrants" means the warrants constituted by the Warrant Instrument

- 1.2 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 date when these Articles become binding on the Company.
- 1.3 Headings in these Articles are used for convenience only and shall not affect the construction or interpretation of these Articles.
- 1.4 In these Articles words denoting the singular include the plural and vice versa, and words referring to one gender includes the other gender

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 Articles 8(2), 9(4), 10(3), 11(2), 13, 14, 17(2), 17(3), 19, 21, 26(5), 27, 28, 29, 30(5) to (7) inclusive, 44(4), 51, 52 and 53 of the Model Articles shall not apply to the Company.

3. Constitution

- 3.1 The Company is a private company within the means of Section 4(1) of the Act in accordance with and subject to the provisions of the Act.
- 3.2 The name of the Company is Tartan Leisure Limited.
- 3.3 The registered office of the Company will be in Scotland
- 3.4 The liability of the members is limited to the amount, if any, unpaid on the Shares in the capital of the Company held by them.
- 3.5 The objects of the Company are unrestricted

4 Share capital

- 4.1 Except as otherwise provided in these Articles, the Ordinary Shares, Preferred A Ordinary Shares and Preferred Ordinary Shares shall rank *pari passu* in all respects
- 4.2 Subject to the Act, the Company may purchase its own Shares to the extent permitted by section 692(1ZA) of the Act.
- 4.3 Paragraph (c) of article 24(2) of the Model Articles shall be amended by the replacement of the words "that the shares are fully paid, and" with the words "the amount paid up on them; and".
- 4.4 In article 25(2) of the Model Articles, the words "payment of a reasonable fee as the directors decide" in paragraph (c) shall be deleted and replaced by the words "payment of the expenses reasonably incurred by the Company in investigating evidence as the directors may determine"

5 Dividends

- 5.1 In respect of any Financial Year, the Company's Available Profits will be applied as set out in this Article 5.
- 5.2 Subject to the terms of any Finance Documents, any Available Profits which the Company may determine, to distribute in respect of any Financial Year will be distributed among the holders of the Shares *pro rata* to their respective holdings of Shares
- 5.3 Subject to the Act, these Articles and any Finance Documents, the Board may pay interim dividends if justified by the Available Profits in respect of the relevant period.

- 5.4 Every dividend shall accrue on a daily basis assuming a 365 day year. All dividends are expressed net and shall be paid in cash.
- 5.5 If there are nil paid or partly paid Share(s), any holder of such Share(s) shall only be entitled, in the case of any dividend, to be paid an amount equal to the amount of the dividend multiplied by the percentage of the amount that is paid up (if any) on such Share(s) during any portion or portions of the period in respect of which a dividend is paid.
- 5.6 If:
- 5.6.1 (a) a Share is subject to the Company's Lien; and
- 5.6.2 (b) the Directors are entitled to issue a Lien Enforcement Notice in respect of it, they may, instead of issuing a Lien Enforcement Notice, deduct from any dividend or other sum payable in respect of the Share any sum of money which is payable to the Company by the holder of that Share to the extent that they are entitled to require payment under a Lien Enforcement Notice. Money so deducted shall be used to pay any of the sums payable in respect of that Share. The Company shall notify the distribution recipient in writing of:
- (i) the fact and sum of any such deduction,
 - (ii) any non-payment of a dividend or other sum payable in respect of a Share resulting from any such deduction; and
 - (iii) how the money deducted has been applied.
- 5.7 Article 31(1) of the Model Articles shall be amended by
- 5.7.1 the replacement of the words "either in writing or as the directors may otherwise decide" at the end of paragraphs (a), (b) and (c) of that article 31(1) with the words "in writing"; and
- 5.7.2 the replacement of the words "either in writing or by such other means as the directors decide" from the end of paragraph (d) of that article 31(1) with the words "in writing".

6. Liquidation preference

On a distribution of assets on liquidation or a return of capital (other than a conversion, redemption or purchase of Shares) the surplus assets of the Company remaining after payment of its liabilities shall be applied (to the extent that the Company is lawfully permitted to do so) in the following order of priority:

- (a) first in paying to each of the Preferred A Ordinary Shareholders (if any), in priority to any other classes of Shares, an amount per Preferred A Ordinary Share held equal to the Preferred A Ordinary Preference Amount (provided that if there are insufficient surplus assets to pay the amounts per Preferred A Ordinary Share equal to the Preferred A Ordinary Preference Amount, the remaining surplus assets shall be distributed to the Preferred A Ordinary Shareholders *pro rata* to their respective holdings of Preferred A Ordinary Shares,
- (b) second in paying to each of the Preferred Ordinary Shareholders (if any), an amount per Preferred Ordinary Share held equal to the Preferred Ordinary

Preference Amount (provided that if there are insufficient surplus assets to pay the amounts per Preferred Ordinary Share equal to the Preferred Ordinary Preference Amount, the remaining surplus assets shall be distributed to the Preferred Ordinary Shareholders *pro rata* to their respective holdings of Preferred Ordinary Shares); and

- (c) thereafter the balance of the surplus assets (if any) shall be distributed among the holders of Shares *pro rata* (as if the Shares constituted one and the same class) to the number of Shares held.

7. Exit provisions

- 7.1 On a Share Sale the Proceeds of Sale shall be distributed in the order of priority set out in Article 6 and the Directors shall not register any transfer of Shares if the Proceeds of Sale are not so distributed save in respect of any Shares not sold in connection with that Share Sale provided that if the Proceeds of Sale are not settled in their entirety upon completion of the Share Sale the Directors shall not be prohibited from registering the transfer of the relevant Shares so long as the Proceeds of Sale that are settled have been distributed as aforementioned.
- 7.2 On an Asset Sale 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) in the order of priority set out in Article 6.

8. Votes in general meeting and written resolutions

- 8.1 The Ordinary Shares shall confer on each holder of Ordinary Shares the right to receive notice of and to attend, speak and vote at all general meetings of the Company and to receive and vote on proposed written resolutions of the Company
- 8.2 The Preferred Ordinary Shares and Preferred A Ordinary Shares shall confer on each holder of Preferred Ordinary Shares and Preferred A Ordinary Shares (as the case may be) the right to receive notice of and to attend, speak and vote at all general meetings of the Company and to receive and vote on proposed written resolutions of the Company
- 8.3 In relation to voting rights, on a show of hands each holder of Shares who (being an individual) is present in person or by proxy or (being a corporation) is present by a duly authorised representative or by proxy shall have one vote and on a poll each such holder so present shall have one vote for each Share held by him
- 8.4 No voting rights attached to a Share which is nil paid or partly paid may be exercised.
- 7.4.1 at any general meeting, at any adjournment of it or at any poll called at or in relation to it, or
- 7.4.2 on any proposed written resolution,

unless all of the amounts payable to the Company in respect of that Share have been paid.

9. Variation of rights

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 more than 75 per cent. in nominal value of the issued shares of that class, save that the special rights attaching to the Preferred Ordinary Shares and Preferred Ordinary A Shares may only be varied or abrogated with Investor Consent.

10. Consolidation of Shares

- 10.1 Whenever as a result of a consolidation of Shares any Shareholders would become entitled to fractions of a Share, the Directors may, on behalf of those Shareholders, sell the Shares representing the fractions for the best price reasonably obtainable to any person (including, subject to the provisions of the Act, the Company) and distribute the net proceeds of sale in due proportion among those Shareholders, and the Directors may authorise any person to execute an instrument of transfer of the Shares to, or in accordance with the directions of, the purchaser. The transferee shall not be bound to see to the application of the purchase money nor shall his title to the Shares be affected by any irregularity in or invalidity of the proceedings in reference to the sale.
- 10.2 When the Company sub-divides or consolidates all or any of its Shares, the Company may, subject to the Act and to these Articles, by ordinary resolution determine that, as between the Shares resulting from the sub-division or consolidation, any of them may have any preference or advantage or be subject to any restriction as compared with the others.

11. Allotment of new shares or other securities

- 11.1 Sections 561(1) and 562(1) to (5) (inclusive) of the Act do not apply to an allotment of Equity Securities made by the Company.
- 11.2 Unless otherwise agreed by special resolution and Investor Consent, if the Company proposes to allot any New Securities those New Securities shall not be allotted to any person unless the Company has in the first instance offered them to all holders of Shares (the "Subscribers") on the same terms and at the same price as those New Securities are being offered to other persons on a pari passu and pro rata basis to the number of Shares held by those holders (as nearly as may be without involving fractions). The offer
- (a) shall be in writing, be open for acceptance from the date of the offer to the date 10 Business Days after the date of the offer (inclusive) (the "Subscription Period") and give details of the number and subscription price of the New Securities; and
 - (b) may stipulate that any Subscriber who wishes to subscribe for a number of New Securities in excess of the proportion to which each is entitled shall in their acceptance state the number of excess New Securities for which they wish to subscribe.
- 11.3 If, at the end of the Subscription Period, the number of New Securities applied for is equal to or exceeds the number of New Securities, the New Securities shall be allotted to the Subscribers who have applied for New Securities on a pro rata basis to the number of Shares held by such Subscribers which procedure shall be repeated until all New Securities have been allotted (as nearly as may be without involving fractions or increasing the number allotted to any Subscriber beyond that applied for by him).

- 11.4 If, at the end of the Subscription Period, the number of New Securities applied for is less than the number of New Securities, the New Securities shall be allotted to the Subscribers in accordance with their applications and any remaining New Securities shall be offered, to any other person as the Directors may determine at the same price and on the same terms as the offer to the Subscribers.
- 11.5 Subject to the requirements of Articles 11.2 to 11.4 (inclusive) and to the provisions of section 551 of the Act, any New Securities shall be at the disposal of the Board who may allot, grant options over or otherwise dispose of them to any persons at those times and generally on the terms and conditions they think proper, with Investor Consent
- 11.6 The provisions of Articles 11.2 to 11.5 (inclusive) shall not apply to:
- (a) those Loan Notes issued to the Bank in accordance with the terms of the Investment Agreement, the SA, and Loan Note Instruments;
 - (b) the exercise of the Warrants by PWP pursuant to the terms of the Warrant Instrument;
 - (c) Preferred Ordinary Shares or any other class of shares issued pursuant to PWP Completion; and
 - (d) Preferred Ordinary Shares, Preferred A Ordinary Shares or any other class of shares issued pursuant to any conversion of Loan Notes pursuant to the Loan Note Instruments.
- 11.7 Any New Securities offered under this Article 9 to an Investor Shareholder may be accepted in full or part only by a Member of the same Fund Group as that Investor Shareholder or a Member of the same Group as that Investor Shareholder in accordance with the terms of this Article 11.

12. Transfers of Shares – general

- 12.1 In Articles 12 to 17 inclusive, reference to the transfer of a Share includes the transfer or assignation 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
- 12.2 No Share may be transferred unless the transfer is made in accordance with these Articles.
- 12.3 If a Shareholder transfers or purports to transfer a Share otherwise than in accordance with these Articles he will be deemed immediately to have served a Transfer Notice in respect of all Shares held by him
- 12.4 The Directors may refuse to register a transfer if:
- (a) it is a transfer of a Share to a bankrupt, a minor or a person of unsound mind,
 - (b) the transfer is to an Employee, Director or prospective Employee or prospective director of the Company, who in the opinion of the Board is subject to taxation in the United Kingdom, and such person has not entered into a joint section 431 ITEPA election with the Company;
 - (c) it is a transfer of a Share which is not fully paid:

- (a) to a person of whom the Directors do not approve; or
- (b) on which Share the Company has a lien,
- (d) the transfer is not lodged at the registered office or at such other place as the Directors may appoint;
- (e) the transfer is not accompanied by the certificate for the Shares to which it relates (or an indemnity for lost certificate in a form acceptable to the Board) and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer;
- (f) the transfer is in favour of more than four transferees, or
- (g) these Articles otherwise provide that such transfer shall not be registered.

