

THE COMPANIES ACT 2006
A PRIVATE COMPANY LIMITED BY SHARES

BODY ROCKET LTD (THE "COMPANY")

SPECIAL RESOLUTION

Passed 26 MARCH 2018

The following written resolution was duly passed as a special resolution:

"That the articles of association contained in the printed document attached to this Resolution and for the purposes of identification signed by the Chairman thereof be and are hereby adopted as the articles of association of the Company (the "**Grunt Fund Articles**") in substitution for and to the exclusion of its existing articles of association."



Chairman

THURSDAY



A72RWWKO
A38 29/03/2018 #86
COMPANIES HOUSE

THE COMPANIES ACT 2006

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

- OF -

A handwritten signature in black ink, appearing to be 'Z. J. M.', is written to the right of the text '- OF -'.

BODY ROCKET LTD

Incorporated in England and Wales under

Registered no. 11264664

(Adopted by special resolution passed on 26 MARCH 2018)

TABLE OF CONTENTS

PRELIMINARY.....	5
1. DEFINED TERMS.....	5
2. PRIVATE COMPANY STATUS, LIABILITY OF MEMBERS AND SUBSIDIARIES.....	8
DIRECTORS.....	8
3. DIRECTORS' GENERAL AUTHORITY.....	8
4. SHAREHOLDERS' RESERVE POWER.....	8
5. DIRECTORS MAY DELEGATE.....	9
6. COMMITTEES.....	9
7. DIRECTORS TO TAKE DECISIONS COLLECTIVELY.....	9
8. UNANIMOUS DECISIONS.....	9
9. CALLING A DIRECTORS' MEETING.....	9
10. PARTICIPATION IN DIRECTORS' MEETINGS.....	10
11. QUORUM FOR DIRECTORS' MEETINGS.....	10
12. CHAIRING OF DIRECTORS' MEETINGS.....	11
13. CASTING VOTE.....	11
14. TRANSACTIONS OR OTHER ARRANGEMENTS WITH THE COMPANY.....	11
15. DIRECTORS' CONFLICTS OF INTEREST.....	12
16. RECORDS OF DECISIONS TO BE KEPT.....	13
17. DIRECTORS' DISCRETION TO MAKE FURTHER RULES.....	13
APPOINTMENT OF DIRECTORS.....	13
18. NUMBER OF DIRECTORS.....	13
19. METHODS OF APPOINTING DIRECTORS.....	13
20. TERMINATION OF DIRECTOR'S APPOINTMENT.....	13
21. NO RETIREMENT BY ROTATION.....	14
22. DIRECTORS' REMUNERATION.....	14
23. DIRECTORS' EXPENSES.....	14
24. APPOINTMENT AND REMOVAL OF ALTERNATE DIRECTORS.....	14
25. RIGHTS AND RESPONSIBILITIES OF ALTERNATE DIRECTORS.....	15
26. TERMINATION OF ALTERNATE DIRECTORSHIP.....	15

27. SECRETARY.....	16
SHARES.....	16
28. ALL SHARES TO BE FULLY PAID UP.....	16
29. AUTHORITY TO ISSUE SHARES.....	16
30. COMMISSIONS.....	17
31. SMALL PURCHASES OF OWN SHARES.....	17
32. COMPANY NOT BOUND BY LESS THAN ABSOLUTE INTERESTS.....	17
33. SHARE CERTIFICATES.....	17
34. REPLACEMENT SHARE CERTIFICATES.....	17
SHARE TRANSFERS.....	18
35. GENERAL.....	18
36. PROHIBITED TRANSFERS.....	18
37. PERMITTED TRANSFERS.....	19
38. PRE-EMPTION RIGHTS.....	21
39. DRAG ALONG.....	21
40. TAG ALONG.....	23
DIVIDENDS AND OTHER DISTRIBUTIONS.....	23
41. PROCEDURE FOR DECLARING DIVIDENDS.....	23
42. PAYMENT OF DIVIDENDS AND OTHER DISTRIBUTIONS.....	24
43. NO INTEREST ON DISTRIBUTIONS.....	24
44. UNCLAIMED DISTRIBUTIONS.....	25
45. NON-CASH DISTRIBUTIONS.....	25
46. WAIVER OF DISTRIBUTIONS.....	25
CAPITALISATION OF PROFITS.....	25
47. AUTHORITY TO CAPITALISE AND APPROPRIATION OF CAPITALISED SUMS.....	26
SHAREHOLDER MEETINGS.....	26
48. ATTENDANCE AND SPEAKING AT GENERAL MEETINGS.....	26
49. QUORUM FOR GENERAL MEETINGS.....	27
50. CHAIRING GENERAL MEETINGS.....	27
51. ATTENDANCE AND SPEAKING BY DIRECTORS AND NON-SHAREHOLDERS.....	27

52. ADJOURNMENT.....	27
VOTING AT GENERAL MEETINGS.....	28
53. VOTING ON A SHOW OF HANDS.....	28
54. ERRORS AND DISPUTES.....	28
55. POLL VOTES.....	28
56. CONTENT OF PROXY NOTICES.....	29
57. DELIVERY OF PROXY NOTICES.....	29
58. AMENDMENTS TO RESOLUTIONS.....	29
ADMINISTRATIVE ARRANGEMENTS.....	30
59. MEANS OF COMMUNICATION TO BE USED.....	30
60. COMPANY SEALS.....	31
61. NO RIGHT TO INSPECT ACCOUNTS AND OTHER RECORDS.....	31
62. PROVISION FOR EMPLOYEES ON CESSATION OF BUSINESS.....	31
DIRECTORS' INDEMNITY AND INSURANCE.....	31
63. INDEMNITY.....	31
64. INSURANCE.....	32
65. WINDING UP.....	32

PRELIMINARY

1. DEFINED TERMS

1.1 In these articles, unless the context requires otherwise:

"Act" means the Companies Act 2006;

"Accepting Shareholders" has the meaning given in Article 39.4;

"appointor" has the meaning given in Article 24.1;

"Articles" means the Company's articles of association for the time being in force;

