

BD

Company No. SC483145

ARTICLES OF ASSOCIATION

of

R&B DISTILLERS LIMITED

Adopted by special resolution on 16 December 2021

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ARTICLES OF ASSOCIATION

of

R&B DISTILLERS LIMITED ("Company")

(Adopted by special resolution passed on 16 December 2021)

PART 1: PRELIMINARY AND LIMITATION OF LIABILITY

1 Regulations and articles not to apply

No regulations or articles set out in any statute, or in any statutory instrument or other subordinate legislation made under any statute, concerning companies shall apply as the regulations or articles of the Company.

2 Defined terms and interpretation

2.1 In these articles, unless the context requires otherwise:

"A Hurdle Share" has the meaning given in article 30;

"Act" means the Companies Act 2006;

"Acting in Concert" has the meaning given to it in the City Code on Takeovers and Mergers;

"Adoption Date" means the date of adoption of these articles as stated on the front cover of these articles;

"Allocation Notice" has the meaning given in article 50.14;

"appointor" has the meaning given in article 26.1;

"Approved Offer" has the meaning given in article 52.2;

"articles" means the Company's articles of association;

"Asset Sale" means the completion of a bona fide arm's length sale of (or the grant of a right to acquire or dispose of) all or substantially all of the undertaking and assets of the Company in one

or a series of related transactions);

"Auditors" means the auditors of the Company from time to time or in the event of them being unwilling or unable to act or otherwise, such Independent firm of chartered accountants nominated by the President of the Institute of Chartered Accountants of Scotland (or his equivalent from time to time) upon application by either the selling shareholder or the Board;

"Bad Leaver" means any Leaver who ceases to be an employee and/or director of, or a consultant to, the Company or a relevant Member of the Group where the cessation of employment or directorship or consultancy is as a result of either of the following circumstances:

- (a) resignation within five years of the date of commencement of employment or directorship or consultancy other than as a result of (i) having been constructively dismissed or (ii) incapacity due to ill health (save where such ill health arises as a result of an abuse of drink or drugs); or
- (b) lawful summary dismissal where no compensation is payable to the Leaver (but excluding dismissal by the Company which on a balance of probabilities would be determined, by an employment tribunal or court of competent jurisdiction, to be unfair dismissal but for the required qualifying period of service not having been met);

"bankruptcy" includes individual insolvency proceedings in a jurisdiction other than Scotland which have an effect similar to that of bankruptcy;

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

"business days" means any day (other than a Saturday, Sunday or public holiday in the United Kingdom) on which clearing banks in Edinburgh are generally open for business;

"Buyer" has the meaning given in article 52.1.1;

"call" has the meaning given in article 40.1;

"call notice" has the meaning given in article 40.1;

"Cessation Date" means the date on which a Relevant Individual ceases to be an employee or director of, or consultant to, any Group Member for any reason (including death or bankruptcy) or, if earlier, the date on which a Relevant Individual gives or is given notice of termination of his contract of employment or consultancy or the date of occurrence of a repudiatory breach by him of such contract;

"chairman of the meeting" has the meaning given in article 71.3;

"Companies Acts" means every statute for the time being in force concerning companies (including any statutory or other subordinate legislation made under any such statute), so far as it applies to the Company;

"Company's lien" has the meaning given in article 38.1;

"Compulsory Sale Notice" has the meaning given in article 51.3;

"Compulsory Seller" has the meaning given in article 51.3;

"Connected" has the meaning given in section 1122 of the Income and Corporation Tax Act 2010;

"Controlling Interest" in relation to a person means the ownership by that person and his or its Connected persons of shares carrying the right to more than 50 per cent of the total number of votes which may be cast on a poll at a general meeting of the Company;

"director" means a director for the time being of the Company, and includes any person for the time being occupying the position of director, by whatever name called;

"distribution recipient" has the meaning given in article 60.2;

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

"Drag Along Right" has the meaning given in article 53;

"electronic form" and **"electronic means"** have the meanings given to them in section 1168 of the Act;

"eligible director" means:

- (a) in relation to a decision at a directors' meeting, a director who is to be counted as participating for quorum and voting purposes in the decision at the meeting; and
- (b) in relation to a directors' written resolution or a unanimous decision, a director who would have been counted as participating for quorum and voting purposes in the decision had the resolution or matter been proposed as a resolution at a directors' meeting;

"Exit Event" means any of:

- (a) a Share Sale;
- (b) a Listing;
- (c) a Liquidation Event;

and for the avoidance of doubt, neither of the following shall be deemed to be an Exit Event:

- (a) any sale of shares in the Company which is a Permitted Transfer; and
- (b) any sale or transfer of any share, asset, business or undertaking in connection with a bona fide restructuring of the Group which will in effect maintain the same, or, in the Board's judgement, broadly similar ownership and control structure which existed immediately prior to such restructuring;

"Fair Price" has the meaning given in article 51.10;

"Family Trust" means a trust (whether arising under a settlement, declaration of trust, testamentary disposition or on an intestacy) under which the only persons being (or capable of being) beneficiaries are the individual beneficial owner of the shares held in trust and/or his Privileged Relations, and no power of control over the voting powers conferred by such shares is exercisable at any time by or subject to the consent of any person other than the trustees as trustees or such individual beneficial owner or his Privileged Relations;

"Financial Year" means a financial year as determined in accordance with Section 390 of the Act;

"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;

"Good Leaver" means any Leaver not being a Bad Leaver;

"Group" has the meaning ascribed to it in Section 1261(1) of the Act and references to a **Member of the Group** or a **Group Member** will be construed accordingly;

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

"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;

"Leaver" means a Relevant Individual who ceases for any reason (including death or bankruptcy) to be an employee and/or director of, and/or consultant to, the Company or any other Group Company;

"lien enforcement notice" has the meaning given in article 39.2;

"Liquidation Event" means any return of capital of the Company resulting from a liquidation, winding up or dissolution of the Company whether involuntary or voluntary, and whether arising from an Asset Sale or otherwise;

"Listing" means the admission to trading on any public securities market recognised for the purposes of the Financial Services and Markets Act 2000 (and regulations promulgated thereunder) of any shares in the capital of the Company;

"Majority Shareholder Director" means William Dobbie (Senior) or such other director whether or not an employee of, or consultant to, the Company or any other Group Member appointed by a shareholder who holds a majority in nominal value of the issued shares from time to time (including any alternate director appointed by the Majority Shareholder Director from time to time);

"non-disclosable interest" has the meaning given in article 20.1;

"ordinary resolution" has the meaning given in section 282 of the Act which, for the avoidance of doubt, refers only to shares with voting rights and which therefore excludes A Hurdle Shares;

"Ordinary Share" has the meaning given in article 30;

"Original Adoption Date" means 12 December 2019;

"Other Shareholders" has the meaning given in article 53;

"paid" means paid or credited as paid;

"participate", in relation to a directors' meeting, has the meaning given in article 12;

"Permitted Allotments" has the meaning ascribed thereto in article 34;

"Permitted Transfer" means a transfer permitted in terms of article 49.6;

“Permitted Transferee” means:

- (a) in relation to a shareholder who is an individual, any Privileged Relation or trustees of his Family Trust or a company in which he has a Controlling Interest; and
- (b) in relation to a shareholder that is a company, any member of the Group to which that company belongs;

“Pre-New Money Valuation” means the result of multiplying the total number of ordinary shares in the capital of the Company in issue immediately after the Listing (but excluding any new ordinary shares issued upon the Listing) by the subscription price per share (including any premium) in respect of new ordinary shares issued at the time of the Listing;

“Privileged Relation” means in relation to any member, the member’s spouse for the time being and all lineal descendants of that member (including for this purpose any step-child, adopted child or illegitimate child of the member or his lineal descendants) or any person who for the time being is married to any such lineal descendant but no lineal descendant but no lineal descendant may be a Privileged Relation whilst a minor;

“Proceeds of Sale” means the proceeds actually received by any of the shareholders in respect of a Share Sale (before all costs, fees and expenses incurred by the shareholders in connection therewith) including any deferred or contingent proceeds in each case when received and including the value of any consideration given otherwise than in cash;

“proxy notice” has the meaning given in article 77.1;

“Realised Exit Value” means:

- (a) in the case of a Share Sale, the Proceeds of Sale for the Shares which are the subject of the Share Sale;
- (b) in the case of a Liquidation Event, the surplus assets of the Company available for distribution after payment of all of its liabilities and after payment of all dividends declared but unpaid; and
- (c) in the case of a Listing, the Pre-New Money Valuation,

calculated at such time or times in accordance with the provisions of article 31.5;

“Relevant Individual” means any employee and/or director and/or consultant of any Group

Member (but not a Majority Shareholder Director);

"Sale Shares" has the meaning given in article 50.3 or article 51.4 as the case may be;

"shareholder" means a person who is the holder of a share;

"Shares" and **"shares"** means any shares in the Company;

"Share Sale" means the sale of (or grant of a right to acquire or to dispose of) any of the Ordinary Shares in the capital of the Company (in one transaction or as a series of transactions after the Adoption Date) which will result in the purchaser of such Ordinary Shares (or grantee of such right) and persons connected with it together having legal title to not less than 75% of the entire issued Ordinary Share capital of the Company;

"special resolution" has the meaning given in section 283 of the Act which, for the avoidance of doubt, refers only to shares with voting rights and which therefore excludes A Hurdle Shares;

"subsidiary" has the meaning given in section 1159 of the Act;

"transferees" has the meaning given in article 51.7;

"Transfer Price" has the meaning given in article 50.3.3;

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

"Valuer" means the Auditors acting as an expert and not as an arbitrator;

"working day" has the meaning given in section 1173(1) of the Act; and

"writing" and **"written"** 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.

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

2.3 If, and for so long as, the Company has only one director, all references in these articles to **"directors"** (other than in those provisions which govern the decision-making by directors and

directors' interests) shall be construed as a reference to that sole director.

2.4 References in these articles to the day on which a notice is given are to the day on which the notice is deemed received in accordance with article 84.

2.5 References to numbered "articles" are references to numbered provisions in these articles.

2.6 Headings in these articles are used for convenience only and shall not affect the meaning of these articles.

3 Liability of members

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

PART 2: OFFICERS

DIRECTORS' POWERS AND RESPONSIBILITIES

4 Directors' general authority

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

5 Shareholders' reserve power

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

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

6 Directors may delegate

6.1 Subject to the articles, the directors may delegate any of the powers which are conferred on them under the articles and which are not specifically reserved to the directors only:

6.1.1 to such person or committee;

6.1.2 by such means (including by power of attorney);

6.1.3 to such an extent;

6.1.4 in relation to such matters or territories; and

6.1.5 on such terms and conditions,

as they think fit.

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

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

7 Committees

7.1 Committees to which the directors delegate any of their powers must follow procedures which are based as far as they are applicable on those provisions of the articles which govern decision-making by directors.

7.2 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

8 Directors to take decisions collectively

8.1 The general rule about decision-making by directors is that any decision of the directors must be:

8.1.1 a majority decision at a meeting, which majority must include the Majority Shareholder Director ("Director Majority");

8.1.2 a majority decision by a directors' written resolution adopted in accordance with article 9; or

8.1.3 a unanimous decision taken in accordance with article 10.

8.2 The general rule does not apply, and any one director may take decisions without regard to any of the provisions of the articles relating to directors' decision-making for so long as the Company has only one director:

9 Directors' written resolutions

9.1 Any director may propose a directors' written resolution and the company secretary (if any) must propose a directors' written resolution if a director so requests.

