

Company number 01489796

PRIVATE COMPANY LIMITED BY SHARES

WRITTEN RESOLUTIONS

of

JACKSON SON & CO. (LONDON) LIMITED (the "Company")

Passed on 31st December 2018

Pursuant to Chapter 2 of Part 13 of the Companies Act 2006 (the **Act**), the resolutions below were passed on the date set out above as special resolutions (the **Special Resolutions**):

SPECIAL RESOLUTIONS

1. THAT 76,590 of the issued ordinary shares of £1.00 each in the capital of the Company held by Alexander Farquhar Savage and 76,590 of the issued ordinary shares of £1.00 each in the capital of the Company held by Benjamin Carpendale Savage be and are hereby re-designated as A ordinary shares of £1.00 each having the rights and being subject to the restrictions contained in the Articles of Association of the Company to be adopted pursuant to resolution 2 below.
2. THAT all the provisions of the Company's Memorandum of Association which are deemed by virtue of section 28 of the Act to be provisions of the Company's Articles of Association be deleted and that the new Articles of Association of the Company in the form attached to these Special Resolutions be adopted as the Articles of Association of the Company in substitution for the Company's existing Articles of Association.



Director

TUESDAY



A05 *A7WQADW3* 08/01/2019 #259
COMPANIES HOUSE

COMPANY NUMBER: 01489796

THE COMPANIES ACTS 1985 AND 2006

PRIVATE COMPANY LIMITED BY SHARES

**ARTICLES OF ASSOCIATION
OF
JACKSON SON & CO. (LONDON) LIMITED**

ADOPTED BY SPECIAL RESOLUTION ON 31st December 2018



**PENNINGTONS
MANCHES**

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Company Number: 01489796

THE COMPANIES ACTS 1985 AND 2006
PRIVATE COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
OF
JACKSON SON & CO. (LONDON) LIMITED

(Adopted by special resolution passed on 2018)

PART 1

INTERPRETATION AND LIMITATION OF LIABILITY

1. DEFINED TERMS

1.1 In the articles, unless the context requires otherwise:

Accepting Shareholder has the meaning given in article 42.5;

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

Allocation Notice has the meaning given in article 38.8(b);

Applicant has the meaning given in article 38.8(b);

appointor has the meaning given in article 22.1;

articles means these articles of association;

A Shareholder means the holder(s) of one or more A Shares from time to time;

A Shares means the A ordinary shares of £1.00 each in the capital of the Company from time to time;

Associate in relation to any persons means any person who is an associate of that person and the question of whether a person is an associate is to be determined in accordance with section 435 of the Insolvency Act 1986;

Bad Leaver means becoming a Leaver in circumstances where he is not a Good Leaver;

Balance Shares has the meaning given in article 38.7(b)(ii);

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

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

B Shareholder means the holder(s) of one or more B Shares from time to time;

B Shares means the B ordinary shares of £1.00 each in the capital of the Company from time to time;

Business Day means any day (other than a Saturday, Sunday or public holiday in the United Kingdom) on which clearing banks in the City of London are generally open for business;

call has the meaning given in article 49.1;

Call Notice has the meaning given in article 49.1;

Call Payment Date has the meaning given in article 49.10;

Called Shareholder has the meaning given in article 43.1;

Called Shares has the meaning given in article 43.2;

capitalised sum has the meaning given in article 58.1;

chairman of the general meeting has the meaning given in article 61;

chairman has the meaning given in article 13;

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

Company means Jackson Son & Co. (London) Limited (company number: 01489796);

Company's Lien has the meaning given in article 48.1;

Compulsory Transfer Event has the meaning given in article 40.1;

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

Deferred Shares means the deferred shares of £1.00 each in the capital of the Company from time to time;

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

Disposal means the transfer, in a single transaction or in a series of related transactions, of all or substantially all of the trade and assets of the Company to any person or persons Acting in Concert;

Disposal Proceeds means the aggregate amount available for payment to members as a result of the relevant Disposal (which, for the avoidance of doubt, shall be following the payment of all and any liabilities arising in connection with the relevant Disposal);

distribution recipient has the meaning given in article 53.2;

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

Drag Along Notice has the meaning given in article 43.2;

Drag Along Option has the meaning given in article 43.1;

Drag Completion Date has the meaning given in article 43.6;

Drag Consideration has the meaning given in article 43.4;

Drag Documents has the meaning given in article 43.6;

Drag Purchaser has the meaning given in article 43.1;

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

Equity Shareholder means person who is the holder of Equity Shares;

Equity Shares means the A Shares and the B Shares;

Exit Event means a Takeover, a Disposal or an IPO;

Expert Valuer has the meaning given in article 39.1;

Fair Value has the meaning given in article 39.3;

Family Trusts means any trusts or settlements set up wholly for the benefit of that individual shareholder and/or his Privileged Relations;

Final Share Proceeds has the meaning given in article 28.1(b);

First Offer Period has the meaning given in article 38.7;

First Offer Shareholder has the meaning given in articles 38.6(a)(i) and 38.6(b)(i) (as the case may be);

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 becoming a Leaver by reason of:

- (a) death;
- (b) permanent disability or permanent incapacity through ill-health;
- (c) retirement;
- (d) redundancy; or
- (e) dismissal by the Company which is determined, by an employment tribunal or at a court of competent jurisdiction from which there is no right to appeal, to be wrongful or unfair;

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

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

instrument means a document in hard copy form;

IPO means the admission of all or any of the shares or securities representing those shares (including without limitation depositary interests, American depositary receipts, American depositary shares and/or other instruments) on NASDAQ or the Official List of the United Kingdom Listing Authority or the AIM Market operated by the London Stock Exchange Plc or any other recognised investment exchange (as defined in section 285 of the Financial Services and Markets Act 2000);

Leaver means any B Shareholder ceasing to be a director or employee or consultant of the Company;

Lien Enforcement Notice has the meaning given in article 48.3;

Liquidation Event means any return of capital of the Company, including a return of capital as a result of any liquidation, dissolution or winding up of the Company, whether voluntary or involuntary;

Liquidation Proceeds means the net aggregate amount available for payment to members as a result of the relevant Liquidation Event (which, for the avoidance of doubt, shall be following the payment of all and any liabilities arising in connection with the relevant Liquidation Event);

Minimum Transfer Condition has the meaning given in article 38.2;

New Shareholder has the meaning given in article 43.10;

Offer has the meaning given in article 42.2;

Offer Period has the meaning given in article 42.3;

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

Original Shareholder has the meaning given in article 37.2;

paid means paid or credited as paid;

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

Permitted Transferee means, in relation to a shareholder who is an individual, any of his Privileged Relations, Trustees or Qualifying Companies;

persons entitled has the meaning given in article 58.1;

Pre New Money Valuation means the result of multiplying the total number of Ordinary Shares in issue immediately after the IPO (but excluding any new Ordinary Shares issued upon the IPO) by the subscription price per share (including any premium) in respect of new Ordinary Shares issued at the time of the IPO;

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

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

Proposed Sale Date has the meaning given in article 42.3;

Proposed Sale Notice has the meaning given in article 42.3;

Proposed Sale Shares has the meaning given in article 42.3;

Proposed Seller means any person proposing to transfer any Equity Shares in the capital of the Company;

Proposed Transfer has the meaning given in article 42.1;

proxy notice has the meaning given in article 67;

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

Receiving Agent has the meaning given in article 28.5;

relevant director has the meaning given in article 74.2(a);

relevant loss has the meaning given in article 74.2(b);

Relevant Rate has the meaning given in article 49.10(b);

Restricted Shares has the meaning given in article 41.7;

Sale Agreement has the meaning given in article 43.2(e);

Sale Shares has the meaning given in article 38.2;

Second Offer Shareholder has the meaning given in articles 38.6(a)(ii) and 38.6(b)(ii) (as the case may be);

Second Offer Period has the meaning given in article 38.7(b)(ii);

Seller has the meaning given in article 38.2;

Sellers' Shares has the meaning given in article 43.1;

Selling Shareholder has the meaning given in article 43.1;

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

shares means shares in the Company;

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

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

Takeover means the acquisition (or the grant of a right to acquire) of shares in the Company by any person or persons Acting in Concert, whether in one or in a series of transactions, which will result in such person(s) gaining a Controlling Interest in the Company;

Takeover Proceeds means the net aggregate consideration payable (including any deferred consideration) whether in cash or otherwise to those shareholders selling shares pursuant to a Takeover (which, of the avoidance of doubt, shall be following the deduction of transaction costs including, but not limited to, the payment of professional fees);

Termination Date means the effective date on which a B Shareholder ceases to be an employee or director or consultant of the Company (as the case may be);

Transfer Notice has the meaning given in article 38.2;

Transfer Price has the meaning given in article 38.2;

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

Trustees in relation to a shareholder means the trustee or the trustees of a Family Trust; and

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

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

2. TABLE A AND MODEL ARTICLES

The Regulations contained in Table A in the Schedule to the Companies (Tables A to F) Regulations 1985 (SI 1985/805) shall not apply to the Company. The provisions of Schedule 1 of the Companies (Model articles) Regulations 2008 (SI 2008/3229) are also hereby excluded.