"Asset Sale" means a sale by the Company or any other member of the Group of all or substantially all of the Group's business, assets and undertakings to a single buyer or to one or more buyers as part of a single transaction or series of connected transactions (other than as part of a Solvent Reorganisation);

"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;

"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;

"Buyer Group" has the meaning given in Article 40.4.1;

"chairman" has the meaning given in Article 12;

"chairman of the meeting" has the meaning given in Article 50;

"Companies Acts" means the Companies Acts (as defined in section 2 of the Act), in so far as they apply to the Company;

"Company" means Body Rocket Ltd;

"Conflict" has the meaning given in Article 15.1;

"Defaulting Shareholder" has the meaning given in Article 36.4;

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

"distribution recipient" has the meaning given in Article 42.2;

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

"Drag Notice" has the meaning given in Article 39.5;

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

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

"Encumbrance" means a mortgage, charge, pledge, lien, option, restriction, equity, right of first refusal, right of pre-emption, third party right or interest, other encumbrance or security interest of any kind or other type of agreement or arrangement having similar effect;

"Excess Securities" has the meaning given in Article 38.2.2;

"Exit" means a Sale, Asset Sale, Quotation or Winding-Up;

"Family Member" means, in relation to Relevant Employee, his spouse and/or any one or more of his children (including any step-children);

"Family Trust" means, in relation to a Relevant Employee, a trust or settlement set up wholly for the benefit of that person and/or his Family Members;

"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;

"Further Drag Notice" shall be as defined in Article 39.7;

"Further Shares" shall be as defined in Article 39.7;

"Group" means the Company and any company which is a subsidiary of the Company or vice versa or where both are subsidiaries of the same body corporate, and references to **"Group Company"** shall be construed accordingly;

"Grunt Fund" has the meaning set out in the Grunt Fund Agreement;

"Grunt Fund Agreement" means the grunt fund shareholders' agreement to be entered into on or about the date of these Articles between (1) Body Rocket Ltd, (2) Eric DeGolier, and (3) Marcus Hoenig, as amended or novated from time to time;

"Grunt Fund Split Effective Vesting Date" has the meaning set out in the Grunt Fund Agreement;

"Grunt Fund Split" has the meaning set out in the Grunt Fund Agreement;

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

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

"Instrument" means a document in hard copy form;

"Interested Director" shall be as defined in Article 15.1;

"Model Articles" means the model articles for private companies limited by shares contained in Schedule 1 of The Companies (Model Articles) Regulations 2008 (SI 2009/3229) as amended prior to the date of adoption of these Articles;

"New Holding Company" means any new holding company of the Company, for the purpose of facilitating an Exit (including a Quotation of shares in such new holding company);

"Offeror" shall be as defined in Article 39.1;

"Offeror Group" shall be as defined in Article 39.3.1;

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

"Other Shareholders" shall be as defined in Article 39.5;

"paid" means paid or credited as paid;

"participate", in relation to a directors' meeting, has the meaning given in Article 10;

"Proposed Buyer" shall be as defined in Article 40.1;

"Proposed Sale" shall be as defined in Article 40.1;

"Proposed Sellers" shall be as defined in Article 40.1;

"proxy notice" has the meaning given in Article 56.1;

"Quotation" means the admission of the whole of any class of the issued share capital of any Group Company, or any New Holding Company, to the Official List of the Financial Conduct Authority (or its successors) and to trading on the London Stock Exchange's market for listed securities or to trading on the Alternative Investment Market of the London Stock Exchange or on any other Recognised Stock Exchange;

"Qualifying Offer" shall be as defined in Article 39.1;

"Recognised Stock Exchange" means a recognised investment exchange, recognised overseas investment exchange, designated investment exchange or designated overseas investment exchange, in each case for the purposes of the Financial Services and Markets Act 2000;

"Relevant Employee" shall mean an employee of, a director or officer of, or a consultant engaged by the Company or any other Group Company;

"relevant loss" means any loss or liability which has been or may be incurred by a relevant officer in connection with that relevant officer's duties or powers in relation to the Company, any Group Company or any pension fund or employees' share scheme of the Company or Group company;

"relevant officer" means any director or other officer or former director or other officer of the Company or a Group Company (including any such company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act, but excluding in each case any person engaged by the Company (or Group Company) as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor);

"Sale" means the sale of more than 50% (fifty percent) in number of the shares in issue from time to time to a single buyer, or to any person who is a connected person of the buyer and any person with whom the buyer is acting in concert, as part of a single transaction or series of connected transactions (other than as part of a Solvent Reorganisation), which for the avoidance of doubt excludes any issue of shares pursuant to the Grunt Fund Agreement;

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

"shares" means any share in the capital of the Company from time to time;

"Solvent Reorganisation" means a solvent reorganisation of the Group by any means, the acquisition of the Company by a New Holding Company, or any other reorganisation involving the Company's share or debt capital (including the conversion, consolidation, subdivision, reclassification or redesignation (as appropriate) of shares into a single class of ordinary shares) in preparation for an Exit;

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

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

"Tagging Shareholder" shall be as defined in Article 40.6;

"Transfer Back" shall be as defined in Article 37.6;

"transferee" means a person entitled to a share by reason of death or bankruptcy of a shareholder, or otherwise by operation of law, or pursuant to Article 37.3.1 (transfers to Family Members or trustees);

"Winding-Up" means a distribution pursuant to a winding up, dissolution or liquidation of the Company

or a New Holding Company (including following an Asset Sale); 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 Save as otherwise specifically provided in these Articles, words and expressions which have particular meanings in the Model Articles shall have the same meanings in these Articles, subject to which and unless the context otherwise requires, words and expressions which have particular meanings in the Act shall have the same meanings in these Articles.
- 1.3 Headings in these Articles are used for convenience only and shall not affect the construction or interpretation of these Articles.
- 1.4 A reference in these Articles to an **“article”** is a reference to the relevant article of these Articles unless expressly provided otherwise.
- 1.5 Unless expressly provided otherwise, a reference to a statute, statutory provision or subordinate legislation is a reference to it as it is in force from time to time, taking account of:
 - 1.5.1 any subordinate legislation from time to time made under it, and
 - 1.5.2 any amendment or re-enactment and includes any statute, statutory provision or subordinate legislation which it amends or re-enacts.
- 1.6 Any phrase introduced by the terms **“including”, “include”, “in particular”** or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.
- 1.7 The Model Articles shall apply to the Company, except in so far as they are modified or excluded by, or are inconsistent with, these Articles.