9.2 Subject to article 9.3, a directors' written resolution is proposed by giving notice in writing of the proposed resolution to each director, unless the director is absent from the United Kingdom and has not given the Company an address to which such notices may be given by electronic means during his absence.

9.3 Any director may waive his entitlement to notice of any proposed directors' written resolution, either prospectively or retrospectively, and any retrospective waiver shall not affect the validity of the directors' written resolution.

9.4 A proposed directors' written resolution is adopted when a Director Majority has signed one or more copies of it, provided that those directors would have formed a quorum at a directors' meeting had the resolution been proposed at such a meeting. Once a directors' written resolution has been adopted, it must be treated as if it had been a decision taken at a directors' meeting in accordance with the articles.

9.5 A director, or any other person, who is an alternate director may sign a proposed directors' written resolution (In addition to signing it in his capacity as a director, if relevant) on behalf of each of his appointors who:

9.5.1 have not signed or are not to sign the directors' written resolution; and

9.5.2 are eligible directors in relation to the directors' written resolution,

provided that (a) the alternate director is himself an eligible director in relation to the directors' written resolution and (b) those persons actually signing the directors' written resolution would have formed a quorum at a directors' meeting had the resolution been proposed at such a meeting.

10 Unanimous decisions

10.1 A unanimous 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. Once a unanimous decision of the directors has been taken, it must be treated as if it had been a decision taken at a directors' meeting in accordance with the articles.

10.2 A decision may not be taken on a matter in accordance with this article if the eligible directors would not have formed a quorum at a directors' meeting had the matter been proposed as a resolution at such a meeting.

10.3 A director, or any other person, who is an alternate director may participate in a unanimous decision of the directors (in addition to participating in his capacity as a director, if relevant) on behalf of each of his appointors who:

10.3.1 are not participating in the unanimous decision; and

10.3.2 are eligible directors in relation to the decision,

provided that (a) the alternate director is himself an eligible director in relation to the decision and (b) those persons actually participating in the unanimous decision of the directors would have formed a quorum at a directors' meeting had the matter been proposed as a resolution at such a meeting.

11 Calling a directors' meeting

11.1 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.

11.2 Notice of any directors' meeting must indicate:

11.2.1 its proposed date and time;

11.2.2 where it is to take place; and

11.2.3 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.

11.3 Subject to article 11.4, notice of a directors' meeting must be given to each director, unless the director is absent from the United Kingdom and has not given the Company an address to which such notices may be given by electronic means during his absence. Notice does not need to be in writing. A director who participates in a meeting shall be deemed to have received proper notice of the meeting.

11.4 Any director may waive his entitlement to notice of any directors' meeting, either prospectively or retrospectively, and any retrospective waiver shall not affect the validity of the meeting or of

any business conducted at it.

12 Participation in directors' meetings

12.1 Subject to the articles, directors participate in a directors' meeting, or part of a directors' meeting, when:

12.1.1 the meeting has been called and takes place in accordance with the articles; and

12.1.2 they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.

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

12.3 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.

13 Quorum for directors' meetings

13.1 At a directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.

13.2 The quorum for directors' meetings is two directors or at any adjourned meeting, called because a quorum was not present at the initial meeting, the Majority Shareholder Director.

13.3 A person who is an alternate director but not a director may be counted as participating for the purposes of determining whether a quorum is participating in any decision at a directors' meeting, provided that his appointor (or one of his appointors):

13.3.1 is not participating in the decision at the directors' meeting; and

13.3.2 would have been an eligible director in relation to the decision if he had been participating in it.

But this does not apply if, in accordance with the articles, an alternate director is not himself an eligible director in relation to the decision.

13.4 No alternate, whether a director or any other person, may be counted as more than one director for the purposes of determining whether a quorum is participating in any decision at a directors'

meeting.

14 Chairing of directors' meetings

- 14.1 The directors may appoint a director to chair their meetings.
- 14.2 The person so appointed for the time being is known as the chairman.
- 14.3 The directors may terminate the chairman's appointment at any time.
- 14.4 If the directors have not appointed a chairman, or if the chairman is not participating in a directors' meeting within 10 minutes of the time at which it was to start, the participating directors must appoint one of themselves to chair it.

15 Voting at directors' meetings

- 15.1 Subject to article 8.1.1, a decision is taken at a directors' meeting by a majority of the votes of the eligible directors participating in the decision at the meeting.
- 15.2 Subject to the articles, each director participating in a decision at a directors' meeting has one vote.
- 15.3 Subject to the terms of article 15.2, a director, or any other person, who is an alternate director shall have one vote (in addition to his own vote as a director, if relevant) on any decision at a directors' meeting for each of his appointors who:
 - 15.3.1 are not participating in the decision at the directors' meeting; and
 - 15.3.2 would have been eligible directors in relation to the decision if they had been participating in it.

But this does not apply if, in accordance with the articles, an alternate director is not himself an eligible director in relation to the decision.

16 Participating and voting when director interested

- 16.1 A director shall not be counted as participating for quorum and voting purposes in a decision at a directors' meeting to authorise a matter for the purposes of section 175 of the Act if, in accordance with section 175(6) of the Act, the matter is such that the authorisation would only be effective if:

- 16.1.1 any requirement as to the quorum at the directors' meeting at which the matter is considered is met without him counting; and
 - 16.1.2 the matter was agreed to without him voting or would have been agreed to if his vote had not been counted.
- 16.2 Without prejudice to the obligations of any director:
 - 16.2.1 to disclose any interest in proposed or existing transactions or arrangements with the Company in accordance with the Companies Acts; and
 - 16.2.2 to disclose any interest in accordance with article 20.1,

and subject always to article 16.1 and the terms on which any authorisation by the directors for the purposes of section 175 of the Act has been given, a director shall be counted as participating for quorum and voting purposes in any decision at a directors' meeting that is concerned with a matter in which he has, directly or indirectly, an interest.
- 16.3 Subject to article 16.4, if a question arises at a directors' meeting as to the right of a director to be counted as participating for quorum or voting purposes in the meeting (or part of the meeting), 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.
- 16.4 If any question arises at a directors' meeting as to the right of the chairman to be counted as participating for quorum or voting purposes in the meeting (or part of the meeting), 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 for quorum or voting purposes.
- 17 **Directors' discretion to make further rules**

Subject to the articles, the directors may make any rule which they think fit about how they take decisions, and about how such rules are to be recorded or communicated to directors.
- 18 **Records of directors' decisions to be kept**

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' INTERESTS

19 Transactions or arrangements with the Company

Subject to compliance with the Companies Acts (including sections 177 (*Duty to declare interest in proposed transaction or arrangement*) and 182 (*Declaration of interest in existing transaction or arrangement*) of the Act), a director may be a party to, or otherwise (directly or indirectly) interested in, any transaction or arrangement with the Company.

20 Directors' conflicts of interest

20.1 Provided that a director has declared the nature and extent of his interest (other than a non-disclosable interest) to the other directors, he shall be authorised for the purposes of section 175 of the Act:

- 20.1.1** to hold office as a director or other officer of, be employed or engaged by, hold shares or other securities in, or otherwise be interested in, whether directly or indirectly, any group undertaking of the Company or any other undertaking in which the Company is otherwise (directly or indirectly) interested;
- 20.1.2** to participate in any scheme, transaction or arrangement for the benefit of employees or former employees of the Company or any group undertaking of the Company (including any pension fund or retirement, death or disability scheme or other bonus or employee benefit scheme);
- 20.1.3** to act as a trustee of any scheme for the benefit of employees or former employees of the Company or any group undertaking of the Company (including any pension, retirement, death or disability scheme or other bonus or employee benefit scheme);
- 20.1.4** to enter into, or otherwise be interested in, any transaction or arrangement in which the Company is (directly or indirectly) interested (other than a transaction or arrangement with the Company); and
- 20.1.5** to be a party to any transaction or arrangement with any group undertaking of the Company or any other undertaking in which the Company is otherwise (directly or indirectly) interested.

A "non-disclosable interest" is an interest which cannot reasonably be regarded as likely to give rise to a conflict of interest or one that the other directors are already aware of or ought reasonably to be aware of.

20.2 The following provisions of this article apply to any authorisation of a matter by the directors for

the purposes of section 175 of the Act:

- 20.2.1 an authorisation may extend to any actual or potential conflict of interest (including a conflict of interest and duty and a conflict of duties) which may reasonably be expected to arise out of the matter so authorised;
 - 20.2.2 an authorisation shall be subject to such conditions or limitations as the directors may determine, whether at the time such authorisation is given or subsequently, and may be terminated by the directors at any time; and
 - 20.2.3 a director must comply with any obligations imposed on him by the directors pursuant to any authorisation.
- 20.3 If a matter, office, employment, position, transaction or arrangement or interest has been authorised either pursuant to article 20.1 or by the directors in accordance with section 175 of the Act, then the director in question shall not be required to disclose to the Company any confidential information relating to such matter, office, employment, position, transaction or arrangement or interest, or to use such information in relation to the Company's affairs, if to do so would result in a breach of a duty or obligation of confidence owed by him in relation to or in connection with that matter, office, employment, position, transaction or arrangement or interest.

21 Accounting for profit when interested

- 21.1 Subject always to the obligation of the director to disclose his interest in proposed or existing transactions or arrangements with the Company in accordance with the Companies Acts:
- 21.1.1 a director shall not be accountable to the Company for any profit, remuneration or other benefit which he (or a person connected with him as defined in section 252 of the Act) derives from or in connection with any interest (whether directly or indirectly) in any transaction or arrangement with the Company;
 - 21.1.2 no such transaction or arrangement shall be liable to be avoided on the grounds of any such interest, profit, remuneration or benefit; and
 - 21.1.3 the receipt of any such profit, remuneration or other benefit shall not constitute a breach of his duty under section 176 of the Act.
- 21.2 Subject always to the obligation of the director to disclose his interest in accordance with article 20.1 and to the terms on which any authorisation for the purposes of section 175 of the

Act has been given:

- 21.2.1 a director shall not be accountable to the Company for any profit, remuneration or other benefit which he (or a person connected with him as defined in section 252 of the Act) derives from or in connection with anything authorised pursuant to article 20.1 or by the directors for the purposes of section 175 of the Act;
- 21.2.2 no such thing authorised shall be liable to be avoided on the grounds of any such interest, profit, remuneration or benefit; and
- 21.2.3 the receipt of any such profit, remuneration or other benefit shall not constitute a breach of his duty under section 176 of the Act.

DIRECTORS' TERMS OF OFFICE

22 Methods of appointing directors

- 22.1 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:
 - 22.1.1 by ordinary resolution;
 - 22.1.2 by notice in writing to the Company signed by (or, in the case of a corporation, signed on its behalf by a director or by a person authorised by a decision of the directors or other governing body) the holder or holders of a majority in nominal value of the shares (and may consist of several documents in similar form each signed by or on behalf of one or more holders), such appointment to take effect when the notice is received by the Company or on such later date (if any) specified in the notice; or
 - 22.1.3 by a decision of the directors.
- 22.2 In any case where, as a result of death or bankruptcy, the Company has no shareholders and no directors, the transmittee(s) of the last shareholder to have died or to have a bankruptcy order made against him (as the case may be) have the right, by notice in writing to the Company, to appoint a person who is willing to act as a director, and is permitted by law to do so, to be a director, such appointment to take effect when the notice is received by the Company or on such later date (if any) specified in the notice.
- 22.3 For the purposes of article 22.2, where two 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.