3. LIABILITY OF MEMBERS

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

PART 2

DIRECTORS

DIRECTORS' POWERS AND RESPONSIBILITIES

4. DIRECTORS' GENERAL AUTHORITY

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 The directors may delegate any of the powers which are conferred on them under these articles:

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

as they think fit.

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 or authorisation 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 these articles which govern the taking of decisions by directors.

7.2 The directors may make rules of procedure for all or any committees, which prevail over rules derived from these 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 either a majority decision at a meeting or a decision taken in accordance with article 9.

8.2 If:

- (a) the Company only has one director; and

(b) no provision of these articles requires it to have more than one director,

the general rule does not apply, and the sole director may (for so long as he remains the sole director) take decisions without regard to any of the provisions of the articles, including those determining the quorum for directors' meetings, relating to directors' decision-making, and shall have the authority to exercise all the powers and discretions under these articles expressed to be vested in the directors generally.

9. UNANIMOUS DECISIONS

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

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

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

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

10. CALLING A DIRECTORS' MEETING

10.1 Any director may call a directors' meeting by giving not less than 10 Business Days' notice of the meeting to the directors or by authorising the company secretary (if any) to give such notice.

10.2 Notice of any directors' meeting must indicate:

(a) its proposed date and time;

(b) where it is to take place; and

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

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

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

11. PARTICIPATION IN DIRECTORS' MEETINGS

11.1 Directors participate in a directors' meeting, or part of a directors' meeting, when:

- (a) the meeting has been called and takes place in accordance with these articles; and
 - (b) they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.
- 11.2 In determining whether directors are participating in a directors' meeting, it is irrelevant where any director is or how they communicate with each other.
- 11.3 If all the directors participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is.
- 11.4 Subject to article 15 and without prejudice to the obligation of any director to disclose his interest in accordance with the Companies Act 2006, a director may vote at any meeting of the directors or of any committee of the board of directors on any resolution, notwithstanding that it in any way concerns or relates to a matter in which he has, directly or indirectly, any kind of interest whatsoever, and if he shall vote on any resolution his vote shall be counted. In relation to any such meeting as aforesaid such director shall (whether or not he shall vote on the same) be taken into account in calculating the quorum present at the meeting.
- 12. QUORUM FOR DIRECTORS' MEETINGS**
- 12.1 At a directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.
- 12.2 The quorum for directors' meetings may be fixed from time to time by a decision of the directors, but (other than in the case of an adjourned meeting held in accordance with article 12.1 above) it must never be less than two, and unless otherwise fixed it is two.
- 12.3 If the total number of directors for the time being is less than the quorum required, the directors must not take any decision other than a decision:
 - (a) to appoint further directors; or
 - (b) to call a general meeting so as to enable the shareholders to appoint further directors.
- 13. CHAIRING OF DIRECTORS' MEETINGS**
- 13.1 The directors may appoint a director to chair their meetings.
- 13.2 The person so appointed for the time being is known as the chairman.
- 13.3 The directors may terminate the chairman's appointment at any time.
- 13.4 If the chairman is not participating in a directors' meeting within ten minutes of the time at which it was to start, the participating directors must appoint one of themselves to chair it.

14. CASTING VOTE

If the numbers of votes for and against a proposal are equal, the chairman or other director chairing the meeting shall not have a casting vote.

15. CONFLICTS OF INTEREST

15.1 Subject to the provisions of the Companies Act 2006 and these articles and provided that he has previously disclosed the nature and extent of such duty or interest to the directors in accordance with the provisions of the Companies Act 2006, a director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the Company:

- (a) may vote at a meeting of the directors, and form part of a quorum present at that meeting, or participate in any decision making of the directors in relation to such transaction or arrangement with the Company;
- (b) may be a party to, or otherwise interested in, any such transaction or arrangement;
- (c) may act by himself or his firm in a professional capacity for the Company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a director, provided that such services are provided on arm's length terms;
- (d) may be a director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any holding company or subsidiary of the Company or any other body corporate in which the Company has an interest; and
- (e) shall not, save as he may otherwise agree, be accountable to the Company for any benefit which he (or a person connected with him) derives from any such transaction or arrangement and no such transaction or arrangement shall be liable to be avoided on the grounds of any such interest nor shall the receipt of any remuneration or other benefit constitute a breach of his duty under section 176 of the Companies Act 2006.

15.2 The directors may authorise, to the fullest extent permitted by law, any matter which would otherwise result in a director breaching his duty under section 175 of the Companies Act 2006 to avoid conflicts of interest.

15.3 Notwithstanding the provisions of article 11.4, any authorisation under article 15.2 shall only be effective if:

- (a) the director(s) in question and any other interested director are not counted in the quorum at any board meeting at which such matter is approved and it is agreed to without their voting or would have been agreed to if their votes had not been counted; and
- (b) the authorisation is given by a unanimous resolution of the directors (excluding, for the avoidance of doubt, the director(s) in question and any

other interested director) who are entitled to vote in respect of the matter in question.

15.4 Any authorisation pursuant to article 15.2 may be given subject to such terms and conditions, if any, as the directors may think fit to impose from time to time, whether at the time of authorisation or subsequently, and subject always to the board's right to vary or terminate such authorisation at any time. In particular the directors may:

- (a) extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised;
- (b) require that the director concerned is excluded from the receipt of information, the participation in discussion and/or the making of decisions (whether at meetings of the board or otherwise) relating to such matter;
- (c) provide that the director concerned shall not be required to disclose any confidential information relating to such matter to the Company if the making of such a disclosure would result in a breach of a duty or obligation of confidence owed by him in relation to that matter, or that office, employment or position;
- (d) allow the director concerned to absent himself from meetings of the board at which anything relating to that matter will or may be discussed; and
- (e) allow the director concerned to make such arrangements as that director thinks fit for board and committee papers to be received and read by a professional adviser on his behalf.

15.5 A director is not required, by reason of being a director (or because of the fiduciary relationship established by reason of being a director), to account to the Company for any remuneration, profit or other benefit which he derives from or in connection with a relationship involving a conflict which has been authorised and no conflict shall be liable to be avoided on such grounds.

15.6 **Pre-approval of situational conflict**

- (a) Subject to compliance by him with his duties as a director under Part 10 of the Companies Act 2006 (other than the duty in section 175(1) of the Companies Act 2006 which is the subject of this article 15.6), a director (including the chairman of the board (if any) and any other non-executive director) may, at any time:
 - (i) be an officer of, employed by, or hold shares or other securities (whether directly or indirectly) in, the Company;
 - (ii) be a director or other officer of, employed by or hold shares or other securities (whether directly or indirectly) in, or otherwise be interested, whether directly or indirectly, in Demeter Reports Limited (company number 08119033),

(a **Company Interest**) and notwithstanding his office or the existence of an actual or potential conflict between any Company Interest and the interests of the Company which would fall within the ambit of that section 175(1), the relevant director:

- (A) shall be entitled to attend any meeting or part of a meeting of the directors or a committee of the directors at which any matter which may be relevant to the Company Interest may be discussed, and to vote on any resolution of the directors or a committee thereof relating to such matter, and any board papers relating to such matter shall be provided to the relevant director at the same time as the other directors;
- (B) shall not, save as otherwise agreed by him, be accountable to the Company for any benefit which he (or a person connected with him) derives in consequence of any Company Interest and any contract, transaction or arrangement relating to a Company Interest shall not be liable to be avoided on the grounds of any such benefit; and
- (C) will not be obliged to disclose to the Company or use for the benefit of the Company any confidential information received by him by virtue of his Company Interest and otherwise than by virtue of his position as a director, if to do so would breach any duty of confidentiality to Demeter Reports Limited or third party.