2. PRIVATE COMPANY STATUS, LIABILITY OF MEMBERS AND SUBSIDIARIES

- 2.1 The Company is a private company limited by shares and accordingly any offer to the public to subscribe for any shares or debentures of the Company is prohibited.
- 2.2 The liability of the members is limited to the amount, if any, unpaid on the shares held by them.
- 2.3 The Company agrees to use such powers as it has as shareholder of any Group Company to ensure that such Group Company shall comply with those provisions of these Articles which are expressed to apply to a Group Company and that no Group Company shall do or permit to be done any act, matter or thing which if it were done or permitted to be done by the Company would constitute a breach by the Company of any provision of these Articles or would require any consent, approval or sanction under these Articles, unless in such latter case such consent, approval or section has first been obtained.

DIRECTORS

3. DIRECTORS' GENERAL AUTHORITY

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

4. SHAREHOLDERS' RESERVE POWER

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

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

5. DIRECTORS MAY DELEGATE

- 5.1 Subject to the Articles, the directors may delegate any of the powers which are conferred on them under the Articles:

- 5.1.1 to such person or committee;
 - 5.1.2 by such means (including by power of attorney);
 - 5.1.3 to such an extent;
 - 5.1.4 in relation to such matters or territories; and
 - 5.1.5 on such terms and conditions,
- as they think fit.

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

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

6. COMMITTEES

- 6.1 Committees to which the directors delegate any of their powers must follow procedures which are based as far as they are applicable on those provisions of the Articles which govern the taking of decisions by directors.

- 6.2 The directors may make rules of procedure for all or any committees, which prevail over rules derived from the Articles if they are not consistent with them.

7. DIRECTORS TO TAKE DECISIONS COLLECTIVELY

- 7.1 The general rule about decision-making by directors is that any decision of the directors must be either a majority decision at a meeting or a decision taken in accordance with Article 8.

- 7.2 If:

- 7.2.1 the Company only has one director for the time being, and
- 7.2.2 no provision of the Articles requires it to have more than one director,

the general rule does not apply, and the director may (for so long as he remains the sole director) take decisions without regard to any of the provisions of the Articles relating to directors' decision-making.

8. UNANIMOUS DECISIONS

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

- 8.2 Such a decision may take the form of a resolution in writing, where each eligible director has signed one or more copies of it, or to which each eligible director has otherwise indicated agreement in writing.

- 8.3 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.

9. CALLING A DIRECTORS' MEETING

- 9.1 Any director may call a directors' meeting by giving not less than two business days' notice of the meeting (or such lesser notice as all the directors may agree) to the directors or by authorising the company secretary (if any) to give such notice.
- 9.2 Notice of any directors' meeting shall be given to each director in writing, and must indicate:
- 9.2.1 its proposed date and time;
 - 9.2.2 where it is to take place; and
 - 9.2.3 if it is anticipated that directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting.
- 9.3 The directors, or a committee of the directors, may hold meetings by telephone or video conference or by a series or combination of them. The views of the directors, or a committee of directors, as ascertained by such telephone or video conference conversations and communicated to the chairman shall be treated as votes in favour of or against a particular resolution (as appropriate). A resolution passed at any meeting held in this manner and signed by the chairman shall be as valid and effectual as if it had been passed at a meeting of the directors (or, as the case may be, of that committee) duly convened and held. Such a meeting shall be deemed to take place where the largest group of those participating is assembled, or, if there is no such group, where a director appointed pursuant to Article 12 of the meeting is then present.
- 9.4 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 seven 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.

10. PARTICIPATION IN DIRECTORS' MEETINGS

- 10.1 Subject to the Articles, directors participate in a directors' meeting, or part of a directors' meeting, when:
- 10.1.1 the meeting has been called and takes place in accordance with the Articles, and
 - 10.1.2 they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.
- 10.2 In determining whether directors are participating in a directors' meeting, it is irrelevant where any director is or how they communicate with each other.
- 10.3 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. QUORUM FOR DIRECTORS' MEETINGS

- 11.1 At a directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.
- 11.2 Subject to Article 11.3 the quorum for the transaction of business at a meeting of directors is any two eligible directors.
- 11.3 For the purposes of any meeting (or part of a meeting) held pursuant to Article 15 to authorise a director's conflict, if there is only one director in office other than the conflicted director(s), the quorum for such meeting (or part of a meeting) shall be one eligible director.
- 11.4 If the total number of directors in office for the time being is less than the quorum required, the

directors must not take any decision other than a decision:

11.4.1 to appoint further directors, or

11.4.2 to call a general meeting so as to enable the shareholders to appoint further directors.

12. CHAIRING OF DIRECTORS' MEETINGS

12.1 The directors may appoint a director to chair their meetings.

12.2 The person so appointed for the time being is known as the chairman.

12.3 The directors may terminate the chairman's appointment at any time.

12.4 If the chairman is not participating in a directors' meeting within 10 (ten) minutes of the time at which it was to start, the participating directors must appoint one of themselves to chair it.