23 Termination of director's appointment

A person ceases to be a director as soon as:

23.1 that person is removed as a director:

23.1.1 by ordinary resolution; or

23.1.2 by notice in writing to the Company signed by (or, in the case of a corporation, signed on its behalf by a director or by a person authorised by a decision of the directors or other governing body) the holder or holders of a majority in nominal value of the shares (and may consist of several documents in similar form each signed by or on behalf of one or more holders), such removal to take effect when the notice is received by the Company or on such later date (if any) specified in the notice;

provided that any such removal shall be without prejudice to any claim such director may have for breach of any contract of service between him and the Company;

23.2 that person ceases to be a director by virtue of any provision of the Companies Acts (including pursuant to section 168 of the Act) or is prohibited from being a director by law;

23.3 a bankruptcy order is made against that person;

23.4 a composition or arrangement is made with that person's creditors generally in satisfaction of that person's debts;

23.5 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; or

23.6 notice in writing is received by the Company from the director that he is resigning from office, and such resignation has taken effect in accordance with its terms.

24 Directors' remuneration

24.1 Directors may undertake any services for the Company that the directors decide.

24.2 Directors are entitled to such remuneration as the directors determine:

24.2.1 for their services to the Company as directors; and

24.2.2 for any other service which they undertake for the Company.

24.3 Subject to the articles, a director's remuneration may:

24.3.1 take any form; and

24.3.2 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.

24.4 Unless the directors decide otherwise, directors' remuneration accrues from day to day.

24.5 An alternate director is not entitled to receive any remuneration from the Company for serving as an alternate director, except such part of his appointor's remuneration as the appointor may direct by notice in writing made to the Company.

25 Directors' expenses

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

25.1 meetings of directors or committees of directors;

25.2 general meetings; or

25.3 separate meetings of the holders of any class of shares or of debentures of the Company,

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

ALTERNATE DIRECTORS

26 Appointment and removal of alternate directors

26.1 Any director (other than an alternate director) ("appointor") may appoint as an alternate any person willing to act to:

26.1.1 exercise that director's powers; and

26.1.2 carry out that director's responsibilities,

In relation to the taking of decisions by the directors in the absence of the alternate's appointor, and may remove from office an alternate so appointed by him.

26.2 Any appointment or removal of an alternate must be effected by notice in writing to the Company signed by the appointor, or in any other manner approved by the directors. The appointment or removal shall take effect when the notice is received by the Company or on such later date (if any) specified in the notice.

26.3 The notice must:

26.3.1 Identify the proposed or existing alternate; and

26.3.2 In the case of a notice of appointment, contain (or be accompanied by) a statement signed by the proposed alternate that the proposed alternate is willing to act as the alternate of the director giving the notice.

26.4 A person may act as an alternate for more than one director.

27 Rights and responsibilities of alternate directors

27.1 Except as the articles specify otherwise, alternate directors;

27.1.1 are deemed for all purposes to be directors;

27.1.2 are liable for their own acts and omissions;

27.1.3 are subject to the same restrictions as their appointors; and

27.1.4 are not deemed to be agents of or for their appointors.

27.2 Subject to the articles, an alternate director has the same rights in relation to any decision of the directors and any meetings of committees of directors as each of the alternate's appointors. In particular, each alternate director is entitled to receive notice of all proposed directors' written resolutions and of all directors' meetings and meetings of committees of directors which each of his appointors is entitled to receive (disregarding, for these purposes, any absence of such appointor from the United Kingdom), unless the alternate director is absent from the United Kingdom and has not given the Company an address to which such notices may be given by electronic means during his absence.

28 Termination of alternate directorship

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

- 28.1** when that appointor removes his alternate director in accordance with article 26;
- 28.2** on the occurrence in relation to the alternate director of any event which, if it occurred in relation to that appointor, would result in the termination of that appointor's appointment as a director;
- 28.3** on the death of that appointor;
- 28.4** when that appointor's appointment as a director terminates; or
- 28.5** when notice in writing is received by the Company from the alternate director that he is resigning as an alternate director of that appointor, and such resignation has taken effect in accordance with its terms.

COMPANY SECRETARY

29 Secretary's terms of office

The directors may appoint any person who is willing to act to be the company secretary for such term and on such conditions as they think fit, and may remove any company secretary so appointed.

PART 3: SHARES AND DISTRIBUTIONS

SHARES

30 Share Capital

- 30.1** The issued share capital of the Company immediately following the first issue of A Hurdle Shares on or around the Adoption Date is £12,363,521.7876 divided into (i) 12,363,432 ordinary shares of £1.00 each (the "Ordinary Shares") and (ii) 897,876 A hurdle shares of £0.0001 each (the "A Hurdle Shares").
- 30.2** The Ordinary Shares will entitle their holders to the rights on a return of capital or distribution of assets as set out in article 31. Each Ordinary Share will rank equally with every other Ordinary Share in sharing the Company's assets.

- 30.3** The Ordinary Shares will entitle their holders to the voting rights set out in article 74.2.
- 30.4** The A Hurdle Shares will entitle their holders to the rights on a return of capital or distribution of assets as set out in article 31. Each A Hurdle Share will rank equally with every other A Hurdle Share in sharing the Company's assets.
- 30.5** The A Hurdle Shares will not entitle their holders to any voting rights or to any participation in any offer of shares pursuant to any allotment in accordance with article 34 or any transfer in accordance with article 50, notwithstanding any provision to the contrary in these articles.

31 Rights of Shareholders to Capital

- 31.1** If an Exit Event occurs which gives rise to a Realised Exit Value of Sixteen Million Pounds Sterling (£16,000,000) or less, the Realised Exit Value shall be applied, paid or allocated (as the case may be) amongst the Holders of the Ordinary Shares pro rata to their respective holdings of Ordinary Shares, and for the avoidance of doubt, none of the A Hurdle Shares shall be entitled to participate in any such Realised Exit Value.
- 31.2** If an Exit Event occurs which gives rise to a Realised Exit Value of more than Sixteen Million Pounds Sterling (£16,000,000) (the "AH Threshold"), the Realised Exit Value shall be applied, paid or allocated (as the case may be) as follows:
- 31.2.1** the first Sixteen Million Pounds Sterling of the Realised Exit Value shall be applied, paid or allocated (as the case may be) amongst the Holders of the Ordinary Shares pro rata to their respective holdings of Ordinary Shares;
- 31.2.2** thereafter, the balance of such proceeds shall be applied, paid or allocated (as the case may be) amongst the Holders of the Ordinary Shares and A Hurdle Shares pro rata in proportion to their respective shareholdings as though they were a single class.
- 31.3** Accordingly, subject to any alternative arrangement approved in writing by such of the Holders of Ordinary Shares and A Hurdle Shares who would be entitled to grant a class consent in relation to their respective classes, in accordance with article 32:
- 31.3.1** on a Share Sale, the Realised Exit Value shall be distributed in the order of priority set out in this article 31 and all shareholders shall be obliged to ensure that all proceeds arising from a series of transactions are allocated accordingly and the Board shall not register any transfer of Shares if the Realised Exit Value is not so distributed, provided

that if any deferred or contingent consideration arrangements mean that the proceeds 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 that are settled are distributed in the order of priority set out in this article 31;

- 31.3.2 on a Listing, the Shares or other securities of the Company or any holding company available to be distributed amongst members shall be re-allocated and/or reclassified in order to achieve the same respective economic benefits for the Holders of the Shares as would have arisen had the Company been the subject of a Share Sale at the Pre-New Money Valuation pursuant to such Listing but after deduction of all costs of such Listing;
- 31.3.3 on a Liquidation Event, the sums available for distribution shall be distributed in the order of priority set out in this article 31.
- 31.4 For the avoidance of doubt, any Realised Exit Value which may be payable to the Holders of Ordinary Shares and A Hurdle Shares otherwise than in cash shall be taken into account for all purposes pursuant to this article 31 and shall be valued in accordance with the values determined by the Board, acting reasonably. Any non-cash proceeds or distributions which give rise to any right of participation for the Holders of Ordinary Shares and A Hurdle Shares shall be allocated proportionately amongst the Holders of Ordinary Shares and (where applicable) the Holders of A Hurdle Shares proportionately amongst them according to the respective amounts payable to them.
- 31.5 Each and every time an Exit Event results in additional consideration or proceeds being paid to the shareholders ("**Additional Proceeds**") which ought properly to be taken into account in calculating Realised Exit Value, the calculations referred to at articles 31.1 and 31.2 shall be undertaken on a cumulative basis such that any new proceeds or consideration paid shall be aggregated with proceeds or consideration already received, and the Realised Exit Value shall be re-calculated on that basis and the Additional Proceeds shall be allocated amongst the Holders of Ordinary Shares and, where applicable, A Hurdle Shares such that the aggregate sums received by each such shareholder is equal to their respective entitlements hereunder on a cumulative basis.
- 31.6 Notwithstanding the terms of this article 31, the respective rights of the Holders of Ordinary Shares and the Holders of A Hurdle Shares to receive any amounts pursuant to article 31 shall be capable of being varied by agreement and without any amendment to these articles by the written agreement of shareholders who, together, hold at least 75% of the Ordinary Shares in Issue from time to time and 75% of the A Hurdle Shares in Issue from time to time, it being acknowledged

that the agreement of the Holders of A Hurdle Shares shall not be required in respect of any matter in respect of which they have no right to participate.

- 31.7** For the avoidance of doubt, in the event of the Exit Event being a Liquidation Event, the Realised Exit Value shall be calculated and allocated after there has been paid to each shareholder an amount equal to the amount paid up or credited as paid up on each Share (excluding any premium) together with a sum equal to all declared but unpaid dividends to which any such shareholder is entitled.
- 31.8** If a Share Sale occurs which results in more than 75% but not all of the Ordinary Shares being transferred to the relevant purchaser, it shall be a condition of such sale that the Holders of the A Hurdle Shares shall sell all of their A Hurdle Shares to such purchaser, and the purchaser shall acquire such A Hurdle Shares at a price (if any) per A Hurdle Share that is calculated in accordance with articles 31.1 and 31.2 but not by reference to the actual Proceeds of Sale in respect of such Share Sale but instead by reference to the grossed up notional Proceeds of Sale assuming a sale of the entire Issued share capital of the Company at an aggregate price implied by the purchaser's offer, and, to the extent the purchaser so requires it, the price payable in respect of the Ordinary Shares which are in fact to be acquired shall be scaled back (pro rata amongst the Ordinary Shares being sold) by an amount equal to the aggregate value (if any) attributed to the A Hurdle Shares.
- 31.9** In the event any dispute arises in relation to the operation of this article 31 and the calculations and allocations to be made hereunder, the shareholders shall enter into good faith discussions to resolve such disputes, however, if any such dispute cannot be resolved within 10 Business Days of the dispute arising the decision of the Board in relation to the subject matter thereof shall be final and binding on the shareholders.

32 Class Consents

- 32.1** Whenever the share capital of the Company is divided into different classes of shares, the special rights attached to any such class may only be varied or abrogated (either whilst the company is a going concern or during or in contemplation of a winding-up) with the consent in writing of the holders of more than 75% in nominal value of the issued shares of that class.
- 32.2** Unless otherwise expressly provided by the terms of their issue, the rights attaching to any class of shares shall not be deemed to be varied or abrogated by the creation, allotment or issue of further shares, or securities convertible into shares, ranking subsequent to, *pari passu* with, or in priority to them, or the issue of any debt securities by any Member of the Group, or the purchase or redemption by the Company of its own shares in accordance with the Act.