16. RECORDS OF 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.

17. DIRECTORS' DISCRETION TO MAKE FURTHER RULES

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

APPOINTMENT OF DIRECTORS

18. METHODS OF APPOINTING DIRECTORS

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

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

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

- 18.3 For the purposes of article 18.2, where 2 or more shareholders die in circumstances rendering it uncertain who was the last to die, a younger shareholder is deemed to have survived an older shareholder.

19. TERMINATION OF DIRECTOR'S APPOINTMENT

A person ceases to be a director as soon as:

- (a) that person ceases to be a director by virtue of any provision of the Companies Act 2006 or is prohibited from being a director by law;
- (b) a bankruptcy order is made against that person;
- (c) a composition is made with that person's creditors generally in satisfaction of that person's debts;
- (d) a registered medical practitioner who is treating that person gives a written opinion to the Company stating that that person has become physically or mentally incapable of acting as a director and may remain so for more than three months;
- (e) notification is received by the Company from the director that the director is resigning from office, and such resignation has taken effect in accordance with its terms; or
- (f) a majority of his co-directors serve notice on him in writing removing him from office.

20. DIRECTORS' REMUNERATION

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

- 20.2 Directors are entitled to such remuneration as the directors determine:

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

- 20.3 A director's remuneration may:

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

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

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

21. DIRECTORS' EXPENSES

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

- (a) meetings of directors or committees of directors;
- (b) general meetings; or
- (c) separate meetings of the holders of any class of shares or of debentures of the Company, or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the Company.

22. ALTERNATE DIRECTORS

22.1 Any director (**appointor**) may appoint as an alternate any other director, or any other person approved by resolution of the directors, to exercise that director's powers and carry out that director's responsibilities in relation to the taking of decisions by the directors, in the absence of the alternate's appointor.

22.2 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.

22.3 The notice must:

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

23. RIGHTS AND RESPONSIBILITIES OF ALTERNATE DIRECTORS

23.1 An alternate director may act as alternate director to more than one director and has the same rights in relation to any decision of the directors as the alternate's appointor.

23.2 Alternate directors:

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

and in particular (without limitation) each alternate director shall be entitled to receive notice of all meetings of directors and of all meetings of committees of directors of which his appointor is a member.

23.3 A person who is an alternate director but not a director:

- (a) may be counted as participating for the purposes of determining whether a quorum is present (but only if that person's appointor is not participating);
- (b) may participate in a unanimous decision of the directors (but only if his appointor is an eligible director in relation to that decision, but does not participate); and
- (c) shall not be counted as more than one director for the purposes of articles 23.3(a) and 23.3(b).

23.4 A director who is also an alternate director is entitled, in the absence of his appointor, to a separate vote on behalf of his appointor, in addition to his own vote on any decision of the directors (provided that his appointor is an eligible director in relation to that decision), but shall not count as more than one director for the purposes of determining whether a quorum is present.

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

24. TERMINATION OF ALTERNATE DIRECTORSHIP

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

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

PART 3

SHARES AND DISTRIBUTIONS

SHARES

25. SHARE CAPITAL

25.1 Except as otherwise provided in these articles, the A Shares, B Shares and Deferred Shares shall rank *pari passu* in all respects, but shall constitute separate classes of shares.

25.2 Whenever the share capital of the Company is divided into different classes of shares, the special rights attached to any such class may only be varied or abrogated (either whilst the Company is a going concern or during or in contemplation of a winding-up) with the consent in writing of the holders of more than 75 per cent in nominal value of the issued shares of that class.

26. VOTING RIGHTS

- 26.1 The A Shares and the B Shares shall entitle their holder(s) to receive notice of, attend and vote at general meetings of the shareholders.
- 26.2 The Deferred Shares shall not entitle their holder(s) to the right to receive notice of, attend or vote at general meetings of the shareholders.

27. DIVIDEND RIGHTS

- 27.1 The A Shares shall entitle their holder(s) to receive dividends in proportion to the number of A Shares held.
- 27.2 The B Shares shall entitle their holder(s) to receive dividends in proportion to the number of B Shares held.
- 27.3 The Deferred Shares shall not entitle their holder(s) to receive dividends.
- 27.4 The directors shall, in accordance with their duties and the provisions of the Companies Act 2006, determine those classes of Equity Shares to which a dividend shall be declared and the sum per Equity Share. The sum per Equity Share need not be the same between classes of Equity Shares (and the directors shall have the discretion to declare a dividend on one class of Equity Share and not the other).

28. CAPITAL RIGHTS

- 28.1 On and with effect from any Exit Event (excluding an IPO) or Liquidation Event:
 - (a) first, the Deferred Shares as a class shall be entitled to receive a total of £1.00 for the entire class of Deferred Shares (which payment shall be deemed satisfied by the payment to any one holder of Deferred Shares);
 - (b) second, the A Shares and the B Shares, as if they constituted one class of share, shall be entitled to receive an amount equal to the Takeover Proceeds, Disposal Proceeds or Liquidation Proceeds (as the case may be) less the £1.00 in respect of the entire class of Deferred Shares (**Final Share Proceeds**).
- 28.2 If so required by a buyer, on a Takeover or Disposal, a B Shareholder shall only be entitled to their full share of Final Share Proceeds if they agree to remain employed by the Company and/or the buyer for at least a year following completion of the Takeover or Disposal (as the case may be). Any B Shareholder who does not comply with this provision shall only be entitled to receive half of the Final Share Proceeds they would have been entitled to under article 28.1(b).
- 28.3 Upon an IPO, all A Shares and B Shares shall automatically convert into ordinary shares of £1.00 each (**Ordinary Shares**) on the basis of one Ordinary Share for each A Share and/or B Share held.
- 28.4 Where a conversion is mandatory under articles 28.3 on the occurrence of an IPO, that conversion will be effective only immediately prior to and conditional upon such IPO, and if such IPO does not become effective or does not take place, such

conversion shall be deemed not to have occurred. At least five Business Days prior to the occurrence of the IPO each holder of the relevant shares shall deliver the certificate (or an indemnity for lost certificate in a form acceptable to the board) in respect of the shares being converted to the Company at its registered office.

28.5 Each shareholder agrees and is deemed to have agreed to appoint:

- (a) the Company (acting by its directors); or
- (b) any other person appointed for such purpose by the directors,

as the receiving agent (in each case, the **Receiving Agent**) on his behalf in relation to any money which he is entitled to receive in any Exit Event or Liquidation Event. If so requested by the directors to give effect to the provisions of this article 28 in respect of any payment to the shareholders, the member shall instruct any relevant parties in such Exit Event or Liquidation Event accordingly so that the Receiving Agent shall receive such money on his behalf.

28.6 On completion of any Exit Event or Liquidation Event, the Receiving Agent shall pay all money which the members are entitled to receive in relation to such Exit Event or Liquidation Event into a separate bank account and shall hold such money on trust on behalf of the members until the directors (or any other person appointed by the directors) have determined the total amount of the A Share Proceeds and Final Share Proceeds. Upon instruction from the directors, the Receiving Agent shall then pay Final Share Proceeds to each of the A Shareholders and B Shareholders, calculated on a pro rata basis to the number of A Shares and/or B Shares then held by them.

29. REDEMPTION

29.1 The A Shares and B Shares shall be non-redeemable.

29.2 Subject to the Companies Act 2006, any Deferred Shares may be redeemed by the Company at any time at its option for £1.00 for all the Deferred Shares registered in the name of any holder(s) without obtaining the sanction of the holder(s).