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

- 12.5 The Directors shall, as a condition to the registration of any transfer of shares in the Company (whether pursuant to a Permitted Transfer or otherwise), require the transferee to execute and deliver to the Company a deed of adherence agreeing to be bound by the terms of the Investment Agreement, Shareholders Agreement and the Subscription Agreement (provided that, in relation to adherence to the Investment Agreement, this shall apply to (i) any director or new director of the Company who acquires any Share and (ii) any shareholder or proposed shareholder of any Share whose shareholding or proposed shareholding represents 3% or more of the issued share capital of the Company at that time), in any form as the Directors may reasonably require (but not so as to oblige the transferee to have any obligations or liabilities greater than those of the proposed transferor under any such agreement or other document) and the transfer may not be registered unless that deed of adherence has been executed and delivered to the Company's registered office by the transferee.
- 12.6 To enable the Directors to determine whether or not there has been any disposal of shares in the capital of the Company (or any interest in shares in the capital of the Company) in breach of these Articles the Directors may, require any holder or the legal personal representatives of any deceased holder or any person named as transferee in any transfer lodged for registration or any other person who the Directors may reasonably believe to have information relevant to that purpose, to furnish to the Company that information and evidence the Directors may request regarding any matter which they deem relevant to that purpose, including (but not limited to) the names, addresses and interests of all persons respectively having interests in the shares in the capital of the Company from time to time registered in the holder's name. If the information or evidence is not provided to enable the Directors to determine to their reasonable satisfaction that no breach has occurred, or where as a result of the information and evidence the Directors are reasonably satisfied that a breach has occurred, the Directors shall immediately notify the holder of such shares in the capital of the Company in writing of that fact and the following shall occur:
- (a) the relevant shares shall cease to confer upon the holder of them (including any proxy appointed by the holder) any rights to vote (whether on a show of hands or on a poll and whether exercisable at a general meeting or on a written resolution of the Company); or

- (b) the withholding of payment of all dividends or other distributions otherwise attaching to the relevant shares or to any further shares issued in respect of those shares; and
- (c) the holder may be required at any time following receipt of the notice to transfer some or all of its Shares to any person(s) at the price that the Directors may require by notice in writing to that holder.

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

- 12.7 In any case where the Board requires a Transfer Notice to be given in respect of any Shares, if a Transfer Notice is not duly given within a period of 10 Business Days of demand being made, a Transfer Notice shall be deemed to have been given at the expiration of that period
- 12.8 If a Transfer Notice is required to be given by the Board or is deemed to have been given under these Articles, the Transfer Notice, unless otherwise specified in the Articles, will be treated as having specified that:
 - (a) the Transfer Price for the Sale Shares will be as agreed between the Board (any director who is a Seller or with whom the Seller is connected (within the meaning of section 252 of the Act) not voting) and the Seller, or, failing agreement within five Business Days after the date on which the Board becomes aware that a Transfer Notice has been deemed to have been given, will be the Fair Value of the Sale Shares;
 - (b) it does not include a Minimum Transfer Condition (as defined in Article 14.2(d)), and
 - (c) the Seller wishes to transfer all of the Shares held by it.
- 12.9 Shares may be transferred by means of an instrument of transfer in any usual form or any other form approved by the Directors, which is executed by or on behalf of.
 - (a) the transferor; and
 - (b) (if any of the shares is partly or nil paid) the transferee

13. Permitted Transfers

- 13.1 A Shareholder (who is not a Permitted Transferee) (the "Original Shareholder") may transfer all or any of his or its Shares to a Permitted Transferee without restriction as to price or otherwise.
- 13.2 Shares previously transferred as permitted by Article 13.1 may be transferred by the transferee to any other Permitted Transferee of the Original Shareholder without restriction as to price or otherwise.
- 13.3 Where under the provision of a deceased Shareholder's will or laws as to intestacy, the persons legally or beneficially entitled to any Shares, whether immediately or contingently, are Permitted Transferees of the deceased Shareholder, the legal representative of the deceased Shareholder may transfer any Share to those Permitted Transferees, in each case without restriction as to price or otherwise.

- 13.4 If a Permitted Transferee who was a Member of the same Group as the Original Shareholder ceases to be a Member of the same Group as the Original Shareholder, the Permitted Transferee must not later than five Business Days after the date on which the Permitted Transferee so ceases, transfer the Shares held by it to the Original Shareholder or a Member of the same Group as the Original Shareholder (which in either case is not in liquidation) without restriction as to price or otherwise failing which it will be deemed to have given a Transfer Notice in respect of those Shares.
- 13.5 If a Permitted Transferee who was a Member of the same Fund Group as the Original Shareholder ceases to be a Member of the same Fund Group, the Permitted Transferee must not later than five Business Days after the date on which the Permitted Transferee so ceases, transfer the Shares held by it to the Original Shareholder or a Member of the same Fund Group as the Original Shareholder (which in either case is not in liquidation) without restriction as to price or otherwise failing which it will be deemed to give a Transfer Notice in respect of such Shares.
- 13.6 Trustees may (i) transfer Shares to a Qualifying Company or (ii) transfer Shares to the Original Shareholder or to another Permitted Transferee of the Original Shareholder or (iii) transfer Shares to the new or remaining trustees upon a change of Trustees without restrictions as to price or otherwise
- 13.7 No transfer of Shares may be made to Trustees unless the Board is satisfied:
- (a) with the terms of the trust instrument and in particular with the powers of the trustees;
 - (b) with the identity of the proposed trustees, and
 - (c) that no costs incurred in connection with the setting up or administration of the Family Trust in question are to be paid by the Company
- 13.8 If a Permitted Transferee who is a Qualifying Company of the Original Shareholder ceases to be a Qualifying Company of the Original Shareholder, it must within five Business Days of so ceasing, transfer the Shares held by it to the Original Shareholder (or, to any Permitted Transferee of the Original Shareholder) (any may do so without restriction as to price or otherwise) failing which it will be deemed to have given a Transfer Notice in respect of such Shares.
- 13.9 If a Permitted Transferee who is a spouse or Civil Partner of the Original Shareholder ceases to be a spouse or Civil Partner of the Original Shareholder whether by reason of divorce or otherwise he must, within 15 Business Days of so ceasing either:
- (a) execute and deliver to the Company a transfer of the Shares held by him to the Original 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 14.2,
- failing which he shall be deemed to have given a Transfer Notice.
- 13.10 Subject to Article 13.3, on the death, bankruptcy, liquidation, administration or administrative receivership of a Permitted Transferee (other than a joint holder) his personal representatives or trustee in bankruptcy, or its liquidator, administrator or administrative receiver must within five Business Days after the date of the grant of confirmation, the making of the bankruptcy order or the appointment of the liquidator,

administrator or the administrative receiver execute and deliver to the Company a transfer of the Shares held by the Permitted Transferee without restriction as to price or otherwise. The transfer shall be to the Original Shareholder if still living (and not bankrupt or in liquidation) or, if so directed by the Original Shareholder, to any Permitted Transferee of the Original Shareholder. If the transfer is not executed and delivered within five Business Days of such period or if the Original Shareholder has died or is bankrupt or is in liquidation, administration or administrative receivership, the personal representative or trustee in bankruptcy or liquidator, administrator or administrative receiver will be deemed to have given a Transfer Notice.

14. Transfers of Shares subject to pre-emption rights

14.1 Save where the provisions of Articles 13, 16 and 18 apply, any transfer of Shares by a Shareholder shall be subject to the pre-emption rights contained in this Article 14.

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

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

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

14.3 Except with the consent of the Board or as otherwise specified in these Articles, no Transfer Notice once given or deemed to have been given under these Articles may be withdrawn.

14.4 A Transfer Notice constitutes the Board the agent of the Seller for the sale of the Sale Shares at the Transfer Price.

14.5 Upon the later of

- (a) the date of receipt of a Transfer Notice, and
- (b) in the case where the Transfer Price has not been agreed, the date of determination under Article 15,

the Board shall offer the Sale Shares for sale to the Shareholders in the manner set out in Article 14.6. Each offer must be in writing and give details of the number and Transfer Price of the Sale Shares offered.

14.6 *Transfers: Offers and Completion of Sale and Purchase*

- (a) The Board shall offer the Sale Shares to the holders of Shares other than the Seller (the "**Continuing Shareholders**") inviting them to apply in writing within the period from the date of the offer to the date 15 Business Days after the offer (inclusive) (the "**Offer Period**") for the maximum number of Sale Shares they wish to buy.
- (b) If the Transfer Notice included a Minimum Transfer Condition then any allocation made under Article 14.6 will be conditional on the fulfilment of the Minimum Transfer Condition.
- (c) If at the end of the Offer Period, the number of Sale Shares applied for is equal to or exceeds the number of Sale Shares, the Board shall allocate the Sale Shares to each Continuing Shareholder who has applied for Sale Shares in the proportion (fractional entitlements being rounded to the nearest whole number) which his existing holding of the relevant class(es) of Shares bears to the total number of the relevant class(es) of Shares held by those Continuing Shareholders who have applied for Sale Shares which procedure shall be repeated until all Sale Shares have been allocated but no allocation shall be made to a Shareholder of more than the maximum number of Sale Shares which he has stated he is willing to buy.
- (d) If, at the end of the Offer Period, the number of Sale Shares applied for is less than the number of Sale Shares, the Board shall allocate the Sale Shares to the Continuing Shareholders in accordance with their applications and the balance will be dealt with in accordance with Article (i).
- (e) If the Transfer Notice includes a Minimum Transfer Condition and the total number of Shares applied for does not meet the Minimum Transfer Condition the Board shall notify the Seller and all those to whom Sale Shares have been conditionally allocated under Article 14.6 stating the condition has not been met and that the relevant Transfer Notice has lapsed with immediate effect.
- (f) If
 - (i) the Transfer Notice does not include a Minimum Transfer Condition; or
 - (ii) the Transfer Notice does include a Minimum Transfer Condition and applications have been made in respect of all or the minimum required number of the Sale Shares,

the Board shall, give written notice of allocation (an "**Allocation Notice**") to the Seller and each Shareholder to whom Sale Shares have been allocated (an "**Applicant**") specifying the number of Sale Shares allocated to each Applicant and the place and time (being not less than 10 Business Days nor more than 20 Business Days after the date of the Allocation Notice) for completion of the transfer of the Sale Shares.