33 De Minimis Buy Back Right

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

- (a) £15,000; and
- (b) the value of 5% of the Company's share capital.

34 Issues of Shares

34.1 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 the directors. Any shares may be issued on the terms that they are, or at the option of the Company or the holder are liable, to be redeemed and the Board shall be authorised to determine the terms, conditions and manner of redemption of such shares.

34.2 Subject to Article 34.3, the provisions of the 2006 Act and of every other statute for the time being in force concerning companies and affecting the Company and to any direction to the contrary that may be given by ordinary resolution of the Company, the Board may offer, allot, issue, grant options or rights over or otherwise dispose of any shares in the Company to such persons, at such times and for such consideration and upon such terms and conditions and with such preferred, deferred or other special rights or restrictions whether in regard to dividend, voting, return of capital or otherwise as the Board may determine, but so that no shares shall be issued at a discount to their nominal value.

34.3

34.3.1 Save for any Permitted Allotments, any new shares from time to time created ("shares" for this purpose to include any rights to subscribe for such shares whether pursuant to options, warrants, convertible securities or otherwise)) shall before they are issued to any person (the "Third Party Issue") be offered to the holders of Ordinary Shares in the Company then in issue (the "Offer"). The Offer shall be made to each holder of Ordinary Shares in the Company by written notice from the Company:

- (a) specifying the number of new shares offered (the "Offered Shares");
- (b) specifying the subscription price per share;

- (c) limiting a time (not being less than 15 days or greater than 30 days) (the **"Time Period"**) within which the Offer, if not accepted, will be deemed to have been declined; and
- (d) inviting each holder of Ordinary Shares to state by notice in writing to the Company within the Time Period whether he is willing to subscribe for any of the Offered Shares and, if so, what maximum number of such Offered Shares (the **"Subscription Maximum"**) he is willing to subscribe.

A person who, pursuant to such notice, expresses a willingness to subscribe for any Offered Shares is referred to herein as a **"Subscriber"**.

Within 7 days of the expiration of the Time Period, the Company shall allocate and allot the Offered Shares amongst the Subscribers. Each allocation among the Subscribers shall in the case of competition be made pro rata according to the number of Ordinary Shares in the Company held by each Subscriber in relation to the total number of Ordinary Shares in the Company held by all Subscribers immediately prior to the date of the Offer provided that individual allocations shall not exceed the Subscription Maximum which the relevant Subscriber has expressed a willingness to subscribe. If any shares comprised in the Offer are declined or deemed to be declined (the **"Declined Shares"**), the Offer in respect of such Declined Shares shall be withdrawn, at which time the Company shall be obliged to offer the Declined Shares in accordance with Article 34.3.2.

34.3.2 The shareholders who are **"Subscribers"** (as defined in Article 34.3.1) (hereinafter **"Participating Shareholders"**) shall in addition to the shares subscribed for by them pursuant to the Offer, be offered by the Company in priority to any other person the right to subscribe for all or any of the Declined Shares (the **"Second Offer"**).

34.3.3 The Second Offer shall be made immediately after the expiry of the Time Period relating to the Offer by written notice from the Company to each Participating Shareholder on terms no less favourable than those offered or agreed by the Company in respect of the relevant Third Party Issue and such notice shall:

- (a) specify the number and class of the Declined Shares;
- (b) specify the subscription price per share;
- (c) limit a time (not being less than 15 days or greater than 30 days) (the **"Second**

Offer Time Period") within which the Second Offer, if not accepted, will be deemed to have been declined; and

- (d) Invite each Participating Shareholder to notify the Company within the Second Offer Time Period of the maximum number of Declined Shares for which he wishes to subscribe.

34.3.4 A Participating Shareholder who pursuant to such notice expresses a willingness to subscribe for any of the Declined Shares (a **"Second Offer Subscriber"**) shall be allocated and allotted the relevant number of Declined Shares within seven days of the expiration of the Second Time Period provided that:

- (a) Individual allocations shall not exceed the amount which the Second Offer Subscriber has expressed a willingness to subscribe;
- (b) in the event of competition for the allocation of Declined Shares, allocations will be made pro rata among the Second Offer Subscribers by reference to the proportion held by each of them of the aggregate number of Ordinary Shares in the Company held by Second Offer Subscribers at the date of the Second Offer and such proportions to be determined by including any Shares (to the extent they are Ordinary Shares) allocated to the relevant Second Offer Subscriber pursuant to the Offer.

If any Declined Shares comprised in such Second Offer are declined or deemed to be declined, the Second Offer in respect of such shares shall be withdrawn, at which time the Company shall be entitled to issue that number of Declined Shares not taken pursuant to the Second Offer to any person or persons provided that the terms of subscription and subscription price relating to the allotment of such shares shall be the same as that offered to the shareholders in respect of the Offer and Second Offer.

"Permitted Allotments" shall mean any allotment of shares approved by the Board and consented to in writing by members holding more than 80% of the Ordinary Shares in issue at the relevant time.

35 Company not bound by less than absolute interests

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.

36 Share certificates

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

36.2 Every certificate must specify:

36.2.1 in respect of how many shares, of what class, it is issued;

36.2.2 the nominal value of those shares;

36.2.3 the amount paid up on them (including both the nominal value and any share premium); and

36.2.4 any distinguishing numbers assigned to them.

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

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

36.5 Certificates must be executed in accordance with the Companies Acts.

37 Replacement share certificates

37.1

37.1.1 If a certificate issued in respect of a shareholder's shares is:

37.1.2 damaged or defaced; or

37.1.3 said to be lost, stolen or destroyed,

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

37.2 A shareholder exercising the right to be issued with such a replacement certificate:

37.2.1 may at the same time exercise the right to be issued with a single certificate or separate certificates;

37.2.2 must return the certificate which is to be replaced to the Company if it is damaged or defaced; and

37.2.3 must comply with such conditions as to evidence, indemnity and the payment of a reasonable fee as the directors decide.

38 Company's lien

38.1 The Company has a lien ("Company's lien") over every share which is not fully paid for any part of:

38.1.1 that share's nominal value; and

38.1.2 any premium at which it was issued,

which has not been paid to the Company, and which is payable immediately or at some time in the future, whether or not a call notice has been sent in respect of it.

38.2 The Company's lien over a share:

38.2.1 takes priority over any third party's interest in that share; and

38.2.2 extends to any dividends or other sums 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.

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

39 Enforcement of the Company's lien

39.1 Subject to the provisions of this article, if:

39.1.1 a lien enforcement notice has been given in respect of a share; and

39.1.2 the person to whom the notice was given has failed to comply with it,

the Company may sell that share in such manner as the directors decide.

39.2 A lien enforcement notice:

- 39.2.1 may only be given in respect of a share which is subject to the Company's lien, in respect of which a sum is payable and the due date for payment of that sum has passed;
 - 39.2.2 must specify the share concerned;
 - 39.2.3 must be in writing and require payment of the sum payable within 14 clear days of the notice (that is, excluding the day on which the notice is given and the day on which that 14 day period expires);
 - 39.2.4 must be addressed either to the holder of the share or to a transmittee entitled to it; and
 - 39.2.5 must state the Company's intention to sell the share if the notice is not complied with.
- 39.3 Where shares are sold under this article:
 - 39.3.1 the directors may authorise any person to execute an instrument of transfer of the shares to the purchaser or a person nominated by the purchaser; and
 - 39.3.2 the transferee is not bound to see to the application of the consideration, and the transferee's title is not affected by any irregularity in or invalidity of the process leading to the sale.
- 39.4 The net proceeds of any such sale (after payment of the costs of sale and any other costs of enforcing the lien) must be applied:
 - 39.4.1 first, in payment of so much of the sum for which the lien exists as was payable at the date of the lien enforcement notice; and
 - 39.4.2 secondly, to the person entitled to the shares immediately before the sale, but only after the certificate for the shares sold has been surrendered to the Company for cancellation or an indemnity in a form reasonably satisfactory to the directors has been given for any lost certificates, and provided that the Company's lien shall also apply to such proceeds for any money payable in respect of the shares after the date of the lien enforcement notice.
- 39.5 A statutory declaration by a director or the company secretary (if any) that the declarant is a director or the company secretary (as applicable) and that a share has been sold to satisfy the Company's lien on a specified date:

39.5.1 Is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share; and

39.5.2 subject to compliance with any other formalities of transfer required by the articles or by law, constitutes a good title to the share.

40 Call notices

40.1 Subject to the articles and the terms on which shares are allotted, the directors may send a notice (a "call notice") to a shareholder requiring the shareholder to pay the Company a specified sum of money (a "call") which is payable in respect of shares which that shareholder holds (whether solely or jointly with others) at the date when the directors decide to send the call notice.

40.2 A call notice:

40.2.1 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 amount payable to the Company by way of premium);

40.2.2 must be in writing and state when and how any call to which it relates is to be paid; and

40.2.3 may permit or require the call to be paid by instalments.

40.3 A shareholder must comply with the requirements of a call notice, but no shareholder is obliged to pay any call before 14 clear days have passed since the notice was sent (that is, excluding the day on which the call notice is given and the day on which that 14 day period expires).

40.4 Before the Company has received any call due under a call notice, the directors may:

40.4.1 revoke it wholly or in part; or

40.4.2 specify a later time for payment than is specified in the notice,

by a further notice in writing to the shareholder in respect of whose shares the call is made.

41 Liability to pay calls

41.1 Liability to pay a call is not extinguished or transferred by transferring the shares in respect of which it is required to be paid.

41.2 Joint holders of a share are jointly and severally liable to pay all calls in respect of that share.

41.3 Subject to the terms on which shares are allotted, the directors may, when issuing shares, provide that call notices sent to the holders of those shares may require them:

41.3.1 to pay calls which are not the same; or

41.3.2 to pay calls at different times.

42 When call notice need not be issued

42.1 A call notice need not be issued in respect of sums which are specified, in the terms on which a share is issued, as being payable to the Company in respect of that share (whether in respect of nominal value or premium):

42.1.1 on allotment;

42.1.2 on the occurrence of a particular event; or

42.1.3 on a date fixed by or in accordance with the terms of issue.

42.2 But if the due date for payment of such a sum has passed and it has not been paid, the holder of the share concerned is treated in all respects as having failed to comply with a call notice in respect of that sum, and is liable to the same consequences as regards the payment of interest and forfeiture.

43 Failure to comply with call notice: automatic consequences

43.1 If a person is liable to pay a call and fails to do so by the call payment date:

43.1.1 the directors may issue a notice of intended forfeiture to that person; and

43.1.2 until the call is paid, that person must pay the Company interest on the call from the call payment date at the relevant rate.

43.2 For the purposes of this article:

43.2.1 "call payment date" means the time when the call notice states that a call is to be paid, unless the directors give a notice in writing specifying a later date, in which case the "call payment date" is that later date;

43.2.2 "relevant rate" means:

- (a) the rate fixed by the terms on which the share in respect of which the call is due was allotted;
- (b) 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
- (c) if no rate is fixed in either of these ways, five per cent per annum.