30. DEFERRED SHARES

30.1 The allotment or issue of Deferred Shares or the conversion or re-designation of shares into Deferred Shares shall be deemed to confer irrevocable authority on the Company at any time after their allotment, issue, conversion or re-designation, without obtaining the sanction of such holder(s), to:

- (a) appoint any person to execute any transfer (or any agreement to transfer) such Deferred Shares to such person(s) as the Company may determine (as nominee or custodian thereof or otherwise); and/or
- (b) give, on behalf of such holder, consent to the cancellation of such Deferred Shares; and/or
- (c) purchase such Deferred Shares in accordance with the Companies Act 2006 and these articles,

in any such case (i) for a price being not more than an aggregate sum of £1.00 for all the Deferred Shares registered in the name of such holder(s) and (ii) with the Company having authority pending such transfer, cancellation and/or purchase to retain the certificates (if any) in respect thereof.

30.2 No Deferred Share may be transferred without the prior consent of the board.

31. POWERS TO ISSUE DIFFERENT CLASSES OF SHARE

31.1 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 ordinary resolution.

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

32. FURTHER ISSUE OF SHARES – PRE-EMPTION

In accordance with section 567(1) of the Companies Act 2006, sections 561 and 562 of the Companies Act 2006 shall not apply to an allotment of equity securities (as defined in section 560(1) of the Companies Act 2006) made by the Company.

33. 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 these 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.

34. SHARE CERTIFICATES

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

34.2 Every certificate must specify:

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

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

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

34.5 Certificates must:

- (a) have affixed to them the Company's common seal; or

- (b) be otherwise executed in accordance with the Companies Act 2006.

35. REPLACEMENT SHARE CERTIFICATES

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

- (a) damaged or defaced; or
- (b) said to be lost, stolen or destroyed, that shareholder is entitled to be issued with a replacement certificate in respect of the same shares.

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

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

36. SHARE TRANSFERS – GENERAL

36.1 In articles 36 to 43 inclusive, reference to the transfer of a share includes the transfer or assignment of a beneficial or other interest in that share or the creation of a trust or encumbrance over that share and reference to a share includes a beneficial or other interest in a share.

36.2 No share may be transferred unless the transfer is made in accordance with these articles.

36.3 Any transfer of a share by way of sale which is required to be made under articles 38 to 43 (inclusive) will be deemed to include a warranty that the transferor sells with full title guarantee.

36.4 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.

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

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

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

36.8 The directors may refuse to register a transfer if:

- (a) it is a transfer of a share to a bankrupt, a minor or a person of unsound mind;
- (b) the transfer is to an employee, director or prospective employee or prospective director of the Company, who in the opinion of the board is

subject to taxation in the United Kingdom, and such person has not entered into a joint section 431 ITEPA election with the Company;

- (c) it is a transfer of a share which is not fully paid:
 - (i) to a person of whom the directors do not approve; or
 - (ii) on which share the Company has a lien;
- (d) the transfer is not lodged at the registered office or at such other place as the directors may appoint;
- (e) the transfer is not accompanied by the certificate for the Shares to which it relates (or an indemnity for lost certificate in a form acceptable to the board) and such other evidence as the directors may reasonably require to show the right of the transferor to make the transfer;
- (f) the transfer is in respect of more than one class of shares;
- (g) the transfer is in favour of more than four transferees; or
- (h) these articles otherwise provide that such transfer will not be registered.

36.9 If the directors refuse to register a transfer, the instrument of transfer must be returned to the transferee with the notice of refusal unless they suspect that the proposed transfer may be fraudulent. For the purpose of ensuring that a particular transfer of shares is permitted under the provisions of these articles, the directors may request the transferor, or the person named as transferee in any transfer lodged for registration, to furnish the Company with such information and evidence as the directors may reasonably think necessary or relevant. Failing such information or evidence being furnished to the satisfaction of the directors within a period of 28 days after such request the directors shall be entitled to refuse to register the transfer in question.

37. PERMITTED TRANSFERS

37.1 No shareholder shall dispose of any interest in, or right attaching to, or renounce or assign any right to receive or subscribe for any share or create or permit to exist any charge, lien, encumbrance or trust over any share or agree (whether subject to any condition precedent, condition subsequent or otherwise) to do any of such things except:

- (a) as permitted by this article 37;
- (b) as permitted in accordance with article 38;
- (c) as required by articles 40, 41 or 42;
- (d) as permitted by article 43 (but subject to article 42); and
- (e) as permitted by a decision of the board, subject to any such conditions as may be imposed.

- 37.2 An Equity Shareholder (who is not a Permitted Transferee) (the **Original Shareholder**) may transfer all or any of his or its Equity Shares to a Permitted Transferee without restriction as to price or otherwise.
- 37.3 Shares previously transferred as permitted by article 37.2 may be transferred by the transferee to any other Permitted Transferee of the Original Shareholder without restriction as to price or otherwise.
- 37.4 Where under the provision of a deceased shareholder's will or laws as to intestacy, the persons legally or beneficially entitled to any Equity Shares, whether immediately or contingently, are Permitted Transferees of the deceased Shareholder, the legal representative of the deceased shareholder may transfer any Equity Share to those Permitted Transferees, in each case without restriction as to price or otherwise.
- 37.5 If a Permitted Transferee who is a spouse or Civil Partner of the Original Shareholder ceases to be a spouse or Civil Partner of the Original Shareholder whether by reason of divorce, annulment or dissolution of a civil partnership or otherwise he must, within 15 Business Days of so ceasing either:
- (a) execute and deliver to the Company a transfer of the Equity Shares held by him to the Original Shareholder (or, to any Permitted Transferee of the Original Shareholder) for such consideration as may be agreed between them; or
 - (b) give a Transfer Notice to the Company in accordance with article 38.2, failing which he will be deemed to have given a Transfer Notice.
- 37.6 On the death (subject to article 37.4), bankruptcy, liquidation, administration or administrative receivership of a Permitted Transferee (other than a joint holder) his personal representatives or trustee in bankruptcy, or its liquidator, administrator or administrative receiver must within five Business Days after the date of the grant of probate, the making of the bankruptcy order or the appointment of the liquidator, administrator or the administrative receiver execute and deliver to the Company a transfer of the Equity Shares held by the Permitted Transferee without restriction as to price or otherwise. The transfer will be to the Original Shareholder if still living (and not bankrupt or in liquidation) or, if so directed by the Original Shareholder, to any Permitted Transferee of the Original Shareholder. If the transfer is not executed and delivered within five Business Days of such period or if the Original Shareholder has died or is bankrupt or is in liquidation, administration or administrative receivership, the personal representative or trustee in bankruptcy or liquidator, administrator or administrative receiver will be deemed to have given a Transfer Notice.
- 37.7 Notwithstanding any other provision of this article 37, a transfer of any shares approved by a special resolution may be made without any price or other restriction and any such transfer shall be registered by the directors.

38. TRANSFERS OF SHARES SUBJECT TO PRE-EMPTION RIGHTS

38.1 Except where the provisions of articles 37, 40, 41, 42 and 43 apply, any transfer of shares by a shareholder will be subject to the pre-emption rights contained in this article 38.

38.2 A shareholder who wishes to transfer shares (a **Seller**) will, except as otherwise provided in these articles, before transferring or agreeing to transfer any shares give notice in writing (a **Transfer Notice**) to the Company specifying:

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

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

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

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

38.5 Within 10 Business Days following the later of:

- (a) receipt of a Transfer Notice; and
- (b) in the case where the Transfer Price has not been agreed, the determination of the Transfer Price under article 39,

the board will offer the Sale Shares for sale to the shareholders in the manner set out in articles 38.6 and 38.7. Each offer must be in writing and give details of the number and Transfer Price of the Sale Shares offered.

38.6 *Priority for offer of Sale Shares*

- (a) If the Sale Shares are A Shares, the Company will offer them:
 - (i) first, to the A Shareholders (**First Offer Shareholders**); and
 - (ii) second, to the B Shareholders (**Second Offer Shareholders**),on the basis as set out in article 38.7.
- (b) If the Sale Shares are B Shares, the Company will offer them:

- (i) first, to the B Shareholders (**First Offer Shareholders**); and
 - (ii) second, to the A Shareholders (**Second Offer Shareholders**),
- on the basis as set out in article 38.7.