13. CASTING VOTE

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

14. TRANSACTIONS OR OTHER ARRANGEMENTS WITH THE COMPANY

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

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

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

14.1.3 shall be entitled to vote at a meeting of directors or of a committee of the directors, or participate in any unanimous decision, in respect of such existing or proposed transaction or arrangement in which he is interested;

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

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

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

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

- 14.3 Subject to Article 14.4 if a question arises at a meeting of directors or of a committee of directors as to the right of a director to participate in the meeting (or part of the meeting) for voting or quorum purposes, the question may, before the conclusion of the meeting, be referred to the chairman whose ruling in relation to any director other than the chairman is to be final and conclusive.
- 14.4 If any question as to the right to participate in the meeting (or part of the meeting) should arise in respect of the chairman, the question is to be decided by a decision of the directors at that meeting, for which purpose the chairman is not to be counted as participating in the meeting (or that part of the meeting) for voting or quorum purposes.
- 15. DIRECTORS' CONFLICTS OF INTEREST**
- 15.1 The directors may, in accordance with the requirements set out in this Article, authorise any matter or situation proposed to them by any director which would, if not authorised, involve a director (an **"Interested Director"**) breaching his duty under section 175 of the Act to avoid conflicts of interest (a **"Conflict"**).
- 15.2 Any authorisation under this Article will be effective only if:
- 15.2.1 to the extent permitted by the Act, the matter in question shall have been proposed by any director for consideration in the same way that any other matter may be proposed to the directors under the provisions of these Articles or in such other manner as the directors may determine;
 - 15.2.2 any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested Director; and
 - 15.2.3 the matter was agreed to without the Interested Director voting or would have been agreed to if the Interested Director's vote had not been counted.
- 15.3 Any authorisation of a Conflict under this Article 15 may (whether at the time of giving the authorisation or subsequently):
- 15.3.1 extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised;
 - 15.3.2 provide that the Interested Director be excluded from the receipt of documents and information and the participation in discussions (whether at meetings of the directors or otherwise) related to the Conflict;
 - 15.3.3 provide that the Interested Director shall or shall not be an eligible director in respect of any future decision of the directors in relation to any resolution related to the Conflict;
 - 15.3.4 impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the directors think fit;
 - 15.3.5 provide that, where the Interested Director obtains, or has obtained (through his involvement in the Conflict and otherwise than through his position as a director of the Company) information that is confidential to a third party, he will not be obliged to disclose that information to the Company, or to use it in relation to the Company's affairs where to do so would amount to a breach of that confidence; and
 - 15.3.6 permit the Interested Director to absent himself from the discussion of matters relating to the Conflict at any meeting of the directors and be excused from reviewing papers prepared by, or for, the directors to the extent to which they relate to such matters.
- 15.4 Where the directors authorise a Conflict the Interested Director will be obliged to conduct himself in accordance with any terms and conditions imposed by the directors in relation to the Conflict.

- 15.5 The directors may revoke or vary such authorisation at any time, but this will not affect anything done by the Interested Director, prior to such revocation or variation, in accordance with the terms of such authorisation.
- 15.6 A director is not required, by reason of being a director (or because of the fiduciary relationship established by reason of being a director), to account to the Company for any remuneration, profit or other benefit which he derives from or in connection with a relationship involving a Conflict which has been authorised by the directors or by the Company in general meeting (subject in each case to any terms, limits or conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds.
- 16. RECORDS OF DECISIONS TO BE KEPT**
- 16.1 The directors must ensure that the Company keeps a record, in writing, for at least 10 (ten) years from the date of the decision recorded, of every unanimous or majority decision taken by the directors.
- 16.2 Where decisions of the directors are taken by electronic means, such decisions shall be recorded by the directors in permanent form, so that they may be read with the naked eye.
- 17. DIRECTORS' DISCRETION TO MAKE FURTHER RULES**
- 17.1 Subject to the Articles, the directors may make any rule which they think fit about how they take decisions, and about how such rules are to be recorded or communicated to directors.

APPOINTMENT OF DIRECTORS

- 18. NUMBER OF DIRECTORS**
- 18.1 Unless otherwise determined by ordinary resolution, the number of directors (other than alternate directors) shall not be subject to any maximum but shall not be less than one.
- 19. METHODS OF APPOINTING DIRECTORS**
- 19.1 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:
- 19.1.1 by ordinary resolution, or
- 19.1.2 by a decision of the directors.
- 19.2 In any case where, as a result of death or bankruptcy, the Company has no shareholders and no directors, the transferee(s) of the last shareholder to have died or to have a bankruptcy order made against him (as the case may be) have the right, by notice in writing, to appoint a natural person (including a transferee who is a natural person), who is willing to act and is permitted to do so, to be a director.
- 19.3 For the purposes of Article 19.2 where two or more shareholders die in circumstances rendering it uncertain who was the last to die, a younger shareholder is deemed to have survived an older shareholder.
- 20. TERMINATION OF DIRECTOR'S APPOINTMENT**
- 20.1 A person ceases to be a director as soon as:
- 20.1.1 that person ceases to be a director by virtue of any provision of the Act or is prohibited from being a director by law;

- 20.1.2 a bankruptcy order is made against that person;
- 20.1.3 a composition is made with that person's creditors generally in satisfaction of that person's debts;
- 20.1.4 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;
- 20.1.5 by reason of that person's mental health, a court makes an order which wholly or partly prevents that person from personally exercising any powers or rights which that person would otherwise have;
- 20.1.6 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.

21. NO RETIREMENT BY ROTATION

- 21.1 The directors shall not be liable to retire by rotation.

22. DIRECTORS' REMUNERATION

- 22.1 Directors may undertake any services for the Company that the directors decide.
- 22.2 Directors are entitled to such remuneration as the directors determine:
 - 22.2.1 for their services to the Company as directors, and
 - 22.2.2 for any other service which they undertake for the Company.
- 22.3 Subject to the Articles, a director's remuneration may:
 - 22.3.1 take any form, and
 - 22.3.2 include any arrangements in connection with the payment of a pension, allowance or gratuity, or any death, sickness or disability benefits, to or in respect of that director.
- 22.4 Unless the directors decide otherwise, directors' remuneration accrues from day to day.
- 22.5 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.

23. DIRECTORS' EXPENSES

- 23.1 The Company may pay any reasonable expenses which the directors (including alternate directors) and the secretary properly incur in connection with their attendance at:
 - 23.1.1 meetings of directors or committees of directors,
 - 23.1.2 general meetings, or
 - 23.1.3 separate meetings of the holders of any class of shares or of debentures of the Company,
 or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the Company.

24. APPOINTMENT AND REMOVAL OF ALTERNATE DIRECTORS

- 24.1 Any director (the “**appointor**”) may appoint as an alternate any other director, or any other person approved by resolution of the directors, to:
- 24.1.1 exercise that director’s powers, and
 - 24.1.2 carry out that director’s responsibilities,
- in relation to the taking of decisions by the directors in the absence of the alternate’s appointor.
- 24.2 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.
- 24.3 The notice must:
- 24.3.1 identify the proposed alternate, and
 - 24.3.2 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 director giving the notice.