- (g) Upon service of an Allocation Notice, the Seller must, against payment of the Transfer Price, transfer the Sale Shares in accordance with the requirements specified in it.
- (h) If the Seller fails to comply with the provisions of Article 14.6(g):

- (i) the chairman of the Company or, failing him, one of the Directors, or some other person nominated by the Board, may on behalf of the Seller:
 - (A) complete, execute and deliver in his name all documents necessary to give effect to the transfer of the relevant Sale Shares to the Applicants;
 - (B) receive the Transfer Price and give a good discharge for it; and
 - (C) (subject to the transfer being duly stamped) enter the Applicants in the register of Shareholders as the holders of the Shares purchased by them, and
 - (ii) the Company shall pay the Transfer Price into a separate bank account in the Company's name on trust (but without interest) or otherwise hold the Transfer Price on trust for the Seller until he has delivered to the Company his certificate or certificates for the relevant Shares (or an indemnity for lost certificate in a form acceptable to the Board).
- (i) If an Allocation Notice does not relate to all the Sale Shares then, subject to Article 14.6(j), the Seller may, within eight weeks after service of the Allocation Notice, transfer the unallocated Sale Shares to any person at a price at least equal to the Transfer Price.
- (j) The right of the Seller to transfer Shares under Article 14.6(i) does not apply if:
- (i) the Board is of the opinion on reasonable grounds that:
 - (A) the transferee is a person (or a nominee for a person) who the Board determine in their absolute discretion is a competitor with (or an Associate of a competitor with) the business of the Company or in any other case where the Board are of the opinion that the transferee is a person, who if registered as a member of the Company, would be detrimental to the commercial interests of the 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 provide promptly information available to it or him and reasonably requested by the Board for the purpose of enabling it to form the opinion mentioned above;
 - (ii) Investor Consent has not been obtained in respect of the identity of the transferee and subsequent transfer of shares to the transferee, provided that the Bank must act reasonably in the giving of Investor Consent under this Article 14(j)(ii).

15. Valuation of Shares

- 15.1** If no Transfer Price can be agreed between the Seller and the Board in accordance with provisions of Articles 12.8 or 14.2 or otherwise then, on the date of failing agreement, the Board shall either:
- (a) appoint an expert valuer in accordance with Article 15.2 (the "**Expert Valuer**") to certify the Fair Value of the Sale Shares; or
 - (b) (if the Fair Value has been certified by an Expert Valuer within the preceding 12 weeks) specify that the Fair Value of the Sale Shares will be calculated by dividing any Fair Value so certified by the number of Sale Shares to which it related and multiplying such Fair Value by the number of Sale Shares the subject of the Transfer Notice
- 15.2** The Expert Valuer will be either
- (a) the Auditors or accountants of the Company for the time being; or
 - (b) (if otherwise agreed by the Board and the Seller) an independent firm of Chartered Accountants to be agreed between the Board and the Seller or failing agreement not later than the date 10 Business Days after the date of service of the Transfer Notice to be nominated by the then President of the Institute of Chartered Accountants of Scotland on the application of either party and approved by the Company
- 15.3** The "**Fair Value**" of the Sale Shares shall be determined by the Expert Valuer on the following assumptions and bases:
- (a) valuing the Sale Shares as on an arm's-length sale between a willing seller and a willing buyer;
 - (b) if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so;
 - (c) that the Sale Shares are capable of being transferred without restriction;
 - (d) valuing the Sale Shares as a rateable proportion of the total value of all the issued Shares without any premium or discount being attributable to the percentage of the issued share capital of the Company which they represent but taking account of the rights attaching to the Sale Shares; and
 - (e) reflect any other factors which the Expert Valuer reasonably believes should be taken into account.
- 15.4** If any difficulty arises in applying any of these assumptions or bases then the Expert Valuer shall resolve that difficulty in whatever manner they shall in their absolute discretion think fit.
- 15.5** The Expert Valuer shall be requested to determine the Fair Value within 20 Business Days of their appointment and to notify the Board of their determination.
- 15.6** The Expert Valuer shall act as experts and not as arbitrators and their determination shall be final and binding on the parties (in the absence of fraud or manifest error)

- 15.7 The Board will give the Expert Valuer access to all accounting records or other relevant documents of the Company subject to them agreeing to such confidentiality provisions as the Board may reasonably impose.
- 15.8 The Expert Valuer shall deliver their certificate to the Company. As soon as the Company receives the certificate it shall deliver a copy of it to the Seller. Unless the Sale Shares are to be sold under a Transfer Notice, which is deemed to have been served, the Seller may by notice in writing to the Company within 5 Business Days of the service on him of the copy certificate, cancel the Company's authority to sell the Sale Shares.
- 15.9 The cost of obtaining the certificate shall be paid by the Company unless:
- (a) the Seller cancels the Company's authority to sell; or
 - (b) the Sale Price certified by the Expert Valuer is less than the price (if any) offered by the Directors to the Seller for the Sale Share before the Expert Valuer was instructed,

in which case the Seller shall bear the cost.

16. Compulsory transfers

- 16.1 A person entitled to a Share in consequence of the bankruptcy of a Shareholder shall be deemed to have given a Transfer Notice in respect of that Share at a time determined by the Directors.
- 16.2 If a Share remains registered in the name of a deceased Shareholder for longer than one year after the date of his death the Directors may require the legal personal representatives of that deceased Shareholder either:
- (a) to effect a Permitted Transfer of such Shares (including for this purpose an election to be registered in respect of the Permitted Transfer), or
 - (b) to show to the satisfaction of the Directors that a Permitted Transfer will be effected before or promptly upon the completion of the administration of the estate of the deceased Shareholder

If either requirement in this Article 16.2 shall not be fulfilled to the satisfaction of the Directors a Transfer Notice shall be deemed to have been given in respect of each such Share save to the extent that, the Directors may otherwise determine

- 16.3 If a Shareholder which is a company, either suffers or resolves for the appointment of a liquidator, administrator or administrative receiver over it or any material part of its assets (other than as part of a bona fide restructuring or reorganisation), the relevant Shareholder (and all its Permitted Transferees) shall be deemed to have given a Transfer Notice in respect of all the shares held by the relevant Shareholder and its Permitted Transferees save to the extent that, and at a time, the Directors may determine.
- 16.4 If there is a change in control (as control is defined in section 1124 of the CTA 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 and their names and their respective nominees' names save that, in the case of the Permitted

Transferee, 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 before being required to serve a Transfer Notice. This Article 14.4 shall not apply to a member that is an Investor.

- 16.5 Unless the Board (acting with Investor Consent) determine that this Article 16.5 shall not apply, if the Executive is a Bad Leaver, the Executive shall be deemed to have given a Transfer Notice in respect of 66.67% of the Executive Shares (rounded up to the nearest whole Share) ("**Leaver Shares**") on the Effective Termination Date.
- 16.6 In such circumstances the Transfer Price shall be the lower of (i) Fair Value of the Leaver Shares; or (ii) the aggregate amount paid or credited as paid (including premium, if any) for the Leaver Shares.
- 16.7 For the purposes of this Article and the interpretations of Article 14, the Leaver Shares shall be offered in the following order of priority
- (a) to the Company (subject always to the provisions of the Act), then
 - (b) to the Shareholders (other than the Executive) in the manner provided for in Article 14, then
 - (c) to any other person(s) approved by the Board (other than the Executive) acting with Investor Consent.
- 16.8 All voting rights attached to Executive Shares held by the Executive or by any Permitted Transferee of the Executive (the "**Restricted Member**") if any, shall at the time he becomes a Bad Leaver be suspended unless the Board (acting with Investor Consent) notifies him otherwise.
- 16.9 Any Executive Shares whose voting rights are suspended pursuant to Article 16.8 ("**Restricted Shares**") shall confer on the holders of Restricted Shares the right to receive a notice of and attend all general meetings of the Company but shall have no right to vote either in person or by proxy or to vote on any proposed written resolution. Voting rights suspended pursuant to Article 16.8 shall be automatically restored immediately prior to an IPO. If a Restricted Member transfers any Restricted Shares in accordance with these Articles all voting rights attached to the Restricted Shares so transferred shall upon completion of the transfer (as evidenced by the transferee's name being entered in the Company's register of members) automatically be restored.
- 17. Mandatory Offer on a Change of Control**
- 17.1 Except in the case of Permitted Transfers and transfers pursuant to Articles 14.6(i) and 16, after going through the pre-emption procedure in Article 14, the provisions of Article 17.2 will apply if one or more Proposed Sellers propose to transfer in one or a series of related transactions any Shares (the "**Proposed Transfer**") which would, if put into effect, result in any Proposed Purchaser (and Associates of his or persons Acting in Concert with him) acquiring a Controlling Interest in the Company.
- 17.2 A Proposed Seller must, before making a Proposed Transfer procure the making by the Proposed Purchaser of an offer (the "**Offer**") to any Shareholders who have not taken up their pre-emptive rights under Article 14 to acquire all of the Shares for a consideration per share the value of which is at least equal to the Specified Price (as defined in Article 16.7).

- 17.3 The Offer must be given by written notice (a "**Proposed Sale Notice**") at least 10 Business Days (the "**Offer Period**") prior to the proposed sale date ("**Proposed Sale Date**") The Proposed Sale Notice must set out, to the extent not described in any accompanying documents, the identity of the Proposed Purchaser, the purchase price and other terms and conditions of payment, the Proposed Sale Date and the number of Shares proposed to be purchased by the Proposed Purchaser (the "**Proposed Sale Shares**")
- 17.4 If any other holder of Shares is not given the rights accorded him by this Article, the Proposed Sellers will not be entitled to complete their sale and the Company will not register any transfer intended to carry that sale into effect.
- 17.5 If the Offer is accepted by any Shareholder (an "**Accepting Shareholder**") within the Offer Period, the completion of the Proposed Transfer will be conditional upon the completion of the purchase of all the Shares held by Accepting Shareholders.
- 17.6 The Proposed Transfer is subject to the pre-emption provisions of Article 14 but the purchase of the Accepting Shareholders' shares shall not be subject to Article 14
- 17.7 For the purpose of this Article:
- (a) the expression "**Specified Price**" shall mean in respect of each Share a sum in cash equal to the highest price per Share offered or paid by the Proposed Purchaser:
 - (i) in the Proposed Transfer; or
 - (ii) in any related or previous transaction by the Proposed Purchaser or any person Acting in Concert with the Proposed Purchaser in the 12 months preceding the date of the Proposed Transfer.

plus an amount equal to the Relevant Sum, as defined in Article 17.7(b), of any other consideration (in cash or otherwise) paid or payable by the Proposed Purchaser or any other person Acting in Concert with the Proposed Purchaser, which having regard to the substance of the transaction as a whole, can reasonably be regarded as an addition to the price paid or payable for the Shares (the "**Supplemental Consideration**") provided that the total consideration paid by the Proposed Purchaser in respect of the Proposed Transfer is distributed to the Proposed Seller and the Accepting Shareholders in accordance with the order of priority set out in Article 6.
 - (b) **Relevant Sum** = $C \div A$

where: A = number of Shares being sold in connection with the relevant Proposed Transfer,

C = the Supplemental Consideration.

18. Drag-along

- 18.1 If the holders of Shares comprising more than 50% of the total number of Shares in issue (which for so long as the Bank and/or its Permitted Transferees hold any Shares, must include the Bank) (the "**Selling Shareholders**") wish to transfer all their interest in Shares (the "**Sellers' Shares**") to a Proposed Purchaser, the Selling Shareholders shall have the option (the "**Drag Along Option**") to compel each other holder of Shares (each a "**Called Shareholder**" and together the "**Called**

Shareholders") to sell and transfer all their Shares to the Proposed Purchaser or as the Proposed Purchaser shall direct (the "**Drag Purchaser**") in accordance with the provisions of this Article.