38.7 *Transfers: Offer*

- (a) The board will offer the Sale Shares in the order of priority referred to in article 38.6(a) or article 38.6(b) (as appropriate) to the First Offer Shareholders (as applicable) other than the Seller inviting them to apply in writing within the period from the date of the offer to the date 15 Business Days after the offer (inclusive) (the **First Offer Period**) for the maximum number of Sale Shares they wish to buy.
- (b) If:
 - (i) at the end of the First Offer Period, the number of Sale Shares applied for is equal to or exceeds the number of Sale Shares, the board will allocate the Sale Shares to each First Offer Shareholder who has applied for Sale Shares in the proportion (fractional entitlements being rounded to the nearest whole number) which his existing holding of the relevant class of shares bears to the total number of the relevant class but no allocation will be made to a shareholder of more than the maximum number of Sale Shares which he has stated he is willing to buy;
 - (ii) at the end of the First Offer Period, the number of Sale Shares applied for is less than the number of Sale Shares, the board will allocate the Sale Shares to the First Offer Shareholders in accordance with their applications and the balance (**Balance Shares**) will be offered to the Second Offer Shareholders (as applicable) other than the Seller inviting them to apply in writing within the period from the date of the offer to the date 10 Business Days after the offer (inclusive) (the **Second Offer Period**) for the maximum number of Balance Shares they wish to buy;
 - (iii) at the end of the Second Offer Period, the number of Balance Shares applied for is equal to or exceeds the Balance Shares, the board will allocate such Balance Shares to each Second Offer Shareholder who has applied for Balance Shares in the proportion (fractional entitlements being rounded to the nearest whole number) which his existing holding of the relevant class of shares bears to the total number of the relevant class but no allocation will be made to a shareholder of more than the maximum number of Balance Shares which he has stated he is willing to buy; and
 - (iv) at the end of the Second Offer Period, the number of Balance Shares applied for is less than the Balance Shares, the board will allocate the Balance Shares to the Second Offer Shareholders in accordance with

their applications and the balance will be dealt with in accordance with article 38.8(e).

38.8 *Completion of transfer of Sale Shares*

- (a) If the Transfer Notice includes a Minimum Transfer Condition and the total number of shares applied for does not meet the Minimum Transfer Condition the board will notify the Seller and all those to whom Sale Shares have been conditionally allocated under article 38.7 stating the condition has not been met and that the relevant Transfer Notice has lapsed with immediate effect.

- (b) If:

- (i) the Transfer Notice does not include a Minimum Transfer Condition; or
 - (ii) the Transfer Notice does include a Minimum Transfer Condition and allocations have been made in respect of all or the minimum required number of the Sale Shares,

the board will, when no further offers are required to be made under article 38.7, give written notice of allocation (an **Allocation Notice**) to the Seller and each shareholder to whom Sale Shares have been allocated (an **Applicant**) specifying the number of Sale Shares allocated to each Applicant and the place and time (being not less than 10 Business Days nor more than 15 Business Days after the date of the Allocation Notice) for completion of the transfer of the Sale Shares.

- (c) Upon service of an Allocation Notice, the Seller must, against payment of the Transfer Price, transfer the Sale Shares in accordance with the requirements specified in it.

- (d) If the Seller fails to comply with the provisions of article 38.8(c):

- (i) the chairman of the Company or, failing him, one of the directors, or some other person nominated by a resolution of the board, may on behalf of the Seller:

- (A) complete, execute and deliver in his name all documents necessary to give effect to the transfer of the relevant Sale Shares to the Applicants;

- (B) receive the Transfer Price and give a good discharge for it; and

- (C) (subject to the transfer being duly stamped) enter the Applicants in the register of Shareholders as the holders of the Shares purchased by them; and

- (ii) the Company will pay the Transfer Price into a separate bank account in the Company's name on trust (but without interest) or otherwise hold the Transfer Price on trust for the Seller until he has delivered to the Company his certificate or certificates for the relevant shares (or an indemnity for lost certificate in a form acceptable to the board).

- (e) Where a Transfer Notice lapses pursuant to article 38.8(a) or an Allocation Notice does not relate to all the Sale Shares then, subject to article 38.8(f), the Seller may, within eight weeks after service of the Allocation Notice, transfer the unallocated Sale Shares to any person at a price at least equal to the Transfer Price.
- (f) The right of the Seller to transfer shares under article 38.8(e) does not apply if the board is of the opinion on reasonable grounds that:
 - (i) the sale of the Sale Shares is not bona fide or the price is subject to a deduction, rebate or allowance to the transferee; or
 - (ii) the Seller has failed or refused to provide promptly information available to it or him and reasonably requested by the board for the purpose of enabling it to form the opinion mentioned above.

39. VALUATION OF SHARES

- 39.1 If no Transfer Price can be agreed between the Seller and the board in accordance with articles 38.2, 41.5 or otherwise then, on the date of failing agreement, the board must either:
- (a) appoint an expert valuer in accordance with article 39.2 (the **Expert Valuer**) to certify the Fair Value of the Sale Shares; or
 - (b) (if the Fair Value has been certified by an Expert Valuer within the preceding 12 weeks) specify that the Fair Value of the Sale Shares will be calculated by dividing any Fair Value so certified by the number of Sale Shares to which it related and multiplying such Fair Value by the number of Sale Shares the subject of the Transfer Notice.
- 39.2 The Expert Valuer must be either:
- (a) the Auditors; or
 - (b) (if otherwise agreed by the board and the Seller) an independent firm of Chartered Accountants to be agreed between the board and the Seller or failing agreement not later than the date 10 Business Days after the date of service of the Transfer Notice to be nominated by the then President of the Institute of Chartered Accountants in England and Wales on the application of either party and approved by the Company.
- 39.3 The **Fair Value** of the Sale Shares must be determined by the Expert Valuer on the following assumptions and bases:
- (a) valuing the Sale Shares as on an arm's-length sale between a willing seller and a willing buyer;
 - (b) if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so;
 - (c) that the Sale Shares are capable of being transferred without restriction;

- (d) valuing the Sale Shares as a rateable proportion of the total value of all the issued shares without any premium or discount being attributable to the percentage of the issued share capital of the Company which they represent but taking account of the rights attaching to the Sale Shares; and
 - (e) reflect any other factors which the Expert Valuer reasonably believes should be taken into account.
- 39.4 If any difficulty arises in applying any of these assumptions or bases then the Expert Valuer will resolve that difficulty in whatever manner they will in their absolute discretion think fit.
- 39.5 The Expert Valuer will be requested to determine the Fair Value within 15 Business Days of their appointment and to notify the board of their determination.
- 39.6 The Expert Valuer will act as experts and not as arbitrators and their determination will be final and binding on the parties (in the absence of fraud or manifest error).
- 39.7 The board will give the Expert Valuer access to all accounting records or other relevant documents of the Company subject to them agreeing to such confidentiality provisions as the board may reasonably impose.
- 39.8 The Expert Valuer will deliver their certificate to the Company. As soon as the Company receives the certificate it will deliver a copy of it to the Seller. Unless the Sale Shares are to be sold under a Transfer Notice, which is deemed to have been served, the Seller may by notice in writing to the Company within five Business Days of the service on him of the copy certificate, cancel the Company's authority to sell the Sale Shares.
- 39.9 The cost of obtaining the certificate will be paid by the Company unless:
 - (a) the Seller cancels the Company's authority to sell; or
 - (b) the Sale Price certified by the Expert Valuer is less than the price (if any) offered by the directors to the Seller for the Sale Share before Expert Valuer was instructed,in which case the Seller will bear the cost.