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

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

44 Notice of Intended forfeiture

A notice of intended forfeiture:

- 44.1** may be sent in respect of any share in respect of which a call has not been paid as required by a call notice;
- 44.2** must be in writing and sent to the holder of that share or to a transmittee entitled to it;
- 44.3** must require payment of the call and any accrued interest by a date which is not less than 14 clear days after the date of the notice (that is, excluding the day on which the notice is given and the day on which that 14 day period expires);
- 44.4** must state how the payment is to be made; and
- 44.5** must state that if the notice is not complied with, the shares in respect of which the call is payable will be liable to be forfeited.

45 Directors' power to forfeit shares

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

46 Effect of forfeiture

46.1 Subject to the articles, the forfeiture of a share extinguishes:

46.1.1 all interests in that share, and all claims and demands against the Company in respect of it; and

46.1.2 all other rights and liabilities incidental to the share as between the person whose share it was before the forfeiture and the Company.

46.2 Any share which is forfeited in accordance with the articles:

46.2.1 is deemed to have been forfeited when the directors decide that it is forfeited;

46.2.2 is deemed to be the property of the Company; and

46.2.3 may be sold, re-allotted or otherwise disposed of as the directors think fit.

46.3 If a person's shares have been forfeited:

46.3.1 the Company must send that person notice in writing that forfeiture has occurred and record it in the register of members;

46.3.2 that person ceases to be a shareholder in respect of those shares;

46.3.3 that person must surrender the certificate for the shares forfeited to the Company for cancellation;

46.3.4 that person remains liable to the Company for all sums payable by that person under the articles at the date of forfeiture in respect of those shares, including any interest (whether accrued before or after the date of forfeiture); and

46.3.5 the directors may waive payment of such sums wholly or in part or enforce payment without any allowance for the value of the shares at the time of forfeiture or for any consideration received on their disposal.

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

47 Procedure following forfeiture

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

47.2 A statutory declaration by a director or the company secretary (if any) that the declarant is a director or the company secretary (as applicable) and that a share has been forfeited on a specified date:

47.2.1 Is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share; and

47.2.2 subject to compliance with any other formalities of transfer required by the articles or by law, constitutes a good title to the share.

47.3 A person to whom a forfeited share is transferred is not bound to see to the application of the consideration (if any), nor is that person's title to the share affected by any irregularity in or invalidity of the process leading to the forfeiture or transfer of the share.

47.4 If the Company sells a forfeited share, the person who held it before its forfeiture is entitled to receive from the Company the net proceeds of such sale, after payment of the costs of sale and any other costs relating to the forfeiture of the share, and excluding any amount which:

47.4.1 was, or would have become, payable; and

47.4.2 had not, when that share was forfeited, been paid by that person in respect of that share,

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

48 Surrender of shares

48.1 A shareholder may surrender any share:

48.1.1 in respect of which the directors may issue a notice of intended forfeiture;

48.1.2 which the directors may forfeit; or

48.1.3 which has been forfeited.

48.2 The directors may accept the surrender of any such share.

48.3 The effect of surrender on a share is the same as the effect of forfeiture on that share.

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

49 Share transfers

49.1 Notwithstanding any other provision of these articles, but subject always to articles 52 and 53, no share may be transferred unless the transfer has been approved by the Board (such approval, for the avoidance of doubt, shall not require the approval of any director who is a transferor and to whom the matter relates). 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 and (if any of the shares are not fully paid) by and on behalf of the transferee.

49.2 No fee may be charged for registering any instrument of transfer or other document relating to or affecting the title to any share.

49.3 The Company may retain any instrument of transfer which is registered.

49.4 The transferor remains the holder of a share until the transferee's name is entered in the register of members as holder of it.

49.5 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.

49.6 Subject to first obtaining the approval of the Board, a shareholder may at any time transfer any of his shares to a Permitted Transferee without being required to offer such shares to a third party in terms of article 50.

49.7 A shareholder holding shares in the Company as a result of a Permitted Transfer under the provisions of this article 49 may at any time transfer all (but not some only) of his shares back to the Shareholder from whom he received those shares (the "Original Shareholder") or to another Permitted Transferee of such Original Shareholder, without being required to obtain consent or offer such shares to a third party in terms of article 50.

49.8 If a Permitted Transfer has been made to a Permitted Transferee, that Permitted Transferee shall within 5 Business Days of ceasing to be a Privileged Relation (whether by reason of divorce, dissolution of a civil partnership or otherwise but not by reason of death) transfer all of the shares in the Company held by him to:

49.8.1 the Original Shareholder from whom he received those shares; or

49.8.2 with the prior approval of the Board, another Permitted Transferee of that Original Shareholder,

without any restriction as to price or otherwise. If the Permitted Transferee fails to make a transfer in accordance with this article 49.8, the Company may execute a transfer of the shares on behalf of the Permitted Transferee and register the Original Shareholder as the holder of such shares.

49.9 On the death or bankruptcy of a Privileged Relation (other than a joint holder), his personal representatives or trustee in bankruptcy (as the case may be) shall offer the shares held by the Privileged Relation for transfer to the Original Shareholder or, if so directed by the Original Shareholder and with the prior approval of the Board, to a Permitted Transferee of the Original Shareholder, within 5 Business Days after the grant of confirmation or the making of the bankruptcy order (as the case may be), for such consideration as may be agreed between the Original Shareholder and the personal representatives or trustee in bankruptcy (as the case may be).

49.10 If a Permitted Transfer has been made to the trustees of a Family Trust, the trustees of that Family Trust shall within 5 Business Days of that Family Trust ceasing to be wholly for the benefit of the settlor and/or the settlor's Privileged Relations execute and deliver to the Company a transfer of the shares held by them or the Family Trust to the Original Shareholder or, if so directed by the Original Shareholder and with the prior approval of the Board, to a Permitted Transferee of the Original Shareholder, for such consideration as may be agreed between them.

50 Pre-emption rights on the transfer of shares and Co-Sale Right

50.1 In this article 50, reference to the transfer of a share includes the transfer, assignation or other disposal of any 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.

50.2 Except where the provisions of articles 49.6 - 49.10 (inclusive) and/or 51 - 53 (inclusive) apply, any transfer of shares by a shareholder (other than the A Hurdle Shares which shall not be transferable

other than with the consent of the Board and the Majority Shareholder Director) shall be subject to the pre-emption rights in this article 50.

50.3 A shareholder ("**Seller**") wishing to transfer his Ordinary Shares ("**Sale Shares**") must give notice in writing (a "**Transfer Notice**") to the Company giving details of the proposed transfer including:

50.3.1 the number of Sale Shares;

50.3.2 if the Seller wishes to sell the Sale Shares to a third party, the name of the proposed buyer;

50.3.3 the price (in cash) at which he wishes to sell the Sale Shares which will be deemed to be the transfer price of the Sale Shares ("**Transfer Price**"); and

50.3.4 whether the Transfer Notice is conditional on all, or a specific number of, the Sale Shares being sold ("**Minimum Transfer Condition**").

50.4 Once given (or deemed to have been given) under these articles, a Transfer Notice may not be withdrawn.

50.5 A Transfer Notice constitutes the Company as the agent of the Seller for the sale of the Sale Shares in accordance with the provisions of these Articles.

50.6 As soon as practicable following the receipt of a Transfer Notice, the Board shall offer the Sale Shares for sale in the manner set out in the remaining provisions of this article at the Transfer Price. Each offer shall be in writing and give details of the number and Transfer Price of the Sale Shares offered.

50.7 The Board shall offer the Sale Shares to all Ordinary Shareholders 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 20 Business Days after the offer (both dates inclusive) (the "**First Offer Period**") for the maximum number of Sale Shares they wish to buy.

50.8 If the Sale Shares are subject to a Minimum Transfer Condition, any allocation made under article 50.9 to article 50.12 (inclusive) shall be conditional on the fulfilment of the Minimum Transfer Condition.

50.9 If:

50.9.1 at the end of the First Offer Period, the total 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 which his existing holding of shares bears to the total number of shares held by those Continuing Shareholders who have applied for Sale Shares. Fractional entitlements shall be rounded down to the nearest whole number (save where such rounding would result in not all Sale Shares being allocated, in which case the allocation of any such fractional entitlements among the Continuing Shareholders who have applied for Sale Shares shall be determined by the Board). No allocation shall be made to a Continuing Shareholder of more than the maximum number of Sale Shares which he has stated he is willing to buy;

- 50.9.2 not all Sale Shares are allocated following allocations in accordance with article 50.9.1, but there are applications for Sale Shares that have not been satisfied, the Board shall allocate the remaining Sale Shares to such applicant(s) in accordance with the procedure set out in article 50.9.1. The procedure set out in this article 50.9.2 shall apply on any number of consecutive occasions until either all Sale Shares have been allocated or all applications for Sale Shares have been satisfied; and
- 50.9.3 at the end of the First Offer Period, the total number of Sale Shares applied for is less than the number of Sale Shares, the Board shall allocate the Sale Shares to the Continuing Shareholders in accordance with their applications. The balance (the **"Initial Surplus Shares"**) shall be dealt with in accordance with article 50.10.
- 50.10 At the end of the First Offer Period, the Board shall offer the Initial Surplus Shares (if any) to all 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 (both dates inclusive) (the **"Second Offer Period"**) for the maximum number of Initial Surplus Shares they wish to buy.
- 50.11 If, at the end of the Second Offer Period, the number of Initial Surplus Shares applied for is equal to or exceeds the number of Initial Surplus Shares, the Board shall allocate the Initial Surplus Shares to each Continuing Shareholder who has applied for Initial Surplus Shares in the proportion that his existing holding of shares (including any Sale Shares) bears to the total number of shares (including any Sale Shares) held by those Continuing Shareholders who have applied for Initial Surplus Shares during the Second Offer Period. Fractional entitlements shall be rounded down to the nearest whole number (save where such rounding would result in not all Initial Surplus Shares being allocated, in which case, the allocation of any such fractional entitlements among the Continuing Shareholders shall be determined by the Board). No allocation shall be made to a Continuing Shareholder of more than the maximum number of Initial Surplus Shares which he has stated he is willing to buy.

50.12 If, at the end of the Second Offer Period, the number of Initial Surplus Shares applied for is less than the number of Initial Surplus Shares, the Board shall allocate the Initial Surplus Shares to the Continuing Shareholders in accordance with their applications. The balance (the “Second Surplus Shares”) shall be dealt with in accordance with article 50.17.

50.13 If the Transfer Notice includes a Minimum Transfer Condition and the total number of Sale Shares applied for is less than the number of Sale Shares specified in the Minimum Transfer Condition, the Board shall notify the Seller and all those to whom Sale Shares have been conditionally allocated under article 50.9 to article 50.12 (inclusive), stating that the Minimum Transfer Condition has not been met and that the relevant Transfer Notice has lapsed with immediate effect.

50.14 If:

50.14.1 the Transfer Notice includes a Minimum Transfer Condition and such Minimum Transfer Condition has been satisfied, or the Transfer Notice does not include a Minimum Transfer Condition; and

50.14.2 allocations under article 50.9 to article 50.12 (inclusive) have been made in respect of some or all of the Sale Shares,

the Board shall give written notice of allocation (an **Allocation Notice**) to the Seller and each Continuing Shareholder to whom Sale Shares have been allocated (each an **Applicant**). The Allocation Notice shall specify the number of Sale Shares allocated to each Applicant, the amount payable by each Applicant for the number of Sale Shares allocated to him (**Consideration**) and the place and time for completion of the transfer of the Sale Shares (which shall be at least 10 Business Days, but not more than 20 Business Days, after the date of the Allocation Notice).