25. RIGHTS AND RESPONSIBILITIES OF ALTERNATE DIRECTORS

- 25.1 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.
- 25.2 Except as the Articles specify otherwise, alternate directors:
- 25.2.1 are deemed for all purposes to be directors;
 - 25.2.2 are liable for their own acts and omissions;
 - 25.2.3 are subject to the same restrictions as their appointors; and
 - 25.2.4 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.
- 25.3 A person who is an alternate director but not a director:
- 25.3.1 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);
 - 25.3.2 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
 - 25.3.3 shall not be counted as more than one director for the purposes of Articles 25.3.1 and 25.3.2.
- 25.4 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.
- 25.5 An alternate director may be paid expenses and may be indemnified by the Company to the same extent as his appointor but shall not be 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.

26. TERMINATION OF ALTERNATE DIRECTORSHIP

- 26.1 An alternate director's appointment as an alternate terminates:
- 26.1.1 when the alternate's appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate;
 - 26.1.2 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;
 - 26.1.3 on the death of the alternate's appointor; or
 - 26.1.4 when the alternate's appointor's appointment as a director terminates.

27. SECRETARY

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

SHARES

28. ALL SHARES TO BE FULLY PAID UP

- 28.1 No share is to be issued for less than the aggregate of its nominal value and any premium to be paid to the Company in consideration for its issue.
- 28.2 This does not apply to shares taken on the formation of the Company by the subscribers to the Company's memorandum.

29. AUTHORITY TO ISSUE SHARES

- 29.1 Subject to the remaining provisions of this Article 29 and to Article 38, the directors are generally and unconditionally authorised, in accordance with section 550 of the Act and generally, to exercise any power of the Company to:
- 29.1.1 offer or allot;
 - 29.1.2 grant rights to subscribe for or to convert any security into;
 - 29.1.3 otherwise deal in, or dispose of,
- any shares in the Company to any person, at any time, for any consideration, and on any terms and conditions as the directors may decide.
- 29.2 Before but excluding the date of the Grunt Fund Split, but for the avoidance of doubt not thereafter, the authority referred to in Article 29.1 shall:
- 29.2.1 *be limited to a maximum nominal amount of £2,000 (two thousand pounds), such that no more than 200,000 (two hundred thousand) ordinary shares of £0.01 each are issued before the date of the Grunt Fund Split;*
 - 29.2.2 *be exercised only in respect of persons who have signed the Grunt Fund Agreement or a deed of adherence to it;*
 - 29.2.3 *be limited so that the directors can only issue each signatory to the Grunt Fund Agreement such number of shares as enables him to hold a total of 10,000 (ten thousand) ordinary shares*

(whether by subscription or allotment);

29.2.4 only apply insofar as the Company has not renewed, waived or revoked it by ordinary resolution.

30. COMMISSIONS

30.1 The Company may exercise the powers of paying commissions conferred by the Act. Subject to the Act, any such commission may be satisfied by the payment of cash or by the allotment of fully paid or partly paid shares or partly in one way and partly in the other.

31. SMALL PURCHASES OF OWN SHARES

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

31.1.1 £15,000 (fifteen thousand pounds); and

31.1.2 the value of 5% (five percent) of the Company's share capital.

32. COMPANY NOT BOUND BY LESS THAN ABSOLUTE INTERESTS

32.1 Except as required by law or pursuant to Article 37.3.1, no person is to be recognised by the Company as holding any share upon any trust, and 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.

33. SHARE CERTIFICATES

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

33.2 Every certificate must specify:

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

33.2.2 the nominal value of those shares;

33.2.3 that the shares are fully paid; and

33.2.4 any distinguishing numbers assigned to them.

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

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

33.5 Certificates must:

33.5.1 have affixed to them the Company's common seal, or

33.5.2 be otherwise executed in accordance with the Companies Acts.

34. REPLACEMENT SHARE CERTIFICATES

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

34.1.1 damaged or defaced, or

34.1.2 said to be lost, stolen or destroyed,

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

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

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

SHARE TRANSFERS

35. GENERAL

- 35.1 Shares may be transferred by means of an instrument of transfer in any usual form or any other form approved by the directors, which is executed by or on behalf of the transferor.
- 35.2 No fee may be charged for registering any instrument of transfer or other document relating to or affecting the title to any share.
- 35.3 The Company may retain any instrument of transfer which is registered.
- 35.4 The transferor remains the holder of a share until the transferee's name is entered in the register of members as holder of it.
- 35.5 If, in relation to a transfer of a share, the transferor thereof is a party to any agreement with the Company and/or some or all of its members (including without limitation any shareholders' agreement) or in the event of an allotment of a new share to a person who is not a member then the directors may:
 - 35.5.1 require the transferee or allottee of such share (as the case may be) to enter into a written undertaking(s) (in such form as the directors may prescribe) to be bound (to the same extent as the transferor) by the provisions of such agreement; and
 - 35.5.2 decline to register the transfer or allotment of such share unless and until the transferee has entered into such written undertaking.

36. PROHIBITED TRANSFERS

- 36.1 On and before the Grunt Fund Split Effective Vesting Date, Articles 38.2 to 38.5 (Pre-emption Rights), Article 39 (Drag Along, whether as Accepting Shareholder or Other Shareholder) and Article 40 (Tag Along, whether as Proposed Seller or a person who sells to a Proposed Buyer in accordance with Article 40.2) shall not apply.
- 36.2 Except in accordance with Article 37 (Permitted Transfers):
 - 36.2.1 any person who holds, or becomes entitled to, any share shall not effect a transfer of shares; and
 - 36.2.2 the directors shall refuse to register the transfer of a share unless they are satisfied that such transfer is a transfer permitted in accordance with Article 37 (Permitted Transfers), and if they do so, the instrument of transfer must be returned to the transferee with the notice of refusal unless they suspect that the proposed transfer may be fraudulent.