40. COMPULSORY TRANSFERS

- 40.1 If any of the following happens to a shareholder, it shall be a **Compulsory Transfer Event** in respect of that shareholder:
 - (a) a petition is presented, an order is made, for the shareholder's bankruptcy;
 - (b) an application to the court is made under section 253 of the Insolvency Act 1986 where the shareholder intends to make a proposal to his creditors for a voluntary arrangement;

- (c) the shareholder makes an individual voluntary arrangement with his creditors on agreed terms pursuant to section 263A of the Insolvency Act 1986;
- (d) the shareholder convenes a meeting of his creditors or takes any other steps with a view to making an arrangement or composition in satisfaction of his creditors generally; or
- (e) the shareholder at any time attempts to deal with or dispose of a share or any interest therein or right attaching thereto otherwise than as permitted by these articles.

40.2 Upon the happening of a Compulsory Transfer Event, the shareholder in question shall be deemed to have immediately given a Transfer Notice in respect of all the shares as shall then be registered in the name of such shareholder and of all the shares to which he is at the time of the Compulsory Transfer Event entitled to be registered.

40.3 The provisions of this article may be waived in whole or in part in any particular case with the prior written consent of all the shareholders.

40.4 If a share remains registered in the name of a deceased shareholder for longer than one year after the date of his death, the directors may require the legal personal representatives of that deceased shareholder either:

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

If either requirement in this article 40.4 will not be fulfilled to the satisfaction of the directors, a Transfer Notice will be deemed to have been given in respect of each such share except to the extent that the directors may otherwise determine.

41. LEAVER PROVISIONS

41.1 The provisions of this article 41 shall apply to a Leaver unless otherwise agreed by the holders of 75% of the Equity Shares in issue from time to time (excluding the Leaver's shares), who may also agree in the same way that some or all of the provisions of this article 41 will be dis-applied or varied or that a Bad Leaver will be deemed a Good Leaver (as the case may be).

Bad Leaver

41.2 All the B Shares held by a Leaver (and his Permitted Transferees) who is a Bad Leaver will:

- (a) first, be offered to the holders of B Shares in proportion to the number of B Shares then held by them respectively;

- (b) second and subject to the Companies Act 2006, be offered to the Company; and
- (c) third, and only if the B Shares are not purchased pursuant to articles 41.2(a) and 41.2(b), shall automatically convert into Deferred Shares (on the basis of one Deferred Share for each B Share held) on the Termination Date.

The Transfer Price in the case of articles 41.2(a) and 41.2(b) will be: (i) the nominal value of the B Shares, or (ii) where such B Shares were acquired by the Bad Leaver on a transfer, the price paid by the Bad Leaver on the acquisition of such B Shares.

- 41.3 Upon a conversion into Deferred Shares pursuant to article 41.2(c), the Company will be entitled to enter the holder of the Deferred Shares into the register of members of the Company as the holder of the appropriate number of Deferred Shares as from the Termination Date. Holders of B Shares will deliver to the Company at its registered office the shares certificate(s) (to the extent not already in the possession of the Company) (or an indemnity for lost certificate in a form acceptable to the board) for the B Shares so converting and upon such delivery there will be issued to them (or their Permitted Transferee(s)) share certificate(s) for the number of Deferred Shares resulting from the relevant conversion.

Good Leaver

- 41.4 All the B Shares held by a Leaver (and his Permitted Transferees) who is a Good Leaver will:
- (a) first, be offered to the holders of B Shares in proportion to the number of B Shares then held by them respectively;
 - (b) second and subject to the Companies Act 2006, be offered to the Company; and
 - (c) third, be offered to any other person (or persons) who are approved by the board, and

the Transfer Price will be the Fair Value (as agreed in accordance with article 41.5).

Fair Value

- 41.5 For the purpose of article 41.4, Fair Value will be as agreed between the board and the Leaver, or failing agreement within five Business Days of seeking to agree such price, will be as determined in accordance with article 39.

Suspension of voting rights

- 41.6 All voting rights or pre-emption rights attached to B Shares held by the Leaver (and his Permitted Transferees), if any, will be suspended with effect from the Termination Date.
- 41.7 Any B Shares whose voting rights are suspended pursuant to article 41.6 (**Restricted Shares**) will confer on the relevant B Shareholder the right to receive

a notice of and attend all general meetings of the Company but will have no right to vote either in person or by proxy or to vote on any proposed written resolution. Voting rights suspended pursuant to article 41.6 will be automatically restored immediately before an IPO.

- 41.8 The directors may reinstate any of the rights referred to in article 41.6 at any time, and in any event, if the relevant B Shareholder transfers any Restricted Shares in accordance with these articles (except to a Permitted Transferee), all suspended rights attached to the Restricted Shares so transferred will upon completion of the transfer (as evidenced by the transferee's name being entered in the Company's register of members) automatically be restored.

42. TAG-ALONG

- 42.1 Except in the case of Permitted Transfers and transfers pursuant to articles 40 and 41, after going through the pre-emption procedure in article 38, the provisions of article 42.2 will apply if one or more Proposed Sellers propose to transfer, in one or a series of related transactions, 75% or more of the Equity Shares in issue from time to time (the **Proposed Transfer**) to a Proposed Purchaser (including Associates of his or persons Acting in Concert with him).
- 42.2 A Proposed Seller must, before making a Proposed Transfer procure the making by the Proposed Purchaser of an offer (the **Offer**) to the other Equity Shareholders to acquire all of the Equity Shares for the consideration calculated in accordance with article 42.7.
- 42.3 The Offer must be given by written notice (a **Proposed Sale Notice**) at least 10 Business Days (the **Offer Period**) before the proposed sale date (**Proposed Sale Date**). The Proposed Sale Notice must set out, to the extent not described in any accompanying documents, the identity of the Proposed Purchaser, the purchase price and other terms and conditions of payment, the Proposed Sale Date and the number of Shares proposed to be purchased by the Proposed Purchaser (the **Proposed Sale Shares**).
- 42.4 If any other holder of Equity Shares is not given the rights accorded him by this article 42, the Proposed Sellers will not be entitled to complete their sale and the Company will not register any transfer intended to carry that sale into effect.
- 42.5 If the Offer is accepted by any Shareholder (an **Accepting Shareholder**) within the Offer Period, the completion of the Proposed Transfer will be conditional upon the completion of the purchase of all the Shares held by Accepting Shareholders.
- 42.6 The Proposed Transfer is subject to the pre-emption provisions of article 38 but the purchase of the Accepting Shareholders' shares will not be subject to article 38.
- 42.7 The consideration (in cash or otherwise) to be paid to the Accepting Shareholders under the Offer will be that to which they would be entitled if the total consideration proposed to be paid by the Proposed Purchaser for the Accepting Shareholders' Shares and the Proposed Sellers' Shares were distributed to the holders of the

Accepting Shareholders' Shares and the Proposed Sellers' Shares in accordance with the provisions of article 28.1.

43. DRAG-ALONG

43.1 If the holders of 75% of the Equity Shares in issue for the time being (the **Selling Shareholders**) wish to transfer all their interest in the Equity Shares (the **Sellers' Shares**) to a Proposed Purchaser, the Selling Shareholders will have the option (the **Drag Along Option**) to compel each other holder of shares (each a **Called Shareholder** and together the **Called Shareholders**) to sell and transfer all their shares to the Proposed Purchaser or as the Proposed Purchaser will direct (the **Drag Purchaser**) in accordance with the provisions of this article 43.

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

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

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

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

43.4 The consideration (in cash or otherwise) for which the Called Shareholders will be obliged to sell each of the Called Shares will be that to which they would be entitled if the total consideration proposed to be paid by the Drag Purchaser were distributed to the holders of the Called Shares and the Sellers' Shares in accordance with the provisions of article 28 (the **Drag Consideration**).