50.15 On the date specified for completion in the Allocation Notice, the Seller shall, against payment of the Consideration, execute and deliver a transfer of the Sale Shares allocated to such Applicant, in accordance with the requirements specified in the Allocation Notice.

50.16 If the Seller fails to comply with article 50.15;

50.16.1 the Chairman of the Company (or, failing him, one of the other directors, or some other person nominated by a resolution of the Board) may, as agent 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 Consideration and give a good discharge for it (and no Applicant shall be obliged to see to the distribution of the Consideration); and
 - (c) subject to the transfers being duly stamped, enter the Applicants in the register of members as the holders of the Sale Shares purchased by them; and
- 50.16.2 the Company shall pay the Consideration into a separate bank account in the Company's name on trust (but without interest) for the Seller until he has delivered his certificate(s) for the relevant Sale Shares or an indemnity, in a form reasonably satisfactory to the Board, in respect of any lost certificate, together, in either case, with such other evidence (if any) as the Board may reasonably require to prove good title to those Sale Shares, to the Company.
- 50.17 If an Allocation Notice does not relate to all of the Sale Shares or the Transfer Notice lapses pursuant to article 50.13 then, subject to article 50.18 and within 6 weeks following service of the Allocation Notice or the date of the lapse of the Transfer Notice (as the case may be), the Seller may transfer the Second Surplus Shares or the Sale Shares (in the case of a lapsed offer) (as the case may be) to any person at a price at least equal to the Transfer Price. The sale of the Sale Shares (following the lapse of a Transfer Notice) in accordance with this article 50.17 shall continue to be subject to any Minimum Transfer Condition.
- 50.18 The Seller's right to transfer Sale Shares under article 50.17 does not apply if the Board reasonably considers that:
 - 50.18.1 the transferee is a person (or a nominee for a person) who is a competitor with the business of the Company; or
 - 50.18.2 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
 - 50.18.3 the Seller has failed or refused to provide promptly information available to the Seller and reasonably requested by the Board to enable it to form the opinion mentioned above.
- 50.19 The restrictions imposed by the foregoing provisions of this article 50 may be waived in relation to any proposed transfer of Sale Shares with the consent of Ordinary Shareholders who, but for the waiver, would have been entitled to have such Sale Shares offered to them in accordance with this article holding not less than 80% of the Ordinary Shares in issue from time to time.
- 50.20 If, after the exhaustion of the foregoing offer round provisions or the application of the waiver

referred to at article 50.19, there remain Sale Shares available to be transferred to the third party proposed buyer set out in the original Transfer Notice, the Company shall give to each Continuing Shareholder not less than 15 Business Days' notice in advance of the proposed sale ("Co-Sale Notice"). The Co-Sale Notice shall:

- 50.20.1 reaffirm the identity of the proposed purchaser ("Buyer");
- 50.20.2 reaffirm the price per share which the Buyer is proposing to pay;
- 50.20.3 reaffirm the manner in which the consideration is to be paid;
- 50.20.4 specify the number of Sale Shares which the Seller proposes to sell; and
- 50.20.5 specify the address where the counter-notice should be sent.

50.21 Each Continuing Shareholder shall be entitled within 10 business days after receipt of the Co-Sale Notice, to notify the Company that he wishes to sell a certain number of Ordinary Shares held by him at the proposed sale price, by sending a counter-notice which shall specify the number of Ordinary Shares which such Continuing Shareholder wishes to sell. The maximum number of Ordinary Shares which a Continuing Shareholder can sell under this procedure shall be:

$$\frac{X}{Y} \times Z$$

where:

- X is the number of Ordinary Shares held by the Continuing Shareholder;
- Y is the total number of Ordinary Shares in Issue;
- Z is the number of Ordinary Shares the Seller proposes to sell as stated in the Co-Sale Notice.

Any Continuing Shareholder who does not send a counter-notice within such 10 business day period shall be deemed to have specified that he wishes to sell no Ordinary Shares.

50.22 Following the expiry of 10 business days from the date the Continuing Shareholders receive the Co-Sale Notice, the Seller shall be entitled to sell to the Buyer on the terms notified to the Continuing Shareholders a number of Ordinary Shares not exceeding the number specified in the Co-Sale Notice less any Ordinary Shares which Continuing Shareholders have indicated they wish to sell, provided that at the same time the Buyer (or another person) purchases from the

Continuing Shareholders the number of shares they have respectively indicated they wish to sell on terms no less favourable than those obtained by the Seller from the Buyer.

50.23 No sale by the Seller shall be made pursuant to any Co-Sale Notice more than three months after service of that Co-Sale Notice.

50.24 Sales made in accordance with article 50.20 – 50.23 (Inclusive) shall not themselves be subject to the pre-emption rights stated in articles 50.1 – 50.19 (Inclusive).

51 Compulsory transfers

51.1 This article 51 applies when:

51.1.1 a Relevant Individual is a member; and/or

51.1.2 a Relevant Individual has established a Family Trust which holds shares; and/or

51.1.3 a member holds shares as the nominee of a Relevant Individual; and/or

51.1.4 shares are held by a Privileged Relation to whom the Relevant Individual has been permitted to transfer shares under article 49.6; and/or

51.1.5 shares are held by a company (other than a Group Member), any part of the issued share capital of which is beneficially owned by the Relevant Individual or a Privileged Relation or Family Trust to whom the Relevant Individual is permitted to transfer shares under article 49.6,

and the Relevant Individual ceases for any reason (including death or bankruptcy) to be an employee and/or director of, and/or consultant to, any Group Member.

51.2 For the purposes of this article 51, the Relevant Individual will cease to be an employee and/or director of, and/or consultant to, a Group Member on the Cessation Date.

51.3 At any time after the Cessation Date, the Board may serve notice (“**Compulsory Sale Notice**”) on the Relevant Individual and/or any holder of shares referred to in article 51.1 (or the personal representative or the trustee in bankruptcy of any bankrupt member) (each a “**Compulsory Seller**” and together “**Compulsory Sellers**”) requiring each such person to offer all (or such other number as the Board may in its absolute discretion determine) of the shares registered in his or their name(s) (excluding, in the case where Alasdair Macdonald Day is the Relevant Individual, the 5,000 fully paid Ordinary Shares registered in his name as at the Original Adoption Date unless he

is a Bad Leaver for the reasons given in sub-paragraph (ii) of that definition) or to which he is or they are or may become entitled whether as a result of his or their holding of shares or otherwise and on such conditions as the Board in its absolute discretion shall determine. Any vote of the Board in respect of the determination of the number of shares which are the subject of the Compulsory Sale Notice (the "Sale Shares") and/or any conditions attaching to the transfer of the Sale Shares shall not require the approval or vote of any director who is a Leaver and to whom the matter relates.

51.4 The Sale Shares shall cease to confer the right to be entitled to receive notice of or to attend or vote at any general meeting or on any written resolution of the Company or at any meeting or on any written resolution of the holders of any class of shares in the capital of the Company and such shares shall not be counted in determining the total number of votes which may be cast at any such meeting or required for the purposes of a written resolution of any members or class of members or any consent under these articles or otherwise. Such rights shall be restored immediately upon a sale of a Controlling Interest, a Listing or the Company registering a transfer of the relevant shares pursuant to these Articles.

51.5 The Sale Shares will be allocated to such person(s) (including, without limitation, the Company or the trustees of an employee benefit trust operated by the Company) as the directors may direct in accordance with the following provisions of this article 51.

51.6 The price for the Sale Shares will be:

51.6.1 If the Sale Shares are Ordinary Shares:

(a) In the case of a Bad Leaver, the lower of the Fair Price and the Issue price (including any premium paid thereon) of the Sale Shares; and

(b) In the case of a Good Leaver, the Fair Price of the Sale Shares; and

51.6.2 If the Sale Shares are A Hurdle Shares, the Issue price (including any premium paid thereon) of the A Hurdle Shares or such other price as the Board may at its discretion determine.

51.7 The Company will immediately upon allocating any Sale Shares pursuant to article 51.5 give notice in writing ("**Allocation Notice**") to the Compulsory Seller and to each person to whom Sale Shares have been allocated specifying:

51.7.1 the number of Sale Shares so allocated;

- 51.7.2 the aggregate price payable for them; and
 - 51.7.3 the place and time (being not later than five business days after the date of the Allocation Notice) at which the sale of the Sale Shares will be completed.
 - 51.8 Completion of the sale and purchase of Sale Shares in accordance with the Allocation Notice will take place at the place and time specified in the Allocation Notice when the Compulsory Seller will transfer those Sale Shares specified in the Allocation Notice and deliver the relevant share certificates to the person(s) to whom they have been allocated (the “transferees”).
 - 51.9 Except in the case of an acquisition of Sale Shares by the Company, if the Compulsory Seller fails by the due completion date to execute and deliver transfers in respect of any of the Sale Shares which he is due to transfer, the Board may authorise any director to:
 - 51.9.1 execute the necessary transfer(s) on the Compulsory Seller’s behalf; and
 - 51.9.2 against receipt by the Company of the price payable for the relevant Sale Shares (to be held on trust for the Compulsory Seller without interest) (the receipt being a good discharge to the transferee who will not be bound to see to the application of it), deliver such transfer(s) to the relevant transferees(s).
- The directors will authorise registration of the transfer(s), and of the transferee(s) as the holder(s) of the Sale Shares so transferred, once appropriate stamp duty has been paid. After registration, the title of such transferee(s) as registered holder(s) of such Sale Shares will not be affected by any irregularity in, or invalidity of such proceedings, which will not be questioned by any person.
- 51.10 In the case of an acquisition of Sale Shares by the Company, if the Compulsory Seller fails by the due completion date to transfer and/or to deliver the certificates (or a suitable indemnity) in respect of any Sale Shares, the directors may authorise any director to execute, complete and deliver the necessary transfer and indemnity to the Company on the Compulsory Seller’s behalf. When that instrument has been duly stamped, the Company will ensure that such share capital is cancelled in accordance with the Act, and will hold the purchase monies on trust (without interest) for the Compulsory Seller.
 - 51.11 “Fair Price” means the price per share as at the date of occurrence of the event which triggered the requirement to agree or determine the Fair Price as agreed between the relevant Seller (or his personal representatives) and the Board, or in the event of their failure to so agree or approve within 28 days of the event in question and following the application to refer the matter to a Valuer by either party, as is determined and certified in writing by the Valuer as being in their

opinion the fair value of the shares as between a willing seller and a willing buyer (on a going concern basis) (with no discount to reflect the unquoted status of the shares) provided that the Valuer, in determining the fair value of any such shares shall adopt the following valuation assumptions and criteria:

- 51.11.1 determine the sum in cash which a willing buyer would offer to a willing seller for the whole of the issued equity share capital of the Company;
 - 51.11.2 determine the amount per Ordinary Share by reference to their specific capital, income and voting rights and the rights to participate in Sale Proceeds on any Exit Event in accordance with article 31 and on the assumption that any outstanding options or rights to acquire equity shares (including pursuant to a right of conversion) that are exercisable as at the date by reference to which the Fair Price calculation is made (and where the exercise price per share under option or in respect of which there are rights to acquire is less than the Fair Price) are deemed to have been exercised;
 - 51.11.3 there shall be no discount applied to reflect the fact that the relevant Seller is no longer employed by, or a director of, the Company and there will be no addition or subtraction of any premium or discount (respectively) arising in relation to the size of the holding the subject of the relevant transfer, or in relation to any restrictions on the transferability of the shares arising only out of the provisions of these articles.
- 51.12 The costs of the Valuer referred to in article 51.11 shall be borne equally between the Company and the Compulsory Seller or in such other proportions as the Valuer shall determine to be fair and reasonable in the circumstances.
- 51.13 If any difficulty arises in applying any of these assumptions or criteria then the Valuer shall resolve that difficulty in whatever manner it shall in its absolute discretion think fit.
- 51.14 The Valuer shall be requested to determine the Fair Price within 20 Business Days of its appointment and to notify the Board of its determination.
- 51.15 The Valuer shall act as an expert and not as an arbitrator and its determination shall be final and binding on the parties (in the absence of fraud or manifest error).
- 51.16 The Board will give the Valuer access to all accounting records or other relevant documents of the company subject to the Valuer agreeing such confidentiality provisions as the Board may reasonably impose.
- 51.17 The Valuer shall deliver its valuation certificate to the Company. The Company shall promptly

deliver a copy of it to the relevant employee leaver.