18.2 The Selling Shareholders may exercise the Drag Along Option by giving a written notice to that effect (a "**Drag Along Notice**") to the Company, which the Company shall forthwith copy to the Called Shareholders, at any time before the transfer of the Sellers' Shares to the Drag Purchaser. A Drag Along Notice shall specify that:

- (a) the Called Shareholders are required to transfer all their Shares (the "**Called Shares**") under this Article;
- (b) the person to whom they are to be transferred;
- (c) the consideration (whether in cash or otherwise) for which the Called Shares are to be transferred (calculated in accordance with this Article);
- (d) the proposed date of transfer, and
- (e) the form of any sale agreement or form of acceptance or any other document of similar effect that the Called Shareholders are required to sign in connection with such sale (the "**Sale Agreement**").

(and, in the case of paragraphs (b) to (d) above, whether actually specified or to be determined in accordance with a mechanism described in the Drag Along Notice). No Drag Along Notice or Sale Agreement may require a Called Shareholder to agree to any terms except those specifically provided for in this Article.

18.3 Drag Along Notices shall be irrevocable but will lapse if for any reason there is not a sale of the Sellers' Shares by the Selling Shareholders to the Drag Purchaser within 60 Business Days after the date of service of the Drag Along Notice. The Selling Shareholders shall be entitled to serve further Drag Along Notices following the lapse of any particular Drag Along Notice.

18.4 The consideration (in cash or otherwise) for which the Called Shareholders shall be obliged to sell each of the Called Shares shall be that to which they would be entitled if the total consideration proposed to be paid, allotted or transferred by the Drag Purchaser were distributed to the holders of the Called Shares and the Sellers' Shares in accordance with the provisions of Article 6 (the "**Drag Consideration**").

18.5 In respect of a transaction that is the subject of a Drag-Along Notice and with respect to any Drag Document, a Called Shareholder shall only be obliged to undertake to transfer his Shares free from Encumbrance (and provide an indemnity for lost certificate in a form acceptable to the Board if so necessary) in receipt of the Drag Consideration when due and shall not be obliged to give warranties or indemnities except a warranty as to capacity to enter into a Drag Document and the full title guarantee of the Shares held by such Called Shareholder and beneficially owned by him and are free of any Encumbrance.

18.6 Within 3 Business Days of the Company copying the Drag Along Notice to the Called Shareholders (or such later date as may be specified in the Drag Along Notice) (the "**Drag Completion Date**"), each Called Shareholder shall deliver:

- (a) duly executed stock transfer form(s) for its Shares in favour of the Drag Purchaser;

- (b) the relevant share certificate(s) (or a duly executed indemnity for lost certificate in a form acceptable to the Board) to the Company; and
- (c) duly executed Sale Agreement, if applicable, in the form specified in the Drag Along Notice or as otherwise specified by the Company.

(together the "Drag Documents")

- 18.7 On the Drag Completion Date, the Company shall pay or transfer to each Called Shareholder, on behalf of the Drag Purchaser, the Drag Consideration that is due to the extent the Drag Purchaser has paid, allotted or transferred such consideration to the Company. The Company's receipt of the Drag Consideration shall be a good discharge to the Drag Purchaser. Following the Company's receipt of the Drag Consideration, but pending its payment or transfer to the Called Shareholder, the Company shall hold the Drag Consideration in trust for each of the Called Shareholders without any obligation to pay interest.
- 18.8 To the extent that the Drag Purchaser has not, on the Drag Completion Date, paid, allotted or transferred the Drag Consideration that is due to the Company, the Called Shareholders shall be entitled to the immediate return of the Drag Documents for the relevant Shares and the Called Shareholders shall have no further rights or obligations under this Article 18 in respect of their Shares.
- 18.9 If a Called Shareholder fails to deliver the Drag Documents for its Shares to the Company by the Drag Completion Date, the Company and each Director shall be constituted the agent of such defaulting Called Shareholder to take such actions and enter into any Drag Document or such other agreements or documents as are necessary to effect the transfer of the Called Shareholder's Shares pursuant to this Article 18 and the Directors shall, if requested by the Drag Purchaser, authorise any Director to transfer the Called Shareholder's Shares on the Called Shareholder's behalf to the Drag Purchaser to the extent the Drag Purchaser has, by the Drag Completion Date, paid, allotted or transferred the Drag Consideration to the Company for the Called Shareholder's Shares offered to him. The Board shall then authorise registration of the transfer once appropriate stamp duty (if any is required) has been paid. The defaulting Called Shareholder shall surrender his share certificate for his Shares (or suitable executed indemnity) to the Company. On surrender, he shall be entitled to the Drag Consideration due to him.
- 18.10 Any transfer of Shares to a Drag Purchaser pursuant to a sale in respect of which a Drag Along Notice has been duly served shall not be subject to the provisions of Article 14
- 18.11 On any person, following the issue of a Drag Along Notice, becoming a Shareholder pursuant to the exercise of a pre-existing option or warrant to acquire shares in the Company or pursuant to the conversion of any convertible security of the Company (a "New Shareholder"), a Drag Along Notice shall be deemed to have been served on the New Shareholder on the same terms as the previous Drag Along Notice who shall then be bound to sell and transfer all Shares so acquired to the Drag Purchaser and the provisions of this Article shall apply with the necessary changes to the New Shareholder except that completion of the sale of the Shares shall take place immediately on the Drag Along Notice being deemed served on the New Shareholder.

19. General meetings

- 19.1 If the Directors are required by the Shareholders under section 303 of the Act to call a general meeting, the Directors shall convene the meeting for a date not later than 28 days after the date on which the Directors became subject to the requirement under section 303 of the Act.
- 19.2 If a demand for a poll is withdrawn under article 44(3) of the Model Articles, the demand shall not be taken to have invalidated the result of a show of hands declared before the demand was made and the meeting shall continue as if the demand had not been made.
- 19.3 Polls must be taken in such manner as the chairman directs. A poll demanded on the election of a chairman or on a question of adjournment must be held immediately. A poll demanded on any other question must be held either immediately or at such time and place as the chairman directs not being more than 14 days after the poll is demanded. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll was demanded.
- 19.4 No notice need be given of a poll not held immediately if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case at least seven clear days' notice shall be given specifying the time and place at which the poll is to be taken.
- 19.5 If the poll is to be held more than 48 hours after it was demanded the Shareholders shall be entitled to deliver proxy notices in respect of the poll at any time up to 24 hours before the time appointed for taking that poll. In calculating that period, no account shall be taken of any part of a day that is not a working day.
- 19.6 The quorum for any meeting of the members, including a general meeting, will be two Shareholders (which, for so long as the Bank and/or its Permitted Transferees hold any Shares, must include the Bank), present in person or by proxy. If such a quorum is not present within half an hour from the time appointed for the meeting, or if during a meeting such quorum ceases to be present, the meeting shall be adjourned to the same day in the next week at the same time and place. At such reconvened meeting, any two Shareholders shall constitute a quorum.

20. Proxies

- 20.1 Paragraph (c) of article 45(1) of the Model Articles shall be deleted and replaced by the words "is signed by or on behalf of the shareholder appointing the proxy and accompanied by the authority under which it is signed (or a certified copy of such authority or a copy of such authority in some other way approved by the directors)".
- 20.2 The instrument appointing a proxy and any authority under which it is signed or a certified copy of such authority or a copy in some other way approved by the Directors may
- (a) be sent or supplied in hard copy form, or (subject to any conditions and limitations which the Board may specify) in electronic form, to the registered office of the Company or to such other address (including electronic address) as may be specified for this purpose in the notice convening the meeting or in any instrument of proxy or any invitation to appoint a proxy sent or supplied by the Company in relation to the meeting at any time before the time for

holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote;

- (b) be delivered at the meeting or adjourned meeting at which the person named in the instrument proposes to vote to the chairman or to the company secretary or to any Director; or
- (c) in the case of a poll, be delivered at the meeting at which the poll was demanded to the chairman or to the company secretary or to any Director, or at the time and place at which the poll is held to the Chairman or to the company secretary or to any Director or scrutineer,

and an instrument of proxy which is not deposited or delivered in a manner so permitted shall be invalid

21. Directors' borrowing powers

The Directors may exercise all the powers of the Company to borrow or raise money and to charge its undertaking, property and uncalled capital and to issue loans, stock and other securities as security for any debt, liability of obligation of the Company or of any third party.

22. Number of Directors

Unless and until the Company shall otherwise determine by ordinary resolution, the number of Directors shall be not less than two.

23. Appointment of Directors and Observers

- 23.1 The Founder Investor Shareholders shall be entitled to nominate one person to act as an observer ("**Founder Investor Shareholders' Observer**") by notice in writing addressed to the Company from time to time and the other holders of Shares shall not vote their Shares so as to remove that Founder Investor Shareholders' Observer. The Founder Investor Shareholders shall be entitled to remove any appointed Founder Investor Shareholders' Observer at any time by notice in writing to the Company served at its registered office and appoint another person to act in his place.
- 23.2 An appointment or removal of the Founder Investor Shareholders' Observer under Article 23.1 will take effect at and from the time when the notice is received at the registered office of the Company.
- 23.3 Each Founder Investor Shareholders' Observer shall be entitled to attend as an observer at each and any meeting the Board and he will be entitled to speak at any such meetings but shall not be entitled to vote
- 23.4 Each Founder Investor Shareholders' Observer shall also be entitled to attend any meeting of any committee of the Board established from time to time
- 23.5 For so long as the Bank and/or its Permitted Transferees holds any Shares (excluding Treasury Shares) and/or Loan Notes the Bank shall be entitled to nominate one person to act as a non-executive Director ("**Independent NXD**") by notice in writing addressed to the Company from time to time and the other holders of Shares shall not vote their Shares so as to remove that Director from office. The Bank shall be entitled to remove the Independent NXD so appointed at any time by

notice in writing to the Company served at its registered office and appoint another person to act in his place

- 23.6 For so long as PWP and/or its Permitted Transferees holds any Shares (excluding Treasury Shares), PWP shall have the right to appoint and maintain in office such natural person as PWP may from time to time nominate as a non-executive director of the Company (the "PWP Director") (and as a member of each and any committee of the Board) and to remove any director so appointed (including appointing any temporary alternate) and, upon his removal whether by PWP or otherwise, to appoint another director in his place
- 23.7 An appointment or removal of an Independent NXD under Articles 23.5 and 23.6 will take effect at and from the time when the notice is received at the registered office of the Company
- 23.8 The Independent NXD appointed under Article 23.5 and PWP Director appointed under Article 23.6 shall each be entitled at their request to be appointed to any committee of the Board established from time to time and to the board of directors of any Subsidiary Undertaking
- 23.9 For so long as the Bank and/or its Permitted Transferees holds any Shares (excluding Treasury Shares) and/or Loan Notes, the Bank shall be entitled to appoint one person to act as an observer to the Board ("Investor Observer"), to the board of directors of any Subsidiary Undertaking and any committee of the Board or board of directors of any Subsidiary Undertaking established from time to time. The Investor Observer shall be entitled to attend and speak at all such meetings and table items for discussion and receive copies of all board papers as if he were a Director but shall not be entitled to vote on any resolutions proposed at a board meeting
- 23.10 For so long as PWP and/or its Permitted Transferees holds any Shares (excluding Treasury Shares) or the Warrants remain unexercised and has not lapsed, PWP shall have the right to appoint a representative to attend as an observer (the "PWP Observer") at each and any meeting of the Board and of each and any committee of the Board. The PWP Observer shall be entitled to attend and speak at all such meetings and table items for discussion and receive copies of all board papers as if he were a Director but shall not be entitled to vote on any resolutions proposed at a board meeting.