43.5 In respect of a transaction that is the subject of a Drag-Along Notice and with respect to any Drag Document, a Called Shareholder will only be obliged to

- undertake to transfer his shares with full title guarantee (and provide an indemnity for lost certificate in a form acceptable to the board if so necessary) in receipt of the Drag Consideration when due and will not be obliged to give warranties or indemnities except a warranty as to capacity to enter into a Drag Document and the full title guarantee of the Shares held by such Called Shareholder.
- 43.6 Within three Business Days of the Company copying the Drag Along Notice to the Called Shareholders (or such later date as may be specified in the Drag Along Notice) (the **Drag Completion Date**), each Called Shareholder will deliver:
- (a) duly executed stock transfer form(s) for its shares in favour of the Drag Purchaser;
 - (b) the relevant share certificate(s) (or a duly executed indemnity for lost certificate in a form acceptable to the board) to the Company; and
 - (c) duly executed Sale Agreement, if applicable, in the form specified in the Drag Along Notice or as otherwise specified by the Company,
- (together the **Drag Documents**).
- 43.7 On the Drag Completion Date, the Company will pay each Called Shareholder, on behalf of the Drag Purchaser, the Drag Consideration that is due to the extent the Drag Purchaser has paid such consideration to the Company. The Company's receipt of the Drag Consideration will be a good discharge to the Drag Purchaser. The Company will hold the Drag Consideration in trust for each of the Called Shareholders without any obligation to pay interest.
- 43.8 To the extent that the Drag Purchaser has not, on the Drag Completion Date, paid the Drag Consideration that is due to the Company, the Called Shareholders will be entitled to the immediate return of the Drag Documents for the relevant Shares and the Called Shareholders will have no further rights or obligations under this article 43 in respect of their shares.
- 43.9 If a Called Shareholder fails to deliver the Drag Documents for its shares to the Company by the Drag Completion Date, the Company and each director will be constituted the agent of such defaulting Called Shareholder to take such actions and enter into any Drag Document or such other agreements or documents as are necessary to effect the transfer of the Called Shareholder's shares pursuant to this article 43 and the directors will, if requested by the Drag Purchaser, authorise any director to transfer the Called Shareholder's shares on the Called Shareholder's behalf to the Drag Purchaser to the extent the Drag Purchaser has, by the Drag Completion Date, paid the Drag Consideration to the Company for the Called Shareholder's shares offered to him. The board will then authorise registration of the transfer once appropriate stamp duty has been paid. The defaulting Called Shareholder will surrender his share certificate for his shares (or suitable executed indemnity) to the Company. On surrender, he will be entitled to the Drag Consideration due to him.
- 43.10 On any person, following the issue of a Drag Along Notice, becoming a shareholder pursuant to the exercise of a pre-existing option or warrant to acquire

shares in the Company or pursuant to the conversion of any convertible security of the Company (a **New Shareholder**), a Drag Along Notice will be deemed to have been served on the New Shareholder on the same terms as the previous Drag Along Notice who will then be bound to sell and transfer all shares so acquired to the Drag Purchaser and the provisions of this article will apply with the necessary changes to the New Shareholder except that completion of the sale of the shares will take place immediately on the Drag Along Notice being deemed served on the New Shareholder.

- 43.11 Any transfer of shares to a Drag Purchaser pursuant to a sale in respect of which a Drag Along Notice has been duly received shall not be subject to the pre-emption provisions of article 38.

44. TRANSMISSION OF SHARES

- 44.1 If title to a share passes to a transmittee, the Company may only recognise the transmittee as having any title to that share.

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

- (a) may, subject to these articles, choose either to become the holder of those shares or to have them transferred to another person; and
- (b) subject to these articles, and pending any transfer of the shares to another person, has the same rights as the holder had.

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

45. EXERCISE OF TRANSMITTEES' RIGHTS

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

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

- 45.3 Any transfer made or executed under this article is to be treated as if it were made or executed by the person from whom the transmittee has derived rights in respect of the share, and as if the event which gave rise to the transmission had not occurred.

46. TRANSMITTEES BOUND BY PRIOR NOTICES

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

47. BUYBACK OF SHARES

47.1 Subject to the Companies Act 2006, but without prejudice to any other provisions of these articles, the Company may purchase its own shares in accordance with Chapter 4 of Part 18 of the Companies Act 2006, including (without limitation) out of capital up to any amount in a financial year not exceeding the lower of:

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

48. LIEN

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

48.2 The Company's Lien over a share:

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

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

48.3 Subject to the provisions of this article 48, if:

- (a) a notice complying with Article 48.4 (a **Lien Enforcement Notice**) has been given by the Company in respect of a share; and
- (b) the person to whom the notice was given has failed to comply with it,

the Company will be entitled to sell that share in such manner as the directors decide.

48.4 A Lien Enforcement Notice:

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

- (e) must state the Company's intention to sell the share if the notice is not complied with.
- 48.5 Where any Share is sold pursuant to this Article 48:
- (a) the directors may authorise any person to execute an instrument of transfer of the share to the purchaser or a person nominated by the purchaser; and
 - (b) the transferee will not be bound to see to the application of the consideration, and the transferee's title will not be affected by any irregularity in or invalidity of the process leading to the sale.
- 48.6 The net proceeds of any such sale (after payment of the costs of sale and any other costs of enforcing the lien) must be applied:
- (a) first, in payment of so much of the sum for which the lien exists as was payable at the date of the Lien Enforcement Notice;
 - (b) secondly, to the person entitled to the share at the date of the sale, but only after the certificate for the share sold has been surrendered to the Company for cancellation or an indemnity for lost certificate in a form acceptable to the board has been given for any lost certificate, and subject to a lien equivalent to the Company's Lien for any money payable (whether or not it is presently payable) as existing upon the share before the sale in respect of all shares registered in the name of that person (whether as the sole registered holder or as one of several joint holders) after the date of the Lien Enforcement Notice.
- 48.7 A statutory declaration by a director or the company secretary that the declarant is a director or the company secretary and that a share has been sold to satisfy the Company's Lien on a specified date:
- (a) will be conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share; and
 - (b) subject to compliance with any other formalities of transfer required by these articles or by law, will constitute a good title to the share.
- 49. CALL NOTICES**
- 49.1 Subject to these articles and the terms on which shares are allotted, the directors may send a notice (a **Call Notice**) to a shareholder who has not fully paid for that shareholder's share(s) requiring the shareholder to pay the Company a specified sum of money (a **call**) which is payable to the Company by that shareholder when the directors decide to send the Call Notice.
- 49.2 A Call Notice:
- (a) may not require a shareholder to pay a call which exceeds the total sum unpaid on that shareholder's shares (whether as to the share's nominal value or any sum payable to the Company by way of premium);
 - (b) will state when and how any call to which it relates it is to be paid; and

- (c) may permit or require the call to be paid by instalments.
- 49.3 A shareholder will comply with the requirements of a Call Notice, but no shareholder will be obliged to pay any call before 14 days have passed since the notice was sent.
- 49.4 Before the Company has received any call due under a Call Notice the directors may:
- (a) revoke it wholly or in part; or
 - (b) specify a later time for payment than is specified in the Call Notice, by a further notice in writing to the shareholder in respect of whose shares the call is made.
- 49.5 Liability to pay a call will not be extinguished or transferred by transferring the shares in respect of which it is required to be paid. Joint holders of a share will be jointly and severally liable to pay all calls in respect of that share.
- 49.6 Subject to the terms on which shares are allotted, the directors may, when issuing shares, provide that Call Notices sent to the holders of those shares may require them to:
- (a) pay calls which are not the same; or
 - (b) pay calls at different times.
- 49.7 A Call Notice need not be issued in respect of sums which are specified, in the terms on which a share is issued, as being payable to the Company in respect of that share (whether in respect of nominal value or premium):
- (a) on allotment;
 - (b) on the occurrence of a particular event; or
 - (c) on a date fixed by or in accordance with the terms of issue.
- 49.8 If the due date for payment of such a sum as referred to in article 49.7 has passed and it has not been paid, the holder of the share concerned will be treated in all respects as having failed to comply with a Call Notice in respect of that sum, and will be liable to the same consequences as regards the payment of interest and forfeiture.
- 49.9 If a person is liable to pay a call and fails to do so by the Call Payment Date (as defined below):
- (a) the Directors may issue a notice of intended forfeiture to that person; and
 - (b) until the call is paid, that person will be required to pay the Company interest on the call from the Call Payment Date at the Relevant Rate (as defined below).
- 49.10 For the purposes of article 49.9:

- (a) the **Call Payment Date** will be the time when the call notice states that a call is payable, unless the directors give a notice specifying a later date, in which case the **Call Payment Date** is that later date;
- (b) the **Relevant Rate** will be:
 - (i) the rate fixed by the terms on which the share in respect of which the call is due was allotted;
 - (ii) such other rate as was fixed in the Call Notice which required payment of the call, or has otherwise been determined by the directors; or
 - (iii) if no rate is fixed in either of these ways, five per cent a year,

provided that the Relevant Rate will 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(a).