- 36.3 The reference in this Article 36 to the transfer of a share shall mean the transfer of either or both of the legal and beneficial ownership in such share and/or the grant of an option to acquire either or both of the legal and beneficial ownership in such share and the following shall be deemed (but without limitation) to be a transfer of a share:
- 36.3.1 any direction (by way of renunciation or otherwise) by a shareholder entitled to an allotment or issue of any share that such share be allotted or issued to some person other than himself;
 - 36.3.2 any sale or other disposition of any legal or equitable interest in a share (including any voting rights attached thereto) and whether or not by the registered holder thereof and whether or not for consideration or otherwise and whether or not effected by an instrument in writing;
 - 36.3.3 any grant of an Encumbrance over any share; and
 - 36.3.4 any agreement, whether or not subject to any condition to do any of the matters set out in Articles 36.3.1, 36.3.2 or 36.3.3.
- 36.4 For the purpose of ensuring compliance with Article 36.2, the Company shall immediately require any shareholder to procure that (i) he or (ii) such other person as is reasonably believed to have information and/or evidence relevant to a proposed transfer provides to the Company any information and/or evidence relevant to such purpose and failing such information and/or evidence being provided within 10 (ten) business days of any request, the board shall forthwith notify the relevant shareholder (the **"Defaulting Shareholder"**) that a breach of the transfer provisions of these Articles is deemed to have occurred, whereupon the Company shall refuse to register any transfer of such shares.
- 36.5 Notwithstanding any other provision in these Articles, each member hereby irrevocably appoints the Company as his attorney and agent (with the power to appoint any member of the board as a substitute and to delegate to that substitute all or any powers hereby conferred, other than this power of substitution, as if he had been originally appointed by this power of attorney) to give effect to the provisions of these Articles (if and to the extent that the member does not do so) including, without limitation, to transfer title (whether legal or beneficial) to shares which the member is obliged to transfer in accordance with these Articles, and in connection with such transfer. Without prejudice to the generality of the foregoing, the Company as attorney may on the member's behalf give receipts in writing in connection with, and execute any documents required to effect, such transfer.

37. PERMITTED TRANSFERS

- 37.1 Before the date of the Grunt Fund Split, if any member leaves the Company's Grunt Fund pursuant to clause 7 of the Grunt Fund Agreement, then:
- 37.1.1 notwithstanding any other provisions of these Articles (including Articles 41, 42, 48, 49, 51, 53, 55 and 56), his shares shall automatically, without any resolution of the board, cease to confer on any holder of them (including him, his proxy (if any), and any transferee, including a transferee pursuant to Article 37.1.2 below) any rights in respect of those shares:
 - (a) to receive notice of, attend, speak or vote at any general meeting (or class meeting) of the Company;
 - (b) to receive dividends or other distributions (other than par value upon a return of capital); and
 - (c) that otherwise attach to those shares or to any further shares issued pursuant to the exercise of a right attaching to those shares or in pursuance of an offer made to the holder thereof; and
 - 37.1.2 before the date of the Grunt Fund Split, if such leaving member is deemed to own zero percent (0%) of the Grunt Fund, any remaining member shall have the option (but not the obligation) to make an offer to purchase at par value such leaving member's shares by giving

written notice and payment to the leaving member, in which case on receipt of such notice and payment, the leaving member shall be required to deliver up and lodge with the Company a stock transfer form signed by him together with the share certificate(s) in respect of his shares.

- 37.2 On the date of the Grunt Fund Split, any member may transfer shares to the Company in an off-market purchase by the Company of its own shares out of capital for the purposes of or pursuant to the Company's grunt fund employee share scheme in accordance with sections 693A, 720A and 720B of the Act.
- 37.3 After the Grunt Fund Split Effective Vesting Date, any member may transfer shares:
- 37.3.1 if a Relevant Employee, to any of his Family Members over the age of 18 (eighteen) or to the trustees of his Family Trust, provided that following such transfer (and taking into account all other transfers made by him) he holds at least 50% (fifty percent) in number of all shares ever issued to him;
- 37.3.2 in accordance with:
- (a) Articles 38.2 to 38.5 (Pre-emption Rights);
 - (b) Article 39 (Drag Along, whether as Accepting Shareholder or Other Shareholder);
 - (c) Article 40 (Tag Along, whether as Proposed Seller or a person who sells to a Proposed Buyer in accordance with Article 40.2); or
- 37.3.3 to the Company on a return of capital.
- 37.4 Any member may transfer shares to any person entitled to a share by reason of:
- 37.4.1 the death of a shareholder;
- 37.4.2 the bankruptcy of a shareholder; or
- 37.4.3 by operation of law.
- 37.5 If title to a share passes to a transferee:
- 37.5.1 the Company may only recognise the transferee as having any title to that share;
- 37.5.2 the transferee shall:
- (a) if he wishes to be registered as holder of that share, notify the Company in writing of his wish;
 - (b) provide such evidence of identity as the Company may reasonably require in order to satisfy its obligations in respect of any "know your client" or other anti-money-laundering or anti-terrorism legislation or regulatory best practice from time to time;
 - (c) if entitled to those shares, be bound by any notice that is given to a shareholder in respect of shares if it was given to the shareholder before the transferee's name has been entered in the register of members;
 - (d) only have the right to attend, speak or vote at any general meeting (or class meeting) of the Company or agree to a proposed written resolution in respect of shares to which he is entitled, after the transferee's name has been entered in the register of members and he has become the holder of those shares, save that:

- (i) if transferred pursuant to Articles 37.3.1 (to Family Members or Family Trusts), 37.4.2 (on bankruptcy) or 37.4.3 (by operation of law) and the Relevant Employee is alive, the transferee must undertake to exercise all voting rights attaching to such shares and to sign all proxies, consents to short notice and other documents relating to such exercise in accordance with the directions of the Relevant Employee, and give the Relevant Employee full unconditional and irrevocable authority to sell such shares on behalf of the transferee on an Exit; and
- (ii) if transferred by a leaver shareholder in accordance with Article 37.1, he shall have no such rights in respect of the non-voting shares to which he is entitled;

(e) execute any undertaking(s) as may be required pursuant to Article 35.5.