52 Change of control – tag along rights

52.1 With the exception of transfers of shares pursuant to article 49.6 or 51, no transfer of shares which would result, if made and registered, in a person or persons Acting in Concert obtaining a Controlling Interest, will be made or registered unless:

52.1.1 an Approved Offer is made by the proposed transferee(s) (“Buyer”) or, at the Buyer’s written request, by the Company as agent for the Buyer; and

52.1.2 the Buyer complies in all respects with the terms of the Approved Offer at the time of completion of the sale and purchase of shares pursuant to it.

52.2 For the purposes of this article 52 and article 53:

“Approved Offer” means an offer in writing served on all members (including the proposing transferor), offering to purchase all the shares held by such members (including any shares which may be allotted pursuant to the exercise or conversion of options, rights to subscribe for or securities convertible into shares in existence at the date of such offer) which:

52.2.1 is stipulated to be open for acceptance for at least 15 business days;

52.2.2 is from a third party not Connected with any shareholder;

52.2.3 is on bona fide arms length terms;

52.2.4 shall stipulate the purchase price and other terms and conditions of payment. For this purpose the consideration payable per share shall be calculated by applying the provisions of article 31, provided that a reduction, withholding or retention of consideration to take account of tax payable or which might be payable by a member or by his employing company in relation to the conversion of securities, the exercise of an option over shares, and/or the disposal of the shares shall not prejudice the application of this article;

52.2.5 in the case of the shares, includes provision for the payment of all arrears and accruals of any dividends;

52.2.6 is on terms that the sale and purchase of Shares in respect of which the offer is accepted will be completed at the same time; and

52.2.7 Is approved by the Board.

53 Change of control – drag along rights

53.1 Whenever an Approved Offer is made, the holders of more than 50% of the Ordinary Shares shall have the right ("**Drag Along Right**") to require (in the manner set out in Article 53.2) all of the other holders of shares including persons who acquire shares following the making of the Approved Offer pursuant to the exercise of options or conversion of securities ("**Other Shareholders**") to accept the Approved Offer in full.

53.2 The Drag Along Right may be exercised by the service of notice to that effect on the Other Shareholders at the same time as, or within five business days following the making of the Approved Offer (or, if later, within five business days following the acquisition by the relevant Other Shareholder of any shares). Such notice will be accompanied by all documents required to be executed by the Other Shareholders to give effect to the relevant transfer.

53.3 On the exercise of the Drag Along Right, each of the Other Shareholders will be bound to accept the Approved Offer in respect of its entire holding of shares and to comply with the obligations assumed by virtue of such acceptance.

53.4 If any of the Other Shareholders fails to accept the Approved Offer, or having accepted such offer, fails to complete the sale of any of its shares pursuant to the Approved Offer, or otherwise fails to take any action required of it under the terms of the Approved Offer, any holder of shares or any persons so authorised by the board of directors may accept the offer on behalf of the Other Shareholder in question, or undertake any action required under the terms of the Approved Offer on the part of the Other Shareholder in question. In particular, such person may execute the necessary transfer(s) on that Other Shareholder's behalf; and against:

53.4.1 receipt by the company (on trust for such Other Shareholder) of the consideration payable for the relevant shares (the receipt being a good discharge to the Buyer, who will not be bound to see to the application of it); and

53.4.2 compliance by the Buyer and, where relevant, the company with all other terms of the Approved Offer,

deliver such transfer(s) to the Buyer (or its nominee). The board of directors will then authorise registration of the transfer(s) and of the Buyer (or its nominee) as the holder of the shares so transferred. After resignation, the title of the Buyer (or its nominee) as registered holder of such shares will not be affected by any irregularity in, or invalidity of such proceedings, which will not

be questioned by any person. The Other Shareholder will in such a case be bound to deliver up to its certificate for its shares to the company, or a statutory declaration of loss (as appropriate) whereupon the Other Shareholder will be entitled to receive the purchase price for such shares.

54 Transmission of shares

54.1 If title to a share passes to a transmittee, the Company may only recognise the transmittee as having any title to that share, but nothing in the articles releases the estate of a deceased shareholder from any liability in respect of a share solely or jointly held by that shareholder.

54.2 A transmittee who produces such evidence of entitlement to shares as the directors may properly require:

54.2.1 may, subject to the articles, choose either to become the holder of those shares or to have them transferred to another person; and

54.2.2 subject to the articles, and pending any transfer of the shares to another person, has the same rights as the holder had.

54.3 Transmittees do not have the right to attend or vote at a general meeting, or to 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.

55 Exercise of transmittees' rights

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

55.2 If the transmittee wishes to have a share transferred to another person, the transmittee must execute an instrument of transfer in respect of it.

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.

56 Transmittees bound by prior notices

If a notice, document or other information is served on or sent or supplied to a shareholder in respect of shares and a transmittee is entitled to those shares, the transmittee is bound by the notice, document or other information if it was served on or sent or supplied to the shareholder

before the transmittee's name, or the name of any person nominated under article 54.2.1, has been entered in the register of members.

DIVIDENDS AND OTHER DISTRIBUTIONS

57 Procedure for declaring dividends

- 57.1** The Company may by ordinary resolution declare dividends, and the directors may decide to pay Interim dividends.
- 57.2** Where the Company's share capital is divided into different classes, dividends may be paid to one class of share to the exclusion of the others if the directors so determine.
- 57.3** 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.
- 57.4** No dividend may be declared or paid unless it is in accordance with shareholders' respective rights.
- 57.5** Unless the shareholders' resolution to declare or directors' decision to pay a dividend, or the terms on which shares are issued, specify otherwise, a dividend 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.
- 57.6** 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 arrears.
- 57.7** Any dividend declared in respect of any class of Shares shall be distributed amongst the holders of that class of Shares pro rata according to the number of that class of Shares held by them respectively.
- 57.8** 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.
- 57.9** 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.

58 Calculation of dividends

- 58.1** Except as otherwise provided by these articles or rights attached to shares, all dividends must be declared and paid by reference to each shareholder's holding of shares on the date of the resolution or decision to declare or pay the dividend regardless of whether any such share is paid, partly paid or nil paid.
- 58.2** If any share is issued on terms providing that such share shall be entitled to a dividend as if the nominal value of it were fully paid or partly paid from a particular date (in the past or the future), then such share shall be entitled to a dividend on that basis.

59 Payment of dividends and other distributions

- 59.1** 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:
- 59.1.1** transfer to a bank or building society account specified by the distribution recipient either in writing or as the directors may otherwise decide;
 - 59.1.2** 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;
 - 59.1.3** sending by post a cheque made payable to such person, and sent to such person at such address, as the distribution recipient has specified either in writing or as the directors may otherwise decide; or
 - 59.1.4** 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.
- 59.2** In the articles, the "distribution recipient" means, in respect of a share in respect of which a dividend or other sum is payable:
- 59.2.1** the holder of the share; or
 - 59.2.2** if the share has two or more joint holders, whichever of them is named first in the register of members; or
 - 59.2.3** if the holder is no longer entitled to the share by reason of death or bankruptcy, or

otherwise by operation of law, the transmittee.

60 Deductions from distributions in respect of sums owed to the Company

60.1 If:

60.1.1 a share is subject to the Company's lien; and

60.1.2 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 in respect of that share to the extent that they are entitled to require payment under a lien enforcement notice.

60.2 Money so deducted must be used to pay any of the sums payable in respect of that share.

60.3 The Company must notify the distribution recipient in writing of:

60.3.1 the fact and amount of any such deduction;

60.3.2 any non-payment of a dividend or other sum payable in respect of a share resulting from any such deduction; and

60.3.3 how the money deducted has been applied.

61 No interest on distributions

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

61.1 the terms on which the share was issued; or

61.2 the provisions of another agreement between the holder of that share and the Company.

62 Unclaimed distributions

62.1 All dividends or other sums which are:

62.1.1 payable in respect of shares; and

62.1.2 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.

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

62.3 If:

62.3.1 12 years have passed from the date on which a dividend or other sum became due for payment; and

62.3.2 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.

63 Non-cash distributions

63.1 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).

63.2 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:

63.2.1 fixing the value of any assets;

63.2.2 paying cash to any distribution recipient on the basis of that value in order to adjust the rights of recipients; and

63.2.3 vesting any assets in trustees.

64 Waiver of distributions

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:

64.1 the share has more than one holder; or

64.2 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

65 Authority to capitalise and appropriation of capitalised sums

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

65.1.1 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 any other reserve of the Company (including any share premium account, capital redemption reserve or other undistributable reserve); and

65.1.2 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 ("**persons entitled**") and in the same proportions as their entitlement to dividends ("**relevant proportions**").

65.2 Capitalised sums must be applied on behalf of the persons entitled and in the relevant proportions.

65.3 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.

65.4 A capitalised sum which was appropriated from profits available for distribution may be applied:

65.4.1 in or towards paying up any amounts unpaid on existing shares held by the persons entitled (whether as to the nominal value of the shares or any amount payable to the Company by way of premium); or

65.4.2 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.

65.5 Subject to the articles, the directors may:

- 65.5.1** apply capitalised sums in accordance with articles 65.3 and 65.4 partly in one way and partly in another;
- 65.5.2** make such arrangements as they think fit where any difficulty arises with regard to any distribution of any capitalised sum; and, in particular, in the case of shares or debentures becoming distributable under this article 66 in fractions, the directors may decide that the benefit of fractional entitlements belongs to the Company, that fractions are to be ignored, to make payments in cash in lieu of fractional entitlements, or otherwise deal with fractions as they think fit;
- 65.5.3** 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 65; and
- 65.5.4** generally do all acts and things required to give effect to the ordinary resolution.

66 Capitalisation to deal with fractions arising on a consolidation of shares

Whenever, as the result of any consolidation or consolidation and division of shares, any shareholders would become entitled to fractions of shares, the directors may, subject to the provisions of the Companies Acts, allot to each such shareholder, credited as fully paid by way of capitalisation, the minimum number of new shares required to round up his holding following the consolidation to a whole number (such allotment being deemed to have been effected immediately before consolidation). For such purpose, the directors may:

- 66.1** capitalise a sum equal to the aggregate nominal amount of the new shares to be allotted on that basis out of any profits or reserve referred to in article 65.1.1; and
- 66.2** appropriate and apply such sum in paying up in full the appropriate number of new shares for allotment and distribution to such shareholders on that basis; and
- 66.3** generally do all acts and things required to give effect to any capitalisation pursuant to this article 66.