24. Disqualification of Directors

In addition to that provided in article 18 of the Model Articles, the office of a Director shall also be vacated if:

- (a) he is convicted of a criminal offence (other than a minor motoring offence) and the Directors resolve that his office be vacated; or
- (b) in the case of a Director other than an Independent NXD, if a majority of his co-Directors serve notice on him in writing, removing him from office

25. Proceedings of Directors

- 25.1 The quorum for Directors' meetings shall be three Directors, which must include the Independent NXD appointed under Article 23.5 (if appointed) and the PWP Director appointed under Article 23.6 (if appointed). If such a quorum is not present within half an hour from the time appointed for the meeting, or if during a meeting such

quorum ceases to be present, the meeting shall stand adjourned to the same day in the next week at the same time and place or at such time and place as determined by the Directors present at such meeting. If a quorum is not present at any such adjourned meeting within half an hour from the time appointed, then the meeting shall proceed.

- 25.2 If all the Directors participating in a meeting of the Directors are not physically in the same place, the meeting shall be deemed to take place where the largest group of participators in number is assembled. In the absence of a majority the location of the chairman shall be deemed to be the place of the meeting.
- 25.3 Notice of a Directors' meeting need not be given to Directors who waive their entitlement to notice of that meeting, by giving notice to that effect to the Company at any time before or after the date on which the meeting is held. Where such notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it
- 25.4 Provided (if these Articles so require) that he has declared to the Directors, in accordance with the provisions of these Articles, the nature and extent of his interest (and subject to any restrictions on voting or counting in a quorum imposed by the Directors in authorising a Relevant Interest), a Director may vote at a meeting of the Directors or of a committee of the Directors on any resolution concerning a matter in which he has an interest, whether a direct or an indirect interest, or in relation to which he has a duty and shall also be counted in reckoning whether a quorum is present at such a meeting
- 25.5 Questions arising at any meeting of the Directors shall be decided by a majority of votes. In the case of any equality of votes, the chairman shall have a second or casting vote provided that the chairman shall not have a casting vote on a vote on a particular matter upon which he is restricted from voting.
- 25.6 A decision of the Directors 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 (including confirmation given by electronic means) Reference in article 7(1) of the Model Articles to article 8 of the Model Articles shall be deemed to include a reference to this article also

26. Directors' Interests

- 26.1 Subject to the provisions of the Act and provided (if these Articles so require) that he has declared to the Directors in accordance with the provisions of these Articles, the nature and extent of his interest, a Director may (save as to the extent not permitted by law from time to time), notwithstanding his office, have an interest of the following kind
- (a) where a Director (or a person connected with him) is party to or in any way directly or indirectly interested in, or has any duty in respect of, any existing or proposed contract, arrangement or transaction with the Company or any other undertaking in which the Company is in any way interested,
 - (b) where a Director (or a person connected with him) is a director, employee or other officer of, or a party to any contract, arrangement or transaction with, or in any way interested in, any body corporate promoted by the Company or in which the Company is in any way interested,

- (c) where a Director (or a person connected with him) is a shareholder or employee in the Company;
 - (d) where a Director (or a person connected with him) holds and is remunerated in respect of any office or place of profit (other than the office of auditor) in respect of the Company or body corporate in which the Company is in any way interested,
 - (e) where a Director is given a guarantee, or is to be given a guarantee, in respect of an obligation incurred by or on behalf of the Company or any body corporate in which the Company is in any way interested;
 - (f) where a Director (or a person connected with him or of which he is a member or employee) acts (or any body corporate promoted by the Company or in which the Company is in any way interested of which he is a director, employee or other officer may act) in a professional capacity for the Company or any body corporate promoted by the Company or in which the Company is in any way interested (other than as auditor) whether or not he or it is remunerated for this;
 - (g) an interest which cannot reasonably be regarded as likely to give rise to a conflict of interest; or
 - (h) any other interest authorised by ordinary resolution.
- 26.2 In addition to the provisions of Article 26.1, subject to the provisions of the Act and provided (if these Articles so require) that he has declared to the Directors in accordance with the provisions of these Articles, the nature and extent of his interest, where a Director is an Independent NCD he may (save as to the extent not permitted by law from time to time), notwithstanding his office, have an interest arising from any duty he may owe to, or interest he may have as an employee, director, trustee, member, partner, officer or representative of, or a consultant to, or direct or indirect investor (including without limitation by virtue of a carried interest, remuneration or incentive arrangements or the holding of securities) in:
- (a) an Investor Shareholder.
 - (b) a Fund Manager which advises or manages an Investor Shareholder;
 - (c) any of the funds advised or managed by a Fund Manager who advises or manages an Investor Shareholder from time to time, or
 - (d) another body corporate or firm in which a Fund Manager who advises or manages an Investor Shareholder or any fund advised or managed by such Fund Manager has directly or indirectly invested, including without limitation any portfolio companies.
- 26.3 For the purposes of this Article 26, an interest of which a Director is not aware and of which it is unreasonable to expect him to be aware shall not be treated as an interest of his.
- 26.4 In any situation permitted by this Article 26 (save as otherwise agreed by him) a Director shall not by reason of his office be accountable to the Company for any benefit which he derives from that situation and no such contract, arrangement or transaction shall be avoided on the grounds of any such interest or benefit.

- 26.5 Subject to Article 26.6, any authority given in accordance with section 175(5)(a) of the Act in respect of a Director ("**Interested Director**") who has proposed that the Directors authorise his interest ("**Relevant Interest**") pursuant to that section may, for the avoidance of doubt:
- (a) be given on such terms and subject to such conditions or limitations as may be imposed by the authorising Directors as they see fit from time to time, including, without limitation:
 - (i) restricting the Interested Director from voting on any resolution put to a meeting of the Directors or of a committee of the Directors in relation to the Relevant Interest;
 - (ii) restricting the Interested Director from being counted in the quorum at a meeting of the Directors or of a committee of the Directors where such Relevant Interest is to be discussed; or
 - (iii) restricting the application of the provisions in Articles 26.6 and 26.7, so far as is permitted by law, in respect of such Interested Director;
 - (b) be withdrawn, or varied at any time by the Directors entitled to authorise the Relevant Interest as they see fit from time to time; and
- an Interested Director must act in accordance with any such terms, conditions or limitations imposed by the authorising Directors pursuant to section 175(5)(a) of the Act and this Article 26.
- 26.6 Subject to Article 26.7 (and without prejudice to any rule of law which may excuse or release the Director from disclosing information, in circumstances where disclosure may otherwise be required under this Article 26), if a Director, otherwise than by virtue of his position as director, receives information in respect of which he owes a duty of confidentiality to a person other than the Company, he shall not be required:
- (a) to disclose such information to the Company or to any Director, or to any officer or employee of the Company; or
 - (b) otherwise to use or apply such confidential information for the purpose of or in connection with the performance of his duties as a Director
- 26.7 Where such duty of confidentiality arises out of a situation in which a Director has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company, Article 26.6 shall apply only if the conflict arises out of a matter which falls within Article 26.1 or Article 26.2 or has been authorised under section 175(5)(a) of the Act.
- 26.8 Where a Director has an interest which can reasonably be regarded as likely to give rise to a conflict of interest, the Director shall take such additional steps as may be necessary or desirable for the purpose of managing such conflict of interest, including compliance with any procedures laid down from time to time by the Directors for the purpose of managing conflicts of interest generally and/or any specific procedures approved by the Directors for the purpose of or in connection with the situation or matter in question, including without limitation

- (a) absenting himself from any discussions, whether in meetings of the Directors or otherwise, at which the relevant situation or matter falls to be considered; and
- (b) excluding himself from documents or information made available to the Directors generally in relation to such situation or matter and/or arranging for such documents or information to be reviewed by a professional adviser to ascertain the extent to which it might be appropriate for him to have access to such documents or information.

Requirement of a Director to declare an interest

26.9 Subject to section 182 of the Act, a Director shall declare the nature and extent of any interest permitted by Article 26.1 or Article 26.2 at a meeting of the Directors, or by general notice in accordance with section 184 (notice in writing) or section 185 (general notice) of the Act or in such other manner as the Directors may determine, except that no declaration of interest shall be required by a Director in relation to an interest:

- (a) falling under Article 26.1(g);
- (b) if, or to the extent that, the other Directors are already aware of such interest (and for this purpose the other Directors are treated as aware of anything of which they ought reasonably to be aware); or
- (c) if, or to the extent that, it concerns the terms of his service contract (as defined by section 227 of the Act) that have been or are to be considered by a meeting of the Directors, or by a committee of Directors appointed for the purpose under these Articles.

26.10 Subject to section 239 of the Act, the Company may by ordinary resolution ratify any contract, transaction or arrangement, or other proposal, not properly authorised by reason of a contravention of any provisions of this Article 26.

26.11 For the purposes of this Article 26:

- (a) a conflict of interest includes a conflict of interest and duty and a conflict of duties;
- (b) the provisions of section 252 of the Act shall determine whether a person is connected with a Director;
- (c) a general notice to the Directors that a Director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the Director has an interest in any such transaction of the nature and extent so specified.

27. Notices

27.1 Subject to the requirements set out in the Act, any notice given or document sent or supplied to or by any person under these Articles, or otherwise sent by the Company under the Act, may be given, sent or supplied.

- (a) in hard copy form,

- (b) in electronic form; or
- (c) (by the Company) by means of a website (other than notices calling a meeting of Directors),

or partly by one of these means and partly by another of these means.