37.6 Where any shareholder holding shares as a result of a transfer by a person in relation to whom such shareholder was a permitted transferee ceases to be such a permitted transferee, the shareholder shall immediately transfer all such shares to the person who originally transferred such shares or to any other permitted transferee of such original transferor (a **"Transfer Back"**).

38. PRE-EMPTION RIGHTS

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

38.2 Unless otherwise agreed by special resolution, if the Company proposes to allot any equity securities (other than any equity securities to be held under an employee share scheme, which for the avoidance of doubt includes any allotments pursuant to Article 29.2), those equity securities shall not be allotted to any person unless the Company has first offered them to all shareholders on the date of the offer on the same terms, and at the same price, as those equity securities are being offered to other persons on a pari passu and pro rata basis to the number of shares held by those holders (as nearly as possible without involving fractions). The offer:

38.2.1 shall be in writing, shall be open for acceptance for a period of 30 (thirty) business days from the date of the offer and shall give details of the number and subscription price of the relevant equity securities; and

38.2.2 may stipulate that any shareholder who wishes to subscribe for a number of equity securities in excess of the proportion to which he is entitled shall, in his acceptance, state the number of excess equity securities (**"Excess Securities"**) for which he wishes to subscribe.

38.3 Any equity securities not accepted by shareholders pursuant to the offer made to them in accordance with Article 38.2 shall be used for satisfying any requests for Excess Securities made pursuant to Article 38.2. If there are insufficient Excess Securities to satisfy such requests, the Excess Securities shall be allotted to the applicants pro rata to the number of shares held by the applicants immediately before the offer was made to shareholders in accordance with Article 38.2 (as nearly as possible without involving fractions or increasing the number of Excess Securities allotted to any shareholder beyond that applied for by him). After that allotment, any Excess Securities remaining shall be offered to any other person as the directors may determine, at the same price and on the same terms as the offer to the shareholders.

38.4 Subject to Articles 38.2 and 38.3 and to section 551 of the Act, any equity securities shall be at the disposal of the directors who may allot, grant options over or otherwise dispose of them to any persons at those times and generally on the terms and conditions they think proper.

38.5 No shares shall be allotted to any Relevant Employee or prospective Relevant Employee unless such person has entered into a joint election with the Company under section 431 of the Income Tax (Earnings and Pensions) Act 2003.

39. DRAG ALONG

- 39.1 In these Articles a **"Qualifying Offer"** shall mean a bona fide offer in writing on arm's length terms which is made by or on behalf of any person (the **"Offeror"**), and which is communicated to any one or more of the shareholders, and is for all of the shares not already owned by the Offeror or persons connected or acting in concert with the Offeror.
- 39.2 Subject to Article 39.8, the Qualifying Offer shall set out the consideration payable under it, which shall:
- 39.2.1 in the case of any share, be equal to the highest consideration offered to each Accepting Shareholder for each share of the same class; and
 - 39.2.2 subject to Article 39.3, be in the same form as that offered for each share of the same class, shall be paid at the same time as the consideration is payable for each share of the same class and shall be subject to the same payment terms.
- 39.3 For the purposes of Article 39.2 **"consideration"** shall:
- 39.3.1 exclude any consideration in the form of any share, debt instrument or other security in the capital of the Offeror or any member of the same group of companies as the Offeror (the **"Offeror Group"**) provided that, if such form of consideration is to be excluded, the Qualifying Offer comprises an alternative consideration for each share which is of equivalent value to such consideration; and
 - 39.3.2 for the avoidance of doubt, exclude any right or opportunity offered to a shareholder to subscribe for or acquire any share, debt instrument or other security in the capital of any member of the Offeror Group which is in addition to the consideration offered for each share under the terms of the Qualifying Offer.
- 39.4 If the holders of not less than 50% (fifty percent) in nominal value of the shares then in issue (the **"Accepting Shareholders"**) have indicated in writing that they wish to accept the Qualifying Offer, then the provisions of this Article 39 shall apply.
- 39.5 The Accepting Shareholders may give written notice (a **"Drag Notice"**) to the remaining holders of shares (the **"Other Shareholders"**) of their wish to accept the Qualifying Offer and the Other Shareholders shall thereupon become bound to accept the Qualifying Offer and to transfer their shares to the Offeror (or his nominee) with full title guarantee on the date specified by the Accepting Shareholders.
- 39.6 If any Other Shareholder shall not, within five business days of being required to do so, execute and deliver transfers in respect of the shares held by him and deliver the certificate(s) in respect of the same (or a suitable indemnity in lieu thereof), then any Accepting Shareholder shall be entitled to execute, and shall be entitled to authorise and instruct such person as he thinks fit to execute, the necessary transfer(s) and indemnities on the Other Shareholder's behalf and against receipt by the Company (on trust for such Shareholder) of the consideration payable for the relevant shares, to deliver such transfer(s) and certificate(s) or indemnities to the Offeror (or his nominee) and to register such Offeror (or his nominee) as the holder thereof and, after such registration, the validity of such proceedings shall not be questioned by any person.
- 39.7 If any shares are issued by the Company at any time after the date of the Drag Notice (the **"Further Shares"**) (whether pursuant to the exercise of options or warrants or otherwise), the Accepting Shareholders shall be entitled to serve an additional Drag Notice (a **"Further Drag Notice"**) whereupon the holders of such Further Shares shall become bound to transfer their Further Shares to the offeror (or his nominee) with full title guarantee on the date specified in the Further Drag Notice and for the same consideration payable under the Qualifying Offer and Article 39.2. The provisions of Articles 39.6 and 39.8 shall apply mutatis mutandis to any transfer of shares under this Article 39.7.
- 39.8 Each Other Shareholder shall pay his pro rata share calculated by reference to the number of shares held by each shareholder (as a deduction from the gross pre-tax proceeds to be received, without prejudice to any other deductions lawfully required to be made) of the costs incurred by the Accepting Shareholders in connection with the Qualifying Offer and the transfer of shares to the extent that such

costs can reasonably be demonstrated to have been incurred on behalf of the Accepting and Other Shareholders.