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

49.12 The directors may accept full payment of any unpaid sum in respect of a share despite payment not being called under a Call Notice.

50. FORFEITURE OF SHARES

50.1 A notice of intended forfeiture:

- (a) may be sent in respect of any share for which there is an unpaid sum in respect of which a call has not been paid as required by a Call Notice;
- (b) must be sent to the holder of that share or to a person entitled to it by reason of the holder's death, bankruptcy or otherwise;
- (c) must require payment of the call and any accrued interest and all expenses that may have been incurred by the Company by reason of such non-payment by a date which is not fewer than 14 days after the date of the notice;
- (d) must state how the payment is to be made; and
- (e) must state that if the notice is not complied with, the shares in respect of which the call is payable will be liable to be forfeited.

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

50.3 Subject to these articles, the forfeiture of a share extinguishes:

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

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

50.4 Any share which is forfeited in accordance with these articles:

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

50.5 If a person's shares have been forfeited then:

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

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

50.7 If a forfeited share is to be disposed of by being transferred, the Company will be entitled to receive the consideration for the transfer and the directors will be entitled to authorise any person to execute the instrument of transfer.

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

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

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

50.10 If the Company sells a forfeited share, the person who held it before its forfeiture will be entitled to receive the proceeds of such sale from the Company, net of any commission, and excluding any sum which:

- (a) was, or would have become, payable; and
- (b) had not, when that share was forfeited, been paid by that person in respect of that share,

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

51. SURRENDER OF SHARES

51.1 A shareholder will be entitled to surrender any share:

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

The directors will be entitled to accept the surrender of any such share.

51.2 The effect of surrender on a share will be the same as the effect of forfeiture on that share.

51.3 The Company will be entitled to deal with a share which has been surrendered in the same way as a share which has been forfeited.

DIVIDENDS AND OTHER DISTRIBUTIONS

52. PROCEDURE FOR DECLARING DIVIDENDS

52.1 The Company may by ordinary resolution declare dividends, and the directors may decide to pay interim dividends.

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

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

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

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

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

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

53. PAYMENT OF DIVIDENDS AND OTHER DISTRIBUTIONS

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

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

53.2 In these articles, the **distribution recipient** means, in respect of a share in respect of which a dividend or other sum is payable:

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

54. NO INTEREST ON DISTRIBUTIONS

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

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

55. UNCLAIMED DISTRIBUTIONS

55.1 All dividends or other sums which are:

(a) payable in respect of shares; and

(b) unclaimed after having been declared or become payable,

may be invested or otherwise made use of by the directors for the benefit of the Company until claimed.

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

55.3 If:

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

(b) the distribution recipient has not claimed it,

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

56. NON-CASH DISTRIBUTIONS

56.1 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).

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

(a) fixing the value of any assets;

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

(c) vesting any assets in trustees.

57. 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:

(a) the share has more than one holder; or

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

CAPITALISATION OF PROFITS

58. AUTHORITY TO CAPITALISE AND APPROPRIATION OF CAPITALISED SUMS

58.1 The directors may, if they are so authorised by an ordinary resolution:

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

58.2 Capitalised sums must be applied:

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

58.3 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.

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

58.5 The directors may:

- (a) apply capitalised sums in accordance with articles 58.3 and 58.4 partly in one way and partly in another;
- (b) make such arrangements as they think fit to deal with shares or debentures becoming distributable in fractions under this article (including the issuing of fractional certificates or the making of cash payments); and
- (c) authorise any person to enter into an agreement with the Company on behalf of all the persons entitled which is binding on them in respect of the allotment of shares and debentures to them under this article.

PART 4

DECISION-MAKING BY SHAREHOLDERS

ORGANISATION OF GENERAL MEETINGS

59. ATTENDANCE AND SPEAKING AT GENERAL MEETINGS

59.1 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.

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

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

59.3 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.

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

59.5 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.

60. QUORUM FOR GENERAL MEETINGS

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.

61. CHAIRING GENERAL MEETINGS

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

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

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

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

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

62. ATTENDANCE AND SPEAKING BY DIRECTORS AND NON-SHAREHOLDERS

62.1 Directors may attend and speak at general meetings, whether or not they are Equity Shareholders.

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

- (a) Equity Shareholders of the Company; or

- (b) otherwise entitled to exercise the rights of Equity Shareholder in relation to general meetings,

to attend and speak at a general meeting.

63. ADJOURNMENT

- 63.1 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.
- 63.2 The chairman of the meeting may adjourn a general meeting at which a quorum is present if:
- (a) the meeting consents to an adjournment; or
 - (b) it appears to the chairman of the meeting that an adjournment is necessary to protect the safety of any person attending the meeting or ensure that the business of the meeting is conducted in an orderly manner.
- 63.3 The chairman of the meeting must adjourn a general meeting if directed to do so by the meeting.
- 63.4 When adjourning a general meeting, the chairman of the meeting must:
- (a) either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the directors; and
 - (b) have regard to any directions as to the time and place of any adjournment which have been given by the meeting.
- 63.5 If the continuation of an adjourned meeting is to take place more than 14 days after it was adjourned, the Company must give at least 7 clear days' notice of it (that is, excluding the day of the adjourned meeting and the day on which the notice is given):
- (a) to the same persons to whom notice of the Company's general meetings is required to be given; and
 - (b) containing the same information which such notice is required to contain.
- 63.6 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

64. VOTING: GENERAL

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.

65. ERRORS AND DISPUTES

65.1 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.

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

66. POLL VOTES

66.1 A poll on a resolution may be demanded:

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

66.2 A poll may be demanded by:

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

66.3 A demand for a poll may be withdrawn if:

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

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

67. CONTENT OF PROXY NOTICES

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

- (a) states the name and address of the Equity Shareholder appointing the proxy;
- (b) identifies the person appointed to be that Equity Shareholder proxy and the general meeting in relation to which that person is appointed;
- (c) is signed by or on behalf of the Equity Shareholder appointing the proxy, or is authenticated in such manner as the directors may determine; and

- (d) is delivered to the Company in accordance with these articles and any instructions contained in the notice of the general meeting to which they relate.

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

67.3 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.

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

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

68. DELIVERY OF PROXY NOTICES

68.1 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.

68.2 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.

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

68.4 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.

69. AMENDMENTS TO RESOLUTIONS

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

- (a) notice of the proposed amendment is given to the Company in writing by a person entitled to vote at the general meeting at which it is to be proposed not less than 48 hours before the meeting is to take place (or such later time as the chairman of the meeting may determine); and
- (b) the proposed amendment does not, in the reasonable opinion of the chairman of the meeting, materially alter the scope of the resolution.

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

- (a) the chairman of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed; and

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

69.3 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

70. MEANS OF COMMUNICATION TO BE USED

70.1 Anything sent or supplied by or to the Company under these articles may be sent or supplied in any way in which the Companies Act 2006 provides for documents or information which are authorised or required by any provision of that Act to be sent or supplied by or to the Company.

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

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

71. 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.

72. 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

73. INDEMNITY

73.1 Subject to article 73.2, a relevant director of the Company or an associated company shall be indemnified out of the Company's assets against:

- (a) any liability incurred by that director in connection with any negligence, default, breach of duty or breach of trust in relation to the Company or an associated company;

- (b) any liability incurred by that director in connection with the activities of the Company or an associated company in its capacity as a trustee of an occupational pension scheme (as defined in section 235(6) of the Companies Act 2006); or
- (c) any other liability incurred by that director as an officer of the Company or an associated company.

73.2 This article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Act 2006 or by any other provision of law.

73.3 In this article:

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

74. INSURANCE

74.1 The directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any relevant director in respect of any relevant loss.

74.2 In this article:

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