Notices shall be given and documents supplied in accordance with the procedures set out in the Act, except to the extent that a contrary provision is set out in this Article 27

27.2 Any notice or other document in hard copy form given or supplied under these Articles may be delivered or sent by first class post (airmail if overseas):

- (a) to the Company or any other company at its registered office; or
- (b) to the address notified to or by the Company for that purpose; or
- (c) in the case of an intended recipient who is a member or his legal personal representative or trustee in bankruptcy, to such member's address as shown in the Company's register of members; or
- (d) in the case of an intended recipient who is a Director, to his address as shown in the register of Directors; or
- (e) to any other address to which any provision of the Companies Acts (as defined in the Act) authorises the document or information to be sent or supplied; or
- (f) where the Company is the sender, if the Company is unable to obtain an address falling within one of the addresses referred to in (a) to (e) above, to the intended recipient's last address known to the Company

27.3 Any notice or other document in hard copy form given or supplied under these Articles shall be deemed to have been served and be effective:

- (a) if delivered, at the time of delivery;
- (b) if posted, on receipt or 48 hours after the time it was posted, whichever occurs first

27.4 Subject to the provisions of the Act, any notice or other document in electronic form given or supplied under these Articles may:

- (a) if sent by fax or email (provided that a fax number or an address for email has been notified to or by the Company for that purpose), be sent by the relevant form of communication to that address;
- (b) if delivered or sent by first class post (airmail if overseas) in an electronic form (such as sending a disk by post), be so delivered or sent as if in hard copy form under Article 26.2; or
- (c) be sent by such other electronic means (as defined in section 1168 of the Act) and to such address(es) as the Company may specify:
 - (i) on its website from time to time; or

- (ii) by notice (in hard copy or electronic form) to all members of the Company from time to time.
- 27.5 Any notice or other document in electronic form given or supplied under these Articles shall be deemed to have been served and be effective:
 - (a) if sent by facsimile or email (where a fax number or an address for email has been notified to or by the Company for that purpose), on receipt or 48 hours after the time it was sent, whichever occurs first;
 - (b) if posted in an electronic form, on receipt or 48 hours after the time it was posted, whichever occurs first.
 - (c) if delivered in an electronic form, at the time of delivery; and
 - (d) if sent by any other electronic means as referred to in Article 27.4(c), at the time such delivery is deemed to occur under the Act.
- 27.6 Where the Company is able to show that any notice or other document given or sent under these Articles by electronic means was properly addressed with the electronic address supplied by the intended recipient, the giving or sending of that notice or other document shall be effective notwithstanding any receipt by the Company at any time of notice either that such method of communication has failed or of the intended recipient's non-receipt
- 27.7 Subject to the provisions of the Act, any notice or other document or information to be given, sent or supplied by the Company to Shareholders under these Articles may be given, sent or supplied by the Company by making it available on the Company's website.
- 27.8 In the case of joint holders of a share all notices shall be given to the joint holder whose name stands first in the register of members of the Company in respect of the joint holding (the "Primary Holder") Notice so given shall constitute notice to all the joint holders.
- 27.9 Anything agreed or specified by the Primary Holder in relation to the service, sending or supply of notices, documents or other information shall be treated as the agreement or specification of all the joint holders in their capacity as such (whether for the purposes of the Act or otherwise).
- 28. Indemnities and insurance**
- 28.1 Subject to the provisions of and so far as may be permitted by, the Act:
 - (a) every Director or other officer of the Company (excluding the Auditors) shall be entitled to be indemnified by the Company (and the Company shall also be able to indemnify directors of any associated company (as defined in section 256 of the Act)) out of the Company's assets against all liabilities incurred by him in the actual or purported execution or discharge of his duties or the exercise or purported exercise of his powers or otherwise in relation to or in connection with his duties, powers or office, provided that no current or former Director or current or former director of any associated company is indemnified by the Company against:
 - (i) any liability incurred by the director to the Company or any associated company; or

- (ii) any liability incurred by the director to pay a fine imposed in criminal proceedings or a sum payable to a regulatory authority by way of a penalty in respect of non-compliance with any requirements of a regulatory nature; or
- (iii) any liability incurred by the director:
 - (A) in defending any criminal proceedings in which he is convicted,
 - (B) in defending civil proceedings brought by the Company or any associated company in which final judgment (within the meaning set out in section 234 of the Act) is given against him; or
 - (C) in connection with any application under sections 661(3) or 661(4) or 1157 of the Act (as the case may be) for which the court refuses to grant him relief,

save that, in respect of a provision indemnifying a director of a company (whether or not the Company) that is a trustee of an occupational pension scheme (as that term is used in section 235 of the Act) against liability incurred in connection with that company's activities as trustee of the scheme, the Company shall also be able to indemnify any such director without the restrictions in Articles 28(a)(i), 28(a)(iii)(B) and 28(a)(iii)(C) applying.

- (a) the Directors may exercise all the powers of the Company to purchase and maintain insurance for any such current or former Director or other officer against any liability which by virtue of any rule of law would otherwise attach to him in respect of any negligence, default, breach of duty or breach of trust of which he may be guilty in relation to the Company, or any associated company including (if he is a director of a company which is a trustee of an occupational pension scheme) in connection with that company's activities as trustee of an occupational pension scheme.

28.2 The Company shall (at the cost of the Company) effect and maintain for each current or former Director or current or former director of any associated company policies of insurance insuring each such director against risks in relation to his office as each director may reasonably specify including without limitation, any liability which by virtue of any rule of law may attach to him in respect of any negligence, default of duty or breach of trust of which he may be guilty in relation to the Company

29. Data Protection

Each of the Shareholders and Directors consent to the processing of their personal data by the Company, the Shareholders and Directors (each a "Recipient") for the purpose of due diligence exercises, compliance with applicable laws, regulations and procedures and the exchange of information among themselves. A Recipient may process the personal data either electronically or manually. The personal data which may be processed under this Article shall include any information which may have a bearing on the prudence or commercial merits of investing, or disposing of any shares (or other investment or security) in the Company. Other than as required by law, court order or other regulatory authority, that personal data may not be disclosed by a Recipient or any other person except to a Member of the same Group ("Recipient Group Companies") and to employees, directors and professional

advisers of that Recipient or the Recipient Group Companies and funds managed by any of the Recipient Group Companies. Each of the Shareholders and Directors consent to the transfer of relevant personal data to persons acting on behalf of the Recipient and to the offices of any Recipient both within and outside the European Economic Area for the purposes stated above, where it is necessary or desirable to do so.

30. Secretary

Subject to the provisions of the Act, the Directors may appoint a secretary for such term, at such remuneration and upon such conditions as they may think fit, and any secretary so appointed may be removed by them.

31. Lien

31.1 The Company shall have a first and paramount lien (the "**Company's Lien**") over every Share (whether or not a fully paid share) for all and any indebtedness of any holder of it to the Company (whether a sole holder or one of two or more joint holders), whether or not that indebtedness or liability is in respect of the Shares concerned and whether or not it is presently payable.

31.2 The Company's Lien over a Share

- (b) shall take priority over any third party's interest in that Share; and
- (c) extends to any dividend or other money payable by the Company in respect of that Share and (if the lien is enforced and the Share is sold by the Company) the proceeds of sale of that Share.

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

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

- (a) a notice complying with Article 31.4 (a "**Lien Enforcement Notice**") has been given by the Company in respect of a Share, and
- (b) the person to whom the notice was given has failed to comply with it.

the Company shall be entitled to sell that Share in such manner as the Directors decide.

31.4 A Lien Enforcement Notice

- (a) may only be given by the Company in respect of a Share which is subject to the Company's Lien, in respect of which a sum is payable and the due date for payment of that sum has passed;
- (b) must specify the Share concerned;
- (a) must require payment of the sum payable within 14 days of the notice,
- (b) must be addressed either to the holder of the Share or to a person entitled to it by reason of the holder's death, bankruptcy or otherwise; and

- (c) must state the Company's intention to sell the Share if the notice is not complied with

31.5 Where any Share is sold pursuant to this Article 31

- (a) the Directors may authorise any person to execute an instrument of transfer of the Share to the purchaser or a person nominated by the purchaser; and
- (b) the transferee shall not be bound to see to the application of the consideration, and the transferee's title shall not be affected by any irregularity in or invalidity of the process leading to the sale

31.6 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.
- (b) secondly, to the person entitled to the Share at the date of the sale, but only after the certificate for the Share sold has been surrendered to the Company for cancellation or an indemnity for lost certificate in a form acceptable to the Board has been given for any lost certificate, and subject to a lien equivalent to the Company's Lien for any money payable (whether or not it is presently payable) as existing upon the Share before the sale in respect of all Shares registered in the name of that person (whether as the sole registered holder or as one of several joint holders) after the date of the Lien Enforcement Notice.

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

32. Call Notices

32.1 Subject to these Articles and the terms on which Shares are allotted, the Directors may send a notice (a "Call Notice") to a Shareholder who has not fully paid for that Shareholder's Share(s) requiring the Shareholder to pay the Company a specified sum of money (a "call") which is payable to the Company by that Shareholder when the Directors decide to send the Call Notice.

32.2 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 as to the Share's nominal value or any sum payable to the Company by way of premium).
- (b) shall state when and how any call to which it relates it is to be paid; and
- (c) may permit or require the call to be paid by instalments.

- 32.3 A Shareholder shall comply with the requirements of a Call Notice, but no Shareholder shall be obliged to pay any call before 14 days have passed since the notice was sent.
- 32.4 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 Call Notice, by a further notice in writing to the Shareholder in respect of whose Shares the call is made.
- 32.5 Liability to pay a call shall not be extinguished or transferred by transferring the Shares in respect of which it is required to be paid. Joint holders of a Share shall be jointly and severally liable to pay all calls in respect of that Share.
- 32.6 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 to:
- (a) pay calls which are not the same, or
 - (b) pay calls at different times
- 32.7 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
- 32.8 If the due date for payment of such a sum as referred to in Article 32.7 has passed and it has not been paid, the holder of the Share concerned shall be treated in all respects as having failed to comply with a Call Notice in respect of that sum, and shall be liable to the same consequences as regards the payment of interest and forfeiture
- 32.9 If a person is liable to pay a call and fails to do so by the Call Payment Date (as defined below):
- (a) the Directors may issue a notice of intended forfeiture to that person; and
 - (b) until the call is paid, that person shall be required to pay the Company interest on the call from the Call Payment Date at the Relevant Rate (as defined below).
- 32.10 For the purposes of Article 32.9:
- (a) the "Call Payment Date" shall be 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;

- (b) the "Relevant Rate" shall be:
 - (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, three per cent. a year above the base lending rate of the Company's bankers.

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

32.12 The Directors may accept full payment of any unpaid sum in respect of a Share despite payment not being called under a Call Notice.

33. Forfeiture of Shares

33.1 A notice of intended forfeiture:

- (a) may be sent in respect of any Share for which there is an unpaid sum in respect of which a call has not been paid as required by a Call Notice;
- (b) shall be sent to the holder of that Share or to a person entitled to it by reason of the holder's death, bankruptcy or otherwise;
- (c) shall require payment of the call and any accrued interest by a date which is not fewer than 14 days after the date of the notice;
- (d) shall state how the payment is to be made, and
- (e) shall 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.

33.2 If a notice of intended forfeiture is not complied with before the date by which payment of the call is required in the notice of intended forfeiture, then 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.

33.3 Subject to these Articles, the forfeiture of a Share extinguishes:

- (a) all interests in that Share, and all claims and demands against the Company in respect of it, and
- (b) all other rights and liabilities incidental to the Share as between the person whose Share it was prior to the forfeiture and the Company.

33.4 Any Share which is forfeited in accordance with these Articles:

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

- 33.5 If a person's Shares have been forfeited then.
- (a) the Company shall send that person notice that forfeiture has occurred and record it in the register of members.
 - (b) that person shall cease to be a Shareholder in respect of those Shares;
 - (c) that person shall surrender the certificate for the Shares forfeited to the Company for cancellation;
 - (d) that person shall remain 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 shall be entitled to 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.
- 33.6 At any time before the Company disposes of a forfeited Share, the Directors shall be entitled to decide to cancel the forfeiture on payment of all calls and interest due in respect of it and on such other terms as they think fit.
- 33.7 If a forfeited Share is to be disposed of by being transferred, the Company shall be entitled to receive the consideration for the transfer and the Directors shall be entitled to authorise any person to execute the instrument of transfer
- 33.8 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) shall be 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.
- 33.9 A person to whom a forfeited Share is transferred shall not be bound to see to the application of the consideration (if any) nor shall that person's title to the Share be affected by any irregularity in or invalidity of the process leading to the forfeiture or transfer of the Share.
- 33.10 If the Company sells a forfeited Share, the person who held it prior to its forfeiture shall be entitled to receive the proceeds of such sale from the Company, net of any commission, and excluding any sum 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 shall be payable to such a person in respect of such proceeds and the Company shall not be required to account for any money earned on such proceeds

34. Surrender of Shares

34.1 A Shareholder shall be entitled to surrender any Share:

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

The Directors shall be entitled to accept the surrender of any such Share

34.2 The effect of surrender on a Share shall be the same as the effect of forfeiture on that Share.

34.3 The Company shall be entitled to deal with a Share which has been surrendered in the same way as a Share which has been forfeited.