PART 4: DECISION-MAKING BY SHAREHOLDERS

WRITTEN RESOLUTIONS

67 Written resolutions

A resolution of the shareholders (or a class of shareholders) may be passed as a written resolution in accordance with Chapter 2 of Part 13 of the Act.

GENERAL MEETINGS

ORGANISATION OF GENERAL MEETINGS

68 Calling general meetings

- 68.1 If there are not within the United Kingdom sufficient directors to call a general meeting, any director or any shareholder of the Company may call a general meeting.
- 68.2 If, and for so long as, the Company has only a single shareholder, such shareholder shall be entitled at any time to call a general meeting.
- 68.3 A shareholder present in person or by proxy or by corporate representative at a general meeting shall be deemed to have received proper notice of the meeting and, if required, of the purposes for which it was called.

69 Attendance and speaking at general meetings

- 69.1 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.
- 69.2 A person is able to exercise the right to vote at a general meeting when:
- 69.2.1 that person is able to vote, during the meeting, on resolutions put to the vote at the meeting; and
 - 69.2.2 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.

69.3 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.

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

69.5 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.

70 Quorum for general meetings

70.1 A quorum for general meetings is two shareholders subject to article 73.1.

70.2 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.

71 Chairing general meetings

71.1 If the directors have appointed a chairman, the chairman shall chair general meetings if present and willing to do so.

71.2 If the directors have not appointed a chairman, or if the chairman is unwilling to chair the general meeting or is not present within 10 minutes of the time at which a meeting was due to start:

71.2.1 the directors present; or

71.2.2 (if no directors are present within 10 minutes of the time at which the meeting was due to start) 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.

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

72 Attendance and speaking by directors and non-shareholders

72.1 Directors may attend and speak at general meetings, whether or not they are shareholders.

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

72.2.1 shareholders of the Company; or

72.2.2 otherwise entitled to exercise the rights of shareholders in relation to general meetings,

to attend and speak at a general meeting.

73 Adjournment

73.1 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. If at such an adjourned meeting the persons attending within half an hour of the time at which the meeting was due to start do not constitute a quorum, or if during such an adjourned meeting a quorum ceases to be present, the meeting shall nevertheless be quorate if members holding not less than 50% of the Ordinary Shares in issue at the relevant time are present in person or by proxy or by corporate representative.

73.2 The chairman of the meeting may adjourn a general meeting at which a quorum is present if:

73.2.1 the meeting consents to an adjournment; or

73.2.2 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.

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

73.4 When adjourning a general meeting, the chairman of the meeting must:

73.4.1 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

73.4.2 have regard to any directions as to the time and place of any adjournment which have been given by the meeting.

73.5 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 seven clear days' notice of it (that is, excluding the day on which the notice is given and the day of the adjourned meeting):

73.5.1 to the same persons to whom notice of the Company's general meetings is required to

be given; and

73.5.2 in the same manner in which such notice is required to be given and containing the same information which such notice is required to contain.

73.6 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

74 Voting: general

74.1 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.

74.2 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.

74.3 A Hurdle Shares shall not confer upon their holders any voting rights or any right to receive notice of or to attend, speak and vote at any general meetings of the Company.

75 Errors and disputes

75.1 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.

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

76 Poll votes

76.1 A poll on a resolution may be demanded:

76.1.1 In advance of the general meeting where it is to be put to the vote; or

76.1.2 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.

76.2 A poll may be demanded by:

- 76.2.1 the chairman of the meeting;
 - 76.2.2 the directors;
 - 76.2.3 two or more persons having the right to vote on the resolution;
 - 76.2.4 a person or persons representing not less than 10 per cent of the total voting rights of all the shareholders having the right to vote on the resolution; or
 - 76.2.5 a person or persons who hold (or are representing a holder or holders of) shares conferring a right to vote on the resolution, being shares on which an aggregate sum has been paid up equal to not less than 10 per cent of the total sum paid up on all the shares conferring the right to vote on the resolution.
- 76.3 A demand for a poll may be withdrawn if:
- 76.3.1 the poll has not yet been taken; and
 - 76.3.2 the chairman of the meeting consents to the withdrawal.

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

- 76.4 Polls must be taken immediately and in such manner as the chairman of the meeting directs.

77 Content of proxy notices

- 77.1 Proxies may only validly be appointed by a notice in writing ("**proxy notice**") which:
- 77.1.1 states the name and address of the shareholder appointing the proxy;
 - 77.1.2 identifies the person appointed to be that shareholder's proxy and the general meeting or adjourned meeting in relation to which that person is appointed;
 - 77.1.3 is signed by or on behalf of the shareholder appointing the proxy, or is authenticated in such manner as the directors may otherwise determine;
 - 77.1.4 is delivered to the Company in accordance with the articles and any instructions contained in the notice of the general meeting or adjourned meeting to which it relates; and

- 77.1.5 Is received by the Company no later than 48 hours (excluding any part of a day that is not a working day) before the time appointed for the commencement of the general meeting or adjourned meeting to which the proxy relates or such later time as the directors may determine.
- 77.2 The Company may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes.
- 77.3 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.
- 77.4 Unless a proxy notice indicates otherwise, it must be treated as:
 - 77.4.1 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
 - 77.4.2 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.
- 78 Delivery of proxy notices**
- 78.1 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. However, if that person votes at the meeting or adjourned meeting on a resolution, then as regards that resolution any proxy notice delivered to the Company by or on behalf of that person shall:
 - 78.1.1 on a show of hands, be invalid;
 - 78.1.2 on a poll, be invalid to the extent that such person votes in respect of the shares to which the proxy notice relates.
- 78.2 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.
- 78.3 A notice revoking a proxy appointment only takes effect if it is received by the Company before the commencement of the meeting or adjourned meeting to which it relates.

78.4 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.

78.5 When two or more valid but different proxy notices are received in respect of the same share for use at the same meeting or adjourned meeting, the one which is last validly received (regardless of its date or the date of its execution) shall be treated as replacing and revoking the other(s) as regards that share. If the Company is unable to determine which was last received, none of them shall be treated as valid in respect of that share.

79 Corporate representatives

Where a shareholder that is a corporation has authorised a representative or representatives to act on its behalf at a general meeting in accordance with section 323 of the Act:

79.1 a director or the company secretary (if any) may require any such representative to produce a certified copy of such authority before such representative is entitled to exercise any power on behalf of the corporation which he represents; and

79.2 a vote given or poll demanded by such representative at a general meeting or adjourned meeting shall be valid even though his authority has previously terminated unless notice in writing of the termination was received by the Company before the commencement of that meeting.

80 Amendments to resolutions

80.1 An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if:

80.1.1 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

80.1.2 the proposed amendment does not, in the reasonable opinion of the chairman of the meeting, materially alter the scope of the resolution.

80.2 A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if:

80.2.1 the chairman of the meeting proposes the amendment at the general meeting at which

the resolution is to be proposed; and

80.2.2 the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.

80.3 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

81 Form of notice

Any notice or other document to be given pursuant to the articles (other than a notice calling a meeting of the directors) must be in writing.

82 Notices to the Company

Any notice, document or other information may be served on or sent or supplied to the Company by anyone:

82.1 by sending it through the post in a prepaid envelope addressed to the Company or any officer of the Company at its registered office or such other place in the United Kingdom as may from time to time be specified by the Company for that purpose;

82.2 by delivering it by hand to or leaving it at its registered office or such other place in the United Kingdom as may from time to time be specified by the Company for that purpose in an envelope addressed to the Company or any officer of the Company;

82.3 by sending or supplying it by electronic means to an address specified by the Company from time to time for that purpose; or

82.4 by any other means authorised in writing by the Company.

83 Notices to shareholders and transmittes

83.1 Any notice, document or other information may be served on or sent or supplied to any shareholder:

83.1.1 personally;

- 83.1.2 by sending it through the post in a prepaid envelope addressed to the shareholder at his registered address;
 - 83.1.3 by delivering it by hand to or leaving it at that address in an envelope addressed to the shareholder;
 - 83.1.4 by sending or supplying it by electronic means to an address notified by the shareholder to the Company from time to time for that purpose; or
 - 83.1.5 by any other means authorised in writing by the relevant shareholder.
- 83.2 Nothing in article 84.1 shall affect any provision of the Companies Acts requiring offers, notices or documents to be served on or sent or supplied to a shareholder in a particular way.
- 83.3 In the case of joint holders of a share:
- 83.3.1 all notices, documents or other information shall be served on or sent or supplied to the person named first in the register in respect of the joint holding, and notice so given shall be sufficient notice to all joint holders; and
 - 83.3.2 any request for consent to the receipt of communications in electronic form shall be sent or supplied to the person named first in the register in respect of the joint holding, and any express consent given by such holder to the receipt of communications in such manner shall bind all joint holders.
- 83.4 Notices, documents or other information to be served on or sent or supplied to a transmittee may be served on or sent or supplied to him by name, or by the title of the representative of the deceased or trustee of the bankrupt (or by any like description), at an address supplied for the purpose by him. Articles 85.1 and 86 shall apply to any notice, document or information so served, sent or supplied as if references in those articles to:
- 83.4.1 "shareholder" are to the transmittee; and
 - 83.4.2 a shareholder's "registered address" or "address" are to the address so supplied.

This article 83.4 is without prejudice to paragraph 17 of Schedule 5 to the Act.

84 Notices to directors

Any notice, document or other information may be served on or sent or supplied to a director by

the Company or by any other director or the company secretary (if any):

- 84.1 personally;
- 84.2 (other than a notice of a proposed directors' written resolution) by word of mouth;
- 84.3 by sending it through the post in a prepaid envelope addressed to the director at his registered address or such other postal address as may from time to time be specified by him for that purpose;
- 84.4 by delivering it by hand to or leaving it at that address in an envelope addressed to him;
- 84.5 by sending or supplying it by electronic means to an address specified from time to time by the director for that purpose; or
- 84.6 by any other means authorised in writing by the director.

85 Service of notices on shareholders or directors

Any notice, document or other information (other than any notice, document or other information given to the Company including, for the avoidance of doubt, the appointment of a proxy):

- 85.1 addressed to a shareholder or a director in the manner prescribed by the articles shall, if sent by post (whether in hard copy or electronic form), be deemed to have been received:

- 85.1.1 (if prepaid as first class) 24 hours after it was posted;

- 85.1.2 (if prepaid as second class) 48 hours after it was posted;

- 85.1.3 (if prepaid as airmail) 72 hours after it was posted,

and, in proving such receipt, it shall be sufficient to prove that the envelope containing such notice, document or other information was properly addressed, prepaid and put in the post;

- 85.2 not sent by post, but addressed to a shareholder or a director and delivered by hand to or left at an address in accordance with the articles, shall be deemed to have been received on the day it was so delivered or left;
- 85.3 served, sent or supplied to a shareholder or a director by electronic means shall be deemed to

have been received on the day it was sent, and, in proving such receipt, it shall be sufficient to show that such notice, document or information was properly addressed;

- 85.4 served, sent or supplied by any other means authorised in writing by the shareholder or the director shall be deemed to have been received when the Company has carried out the action it has been authorised to take for that purpose.

86 No right to inspect accounts and other records

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.

87 Provision for employees on cessation of business

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

DIRECTORS' INDEMNITY AND INSURANCE

88 Directors' indemnity and insurance

To the extent permitted by the Companies Acts, the Company may:

- 88.1 indemnify any director of the Company or of any associated company against any liability;
- 88.2 purchase and maintain insurance against any liability for any director of the Company or of any associated company.