35. Authority to capitalise and appropriation of capitalised sums

35.1 The Board may, if authorised to do so by an ordinary resolution:

- (a) decide to capitalise any profits of the Company (whether or not they are available for distribution), or any sum standing to the credit of the Company's share premium account or capital redemption reserve; and
- (b) appropriate any sum which they so decide to capitalise (a '**Capitalised Sum**') to such Shareholders and in such proportions as the Board may in their absolute discretion deem appropriate (the '**Shareholders Entitled**').

Article 36 of the Model Articles shall not apply to the Company.

35.2 Capitalised Sums may be applied on behalf of such Shareholders and in such proportions as the Board may (in its absolute discretion) deem appropriate.

35.3 Any Capitalised Sum may be applied in paying up new Shares up to the nominal amount (or such amount as is unpaid) equal to the Capitalised Sum, which are then allotted credited as fully paid to the Shareholders Entitled or as they may direct.

36. Bank Option

36.1 In recognition of the Missions, the Company grants to the Bank the option contained in this Article 36 (the '**Bank Option**'). If the Bank determines (acting reasonably) that the Company is in breach of any of provisions of the Mission Covenants, then the Bank may (in its absolute discretion) serve a notice upon the Company requiring it to remedy the breach (to the Bank's satisfaction) within 14 days of receipt of such notice (being the '**Mission Breach Notice**'). If (i) the breach is either incapable of remedy to the Bank's satisfaction or subsists after the said period of 14 days following receipt of the Mission Breach Notice or (ii) there is an 'Event of Default' under or pursuant to the Facility Agreement (as that term is defined therein), the Bank may (in its absolute discretion) serve a written notice on the Company triggering the Bank Option to transfer all of its Shares and/or redeem all of its Loan Notes (as the case may be) in accordance with this Article 36 (such notice being referred to as the '**Bank Option Notice**'). For the avoidance of doubt if the Bank

Option Notice is served before the Senior Discharge Date the Bank Option Notice will be subject to the terms of the Senior Facility and the Intercreditor Agreement.

- 36.2 Upon receipt by the Company of Bank Option Notice, in the event that the Bank holds Loan Notes, within 10 Business Days of receipt of the Bank Option Notice, the Company shall confirm in writing to the Bank the number of Loan Notes held by the Bank and amount of any accrued interest outstanding in respect of the Loan Notes as at the date on which the Bank Option Notice is received by the Company. Within 20 Business Days of receipt of such written confirmation, the Bank may (in its absolute discretion) serve written notice to the Company (the **Redemption Notice**) requiring the Company to redeem from the Bank all or part of its Loan Notes (including any accrued interest outstanding). If the Bank fails to serve a Redemption Notice within such 20 Business Day period, it shall be deemed to have elected not to have any of its Loan Notes redeemed by the Company and the Bank shall not be entitled to serve another Mission Breach Notice and/or Bank Option Notice in respect of the relevant breach, provided that nothing in this Article 36.2 shall prevent the Bank serving another Mission Breach Notice followed by (if appropriate) another Bank Option Notice in the event that the Company commits another breach in respect of the same or similar circumstances.

- 36.3 The Redemption Notice will confirm:

- (a) the number of Loan Notes that the Company is required to redeem, and
- (b) the proposed date of completion of redemption of the Loan Notes, which may not be less than 5 Business Days nor longer than 20 Business Days from the date of such notice (the **Redemption Completion Date**).

and be accompanied with the original loan note certificate in respect of the Loan Notes (or an indemnity in respect of a lost loan note certificate (in a form acceptable to the Company (acting reasonably)). On the Redemption Completion Date the Company will pay the aggregate amount due in respect of the Loan Notes to be redeemed (together with any accrued interest due thereon).

- 36.4 Upon receipt by the Company of a Bank Option Notice the Company and the Bank shall use reasonable endeavours to agree the price at which the Bank will transfer its Shares pursuant to the Bank Option (the "**Option Transfer Price**") within 5 Business Days of service of the Bank Option Notice or, failing agreement within that period, the Option Transfer Price shall be deemed to be the Fair Value of the Bank's Shares.
- 36.5 Within 10 Business Days following agreement, or final determination of, the Option Transfer Price pursuant to Article 36.4 the Company shall confirm in writing to the Bank the maximum number of the Bank's Shares that the Company is permitted by Chapter 4 of Part 18 of the Act to purchase at such Option Transfer Price (the "**Maximum Buyback Amount**"), such Maximum Buyback Amount being calculated after taking into account the distribution by each other TLL Group Company of all profits it has available for distribution to the Company in accordance with Article 36.8 below.
- 36.6 Within 20 Business Days of receipt of written confirmation pursuant to Article 36.5, the Bank may (in its absolute discretion) serve written notice to the Company (the "**Buyback Notice**") requiring the Company to purchase from the Bank such number

of its Shares as does not exceed the Maximum Buyback Amount at a price per share equal to the Option Transfer Price. If the Bank fails to serve a Buyback Notice within such 20 Business Day period, it shall be deemed to have elected not to have any of its Shares purchased by the Company and the Bank shall not be entitled to serve another Mission Breach Notice and/or Bank Option Notice in respect of the relevant breach, provided that nothing in this Article 36.6 shall prevent the Bank serving another Mission Breach Notice followed by (if appropriate) another Bank Option Notice in the event that the Company commits another breach in respect of the same or similar circumstances.

36.7 The Buyback Notice will confirm

- (a) the number of Shares that the Company is required to purchase (which, if the number stated is in excess of the Maximum Buyback Amount, shall automatically be scaled back to the Maximum Buyback Amount) (the "Buyback Shares"), and
- (b) the proposed date of completion of the purchase of the Buyback Shares from the Bank and redemption of Loan Notes, which may not be less than 5 Business Days nor longer than 20 Business Days from the date of such notice (the "Buyback Completion Date"),

and be accompanied with the original share certificate in respect of the Buyback Shares (or an indemnity in respect of a lost share certificate (in a form acceptable to the Company (acting reasonably)))

36.8 After the Buyback Notice has been served the Company and the Directors shall procure that, prior to the Buyback Completion Date, each other TLL Group Company that has profits available for distribution shall declare and pay to the Company (in one or pursuant to a series of dividends) such dividends as the relevant Group Company may lawfully declare and pay provided that:

- (a) the amount of any such dividend shall not result in the relevant TLL Group Company having insufficient working capital for its then present requirements (in line with the then current business plan in place), that is for the period of 12 months following the date of payment of the relevant dividend, and
- (b) the obligation of the Company in this Article 36.8 shall cease if and when the Company has sufficient distributable reserves (together with any other means of lawfully financing the buyback in accordance with the Act) to lawfully purchase all of the Bank's Shares on the Buyback Completion Date.

36.9 On the Buyback Completion Date,

- (a) the Company will purchase the Buyback Shares subject to complying with applicable requirements of the Act (and the parties hereby agree to vote in favour of any resolution required to approve such buyback),
- (b) the Company will pay the aggregate consideration due in respect of such Buyback Shares to the Bank.

Following the Buyback Completion Date, the Company will (if applicable) deliver to the Bank a balancing share certificate in respect of any Shares still held by the Bank.

36.10 If the Maximum Buyback Amount is less than the total number of Shares held by the Bank as at the date of service of the Bank Option Notice or if the Company is not able to purchase any Shares owned by the Bank for whatever reason the Company and the Directors will use reasonable endeavours to assist the Bank in identifying a purchaser, who is acceptable to the Bank and the Company, for the Shares held by the Bank.

36.11 The provisions of Articles 14 (*Transfer of Shares subject to pre-emption*) and 17 (*Mandatory offer on change of control*) shall not apply to any transfer of Shares pursuant to this Article 36.

APPENDIX
THE MODEL ARTICLES

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MODEL ARTICLES FOR PRIVATE COMPANIES LIMITED BY SHARES

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PART 1

INTERPRETATION AND LIMITATION OF LIABILITY

Defined terms

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

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

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

“chairman” has the meaning given in article 12;

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

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

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

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

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

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

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

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

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

“instrument” means a document in hard copy form;

“ordinary resolution” has the meaning given in section 282 of the Companies Act 2006;

“paid” means paid or credited as paid;

“participate”, in relation to a directors’ meeting, has the meaning given in article 10;

“proxy notice” has the meaning given in article 45;

“shareholder” means a person who is the holder of a share;

“shares” means shares in the company;

“special resolution” has the meaning given in section 283 of the Companies Act 2006;

“subsidiary” has the meaning given in section 1159 of the Companies Act 2006;

“transmittee” means a person entitled to a share by reason of the death or bankruptcy of a

shareholder or otherwise by operation of law; and

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

Unless the context otherwise requires, other words or expressions contained in these articles bear the same meaning as in the Companies Act 2006 as in force on the date when these articles become binding on the company.

Liability of members

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

PART 2

DIRECTORS

DIRECTORS' POWERS AND RESPONSIBILITIES

Directors' general authority

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

Shareholders' reserve power

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

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

Directors may delegate

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

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

as they think fit.

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

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

Committees

6.—(1) Committees to which the directors delegate any of their powers must follow procedures which are based as far as they are applicable on those provisions of the articles which govern the taking of decisions by directors.

(2) The directors may make rules of procedure for all or any committees, which prevail over rules derived from the articles if they are not consistent with them.

DECISION-MAKING BY DIRECTORS

Directors to take decisions collectively

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

(2) If—

(a) the company only has one director, and

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

Unanimous decisions

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

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

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

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

Calling a directors' meeting

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

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

(a) its proposed date and time;

(b) where it is to take place; and

(c) if it is anticipated that directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting.

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

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

Participation in directors' meetings

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

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

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

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

Quorum for directors' meetings

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

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

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

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

Chairing of directors' meetings

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

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

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

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

Casting vote

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

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

Conflicts of interest

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

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

(3) This paragraph applies when—

- (a) the company by ordinary resolution disapplies the provision of the articles which would otherwise prevent a director from being counted as participating in the decision-making process;
 - (b) the director's interest cannot reasonably be regarded as likely to give rise to a conflict of interest; or
 - (c) the director's conflict of interest arises from a permitted cause.
- (4) For the purposes of this article, the following are permitted causes—
- (a) a guarantee given, or to be given, by or to a director in respect of an obligation incurred by or on behalf of the company or any of its subsidiaries;
 - (b) subscription, or an agreement to subscribe, for shares or other securities of the company or any of its subsidiaries, or to underwrite, sub-underwrite, or guarantee subscription for any such shares or securities; and
 - (c) arrangements pursuant to which benefits are made available to employees and directors or former employees and directors of the company or any of its subsidiaries which do not provide special benefits for directors or former directors.
- (5) For the purposes of this article, references to proposed decisions and decision-making processes include any directors' meeting or part of a directors' meeting.
- (6) Subject to paragraph (7), if a question arises at a meeting of directors or of a committee of directors as to the right of a director to participate in the meeting (or part of the meeting) for voting or quorum purposes, the question may, before the conclusion of the meeting, be referred to the chairman whose ruling in relation to any director other than the chairman is to be final and conclusive.
- (7) If any question as to the right to participate in the meeting (or part of the meeting) should arise in respect of the chairman, the question is to be decided by a decision of the directors at that meeting, for which purpose the chairman is not to be counted as participating in the meeting (or that part of the meeting) for voting or quorum purposes.

Records of decisions to be kept

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

Directors' discretion to make further rules

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

APPOINTMENT OF DIRECTORS

Methods of appointing directors

- 17.—**(1) Any person who is willing to act as a director, and is permitted by law to do so, may be appointed to be a director—
- (a) by ordinary resolution, or
 - (b) by a decision of the directors.
- (2) In any case where, as a result of death, the company has no shareholders and no directors, the personal representatives of the last shareholder to have died have the right, by notice in writing, to appoint a person to be a director.

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

Termination of director's appointment

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

Directors' remuneration

- 19.—(1) Directors may undertake any services for the company that the directors decide.
- (2) Directors are entitled to such remuneration as the directors determine—
- (a) for their services to the company as directors, and
 - (b) for any other service which they undertake for the company.
- (3) Subject to the articles, a director's remuneration may—
- (a) take any form, and
 - (b) include any arrangements in connection with the payment of a pension, allowance or gratuity, or any death, sickness or disability benefits, to or in respect of that director.
- (4) Unless the directors decide otherwise, directors' remuneration accrues from day to day.
- (5) Unless the directors decide otherwise, directors are not accountable to the company for any remuneration which they receive as directors or other officers or employees of the company's subsidiaries or of any other body corporate in which the company is interested.

Directors' expenses

20. The company may pay any reasonable expenses which the directors properly incur in connection with their attendance at—
- (a) meetings of directors or committees of directors,
 - (b) general meetings, or
 - (c) separate meetings of the holders of any class of shares or of debentures of the company, or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the company

PART 3

SHARES AND DISTRIBUTIONS

SHARES

All shares to be fully paid up

- 21.—(1) No share is to be issued for less than the aggregate of its nominal value and any premium to be paid to the company in consideration for its issue.
(2) This does not apply to shares taken on the formation of the company by the subscribers to the company's memorandum.

Powers to issue different classes of share

- 22.—(1) Subject to the articles, but without prejudice to the rights attached to any existing share, the company may issue shares with such rights or restrictions as may be determined by ordinary resolution.
(2) The company may issue shares which are to be redeemed, or are liable to be redeemed at the option of the company or the holder, and the directors may determine the terms, conditions and manner of redemption of any such shares.

Company not bound by less than absolute interests

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

Share certificates

- 24.—(1) The company must issue each shareholder, free of charge, with one or more certificates in respect of the shares which that shareholder holds.
(2) Every certificate must specify—
 (a) in respect of how many shares, of what class, it is issued;
 (b) the nominal value of those shares;
 (c) that the shares are fully paid; and
 (d) any distinguishing numbers assigned to them.
(3) No certificate may be issued in respect of shares of more than one class.
(4) If more than one person holds a share, only one certificate may be issued in respect of it.
(5) Certificates must—
 (a) have affixed to them the company's common seal, or
 (b) be otherwise executed in accordance with the Companies Acts.

Replacement share certificates

- 25.—(1) If a certificate issued in respect of a shareholder's shares is—
 (a) damaged or defaced, or
 (b) said to be lost, stolen or destroyed, that shareholder is entitled to be issued with a replacement certificate in respect of the same shares.
(2) A shareholder exercising the right to be issued with such a replacement certificate—

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

Share transfers

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

Transmission of shares

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

Exercise of transmittees' rights

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

Transmittees bound by prior notices

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

DIVIDENDS AND OTHER DISTRIBUTIONS

Procedure for declaring dividends

30.—(1) The company may by ordinary resolution declare dividends, and the directors may decide to pay interim dividends.

(2) A dividend must not be declared unless the directors have made a recommendation as to its amount. Such a dividend must not exceed the amount recommended by the directors.

(3) No dividend may be declared or paid unless it is in accordance with shareholders' respective rights.

(4) Unless the shareholders' resolution to declare or directors' decision to pay a dividend, or the terms on which shares are issued, specify otherwise, it must be paid by reference to each shareholder's holding of shares on the date of the resolution or decision to declare or pay it.

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

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

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

Payment of dividends and other distributions

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

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

(b) sending a cheque made payable to the distribution recipient by post to the distribution recipient at the distribution recipient's registered address (if the distribution recipient is a holder of the share), or (in any other case) to an address specified by the distribution recipient either in writing or as the directors may otherwise decide;

(c) sending a cheque made payable to such person by post to such person at such address as the distribution recipient has specified either in writing or as the directors may otherwise decide; or

(d) any other means of payment as the directors agree with the distribution recipient either in writing or by such other means as the directors decide.

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

(a) the holder of the share; or

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

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

No interest on distributions

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

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

Unclaimed distributions

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

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

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

(3) If—

- (a) twelve years have passed from the date on which a dividend or other sum became due for payment, and
- (b) the distribution recipient has not claimed it,

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

Non-cash distributions

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

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

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

Waiver of distributions

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

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

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

CAPITALISATION OF PROFITS

Authority to capitalise and appropriation of capitalised sums

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

(a) decide to capitalise any profits of the company (whether or not they are available for distribution) which are not required for paying a preferential dividend, or any sum standing to the credit of the company's share premium account or capital redemption reserve; and

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

(2) Capitalised sums must be applied—

(a) on behalf of the persons entitled, and

(b) in the same proportions as a dividend would have been distributed to them.

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

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

(5) Subject to the articles the directors may—

(a) apply capitalised sums in accordance with paragraphs (3) and (4) partly in one way and partly in another;

(b) make such arrangements as they think fit to deal with shares or debentures becoming distributable in fractions under this article (including the issuing of fractional certificates or the making of cash payments); and

(c) authorise any person to enter into an agreement with the company on behalf of all the persons entitled which is binding on them in respect of the allotment of shares and debentures to them under this article.

PART 4

DECISION-MAKING BY SHAREHOLDERS

ORGANISATION OF GENERAL MEETINGS

Attendance and speaking at general meetings

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

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

(a) that person is able to vote, during the meeting, on resolutions put to the vote at the meeting, and

(b) that person's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting.

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

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

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

Quorum for general meetings

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

Chairing general meetings

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

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

(a) the directors present, or

(b) (if no directors are present), the meeting,

must appoint a director or shareholder to chair the meeting, and the appointment of the chairman of the meeting must be the first business of the meeting.

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

Attendance and speaking by directors and non-shareholders

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

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

(a) shareholders of the company, or

(b) otherwise entitled to exercise the rights of shareholders in relation to general meetings,

to attend and speak at a general meeting.

Adjournment

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

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

(a) the meeting consents to an adjournment, or

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

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

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

- (a) either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the directors, and
 - (b) have regard to any directions as to the time and place of any adjournment which have been given by the meeting.
- (5) If the continuation of an adjourned meeting is to take place more than 14 days after it was adjourned, the company must give at least 7 clear days' notice of it (that is, excluding the day of the adjourned meeting and the day on which the notice is given)—
- (a) to the same persons to whom notice of the company's general meetings is required to be given, and
 - (b) containing the same information which such notice is required to contain.
- (6) No business may be transacted at an adjourned general meeting which could not properly have been transacted at the meeting if the adjournment had not taken place.

VOTING AT GENERAL MEETINGS

Voting: general

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

Errors and disputes

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

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

Poll votes

- 44.—**(1) A poll on a resolution may be demanded—
- (a) in advance of the general meeting where it is to be put to the vote, or
 - (b) at a general meeting, either before a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared.
- (2) A poll may be demanded by—
- (a) the chairman of the meeting;
 - (b) the directors;
 - (c) two or more persons having the right to vote on the resolution; or
 - (d) a person or persons representing not less than one tenth of the total voting rights of all the shareholders having the right to vote on the resolution.
- (3) A demand for a poll may be withdrawn if—
- (a) the poll has not yet been taken, and
 - (b) the chairman of the meeting consents to the withdrawal.
- (4) Polls must be taken immediately and in such manner as the chairman of the meeting directs.

Content of proxy notices

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

- (a) states the name and address of the shareholder appointing the proxy;
 - (b) identifies the person appointed to be that shareholder’s proxy and the general meeting in relation to which that person is appointed;
 - (c) is signed by or on behalf of the shareholder appointing the proxy, or is authenticated in such manner as the directors may determine; and
 - (d) is delivered to the company in accordance with the articles and any instructions contained in the notice of the general meeting to which they relate.
- (2) The company may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes.
- (3) Proxy notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions.
- (4) Unless a proxy notice indicates otherwise, it must be treated as—
- (a) allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting, and
 - (b) appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself.

Delivery of proxy notices

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

- (2) An appointment under a proxy notice may be revoked by delivering to the company a notice in writing given by or on behalf of the person by whom or on whose behalf the proxy notice was given.
- (3) A notice revoking a proxy appointment only takes effect if it is delivered before the start of the meeting or adjourned meeting to which it relates.
- (4) If a proxy notice is not executed by the person appointing the proxy, it must be accompanied by written evidence of the authority of the person who executed it to execute it on the appointor’s behalf.

Amendments to resolutions

47. —(1) An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if—

- (a) notice of the proposed amendment is given to the company in writing by a person entitled to vote at the general meeting at which it is to be proposed not less than 48 hours before the meeting is to take place (or such later time as the chairman of the meeting may determine), and
 - (b) the proposed amendment does not, in the reasonable opinion of the chairman of the meeting, materially alter the scope of the resolution.
- (2) A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if—
- (a) the chairman of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed, and
 - (b) the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.

(3) If the chairman of the meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the chairman's error does not invalidate the vote on that resolution.

PART 5

ADMINISTRATIVE ARRANGEMENTS

Means of communication to be used

48.—(1) Subject to the articles, anything sent or supplied by or to the company under the articles may be sent or supplied in any way in which the Companies Act 2006 provides for documents or information which are authorised or required by any provision of that Act to be sent or supplied by or to the company.

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

(3) A director may agree with the company that notices or documents sent to that director in a particular way are to be deemed to have been received within a specified time of their being sent, and for the specified time to be less than 48 hours.

Company seals

49.—(1) Any common seal may only be used by the authority of the directors.

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

(3) Unless otherwise decided by the directors, if the company has a common seal and it is affixed to a document, the document must also be signed by at least one authorised person in the presence of a witness who attests the signature.

(4) For the purposes of this article, an authorised person is—

- (a) any director of the company;
- (b) the company secretary (if any); or
- (c) any person authorised by the directors for the purpose of signing documents to which the common seal is applied.

No right to inspect accounts and other records

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

Provision for employees on cessation of business

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

DIRECTORS' INDEMNITY AND INSURANCE

Indemnity

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

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

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

(3) In this article—

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

Insurance

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

(2) In this article—

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