40. TAG ALONG

- 40.1 If at any time one or more Shareholders (the "**Proposed Sellers**") propose to sell to any person, in one or a series of related transactions, such number of shares which would constitute a Sale (a "**Proposed Sale**"), the Proposed Sellers shall give written notice to the other holders of shares of any Proposed Sale at least 10 (ten) business days prior to the proposed date of completion thereof. Such notice shall set out, to the extent not described in any accompanying documents, the identity of the proposed buyer (the "**Proposed Buyer**"), the sale price and other terms and conditions of payment, the proposed date of sale and the number of shares to be acquired by the Proposed Buyer.
- 40.2 The Proposed Sale may not be completed unless the Proposed Buyer has unconditionally offered to buy the same proportion of all the other issued shares (other than any shares already owned by the Proposed Buyer or persons connected or acting in concert with him) as the proportion of shares to be transferred pursuant to the Proposed Sale bears to the total number of shares held by the Proposed Sellers, on the following terms:
- 40.2.1 in the case of any share, the consideration to be paid for each share shall be equal to the highest consideration offered for each share of the same class pursuant to the Proposed Sale; and
- 40.2.2 subject to Article 40.4, the consideration shall be in the same form as that offered for the shares of the same class pursuant to the Proposed Sale, shall be paid at the same time and shall be subject to the same payment terms as apply to the Proposed Sale.
- 40.3 Such offer shall remain open for acceptance for not less than 21 (twenty one) days.
- 40.4 For the purposes of Article 40.2, "**consideration**" shall:
- 40.4.1 exclude any consideration in the form of any share, debt instrument or other security in the capital of the Proposed Buyer or any member of the same group of companies as the Proposed Buyer (the "**Buyer Group**") provided that, if such form of consideration is to be excluded, an alternative consideration for each share is offered which is of equivalent value to such excluded consideration; and
- 40.4.2 for the avoidance of doubt, exclude any right or opportunity offered to a shareholder to subscribe for or acquire any share, debt instrument or other security in the capital of any member of the Buyer Group which is in addition to the consideration offered for each share pursuant to the Proposed Sale.
- 40.5 The provisions of Articles 40.1 and 40.2 shall not apply to any Proposed Sale which is a Permitted Transfer under Article 37 (excluding Article 37.3.2(c)) including without limitation any Proposed Sale which is to take place pursuant to a Qualifying Offer under Article 39.
- 40.6 Each shareholder that accepts an offer pursuant to Article 40.3 ("**Tagging Shareholder**") shall pay his pro rata share calculated by reference to the number of shares held by each shareholder (as a deduction from the gross pre-tax proceeds to be received, without prejudice to any other deductions lawfully required to be made) of the costs incurred by the Proposed Sellers in connection with the Proposed Sale and the transfer of shares to the extent that such costs can reasonably be demonstrated to have been incurred on behalf of all the shareholders.

DIVIDENDS AND OTHER DISTRIBUTIONS

41. PROCEDURE FOR DECLARING DIVIDENDS

- 41.1 The Company may by ordinary resolution declare dividends, and the directors may decide to pay interim dividends.
- 41.2 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.
- 41.3 No dividend may be declared or paid unless it is in accordance with shareholders' respective rights.
- 41.4 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.
- 41.5 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.
- 41.6 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.
- 41.7 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.

42. PAYMENT OF DIVIDENDS AND OTHER DISTRIBUTIONS

- 42.1 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:
- 42.1.1 transfer to a bank or building society account specified by the distribution recipient in writing;
- 42.1.2 sending a cheque made payable to the distribution recipient by post to the distribution recipient at the distribution recipient's registered address (if the distribution recipient is a holder of the share), or (in any other case) to an address specified by the distribution recipient in writing;
- 42.1.3 sending a cheque made payable to such person by post to such person at such address as the distribution recipient has specified in writing; or
- 42.1.4 any other means of payment as the directors agree with the distribution recipient in writing.
- 42.2 In the Articles, the "**distribution recipient**" means, in respect of a share in respect of which a dividend or other sum is payable:
- 42.2.1 the holder of the share; or
- 42.2.2 if the share has two or more joint holders, whichever of them is named first in the register of members; or
- 42.2.3 if the holder is no longer entitled to the share by reason of death or bankruptcy, or otherwise by operation of law, the transferee.

43. NO INTEREST ON DISTRIBUTIONS

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

43.1.1 the terms on which the share was issued, or

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

44. UNCLAIMED DISTRIBUTIONS

44.1 All dividends or other sums which are:

44.1.1 payable in respect of shares, and

44.1.2 unclaimed after having been declared or become payable,

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

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

44.3 If:

44.3.1 12 (twelve) years have passed from the date on which a dividend or other sum became due for payment, and

44.3.2 the distribution recipient has not claimed it,

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

45. NON-CASH DISTRIBUTIONS

45.1 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).

45.2 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:

45.2.1 fixing the value of any assets;

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

45.2.3 vesting any assets in trustees.

46. WAIVER OF DISTRIBUTIONS

46.1 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:

46.1.1 the share has more than one holder, or

46.1.2 more than one person is entitled to the share, whether by reason of the death or bankruptcy of one or more joint holders, or otherwise,

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

CAPITALISATION OF PROFITS

47. AUTHORITY TO CAPITALISE AND APPROPRIATION OF CAPITALISED SUMS

- 47.1 Subject to the Articles, the directors may, if they are so authorised by an ordinary resolution:
- 47.1.1 decide to capitalise any profits of the Company (whether or not they are available for distribution) which are not required for paying a preferential dividend, or any sum standing to the credit of the Company's share premium account or capital redemption reserve; and
 - 47.1.2 appropriate any sum which they so decide to capitalise (a "**capitalised sum**") to the persons who would have been entitled to it if it were distributed by way of dividend (the "**persons entitled**") and in the same proportions.
- 47.2 Capitalised sums must be applied:
- 47.2.1 on behalf of the persons entitled, and
 - 47.2.2 in the same proportions as a dividend would have been distributed to them.
- 47.3 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.
- 47.4 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.
- 47.5 Subject to the Articles the directors may:
- 47.5.1 apply capitalised sums in accordance with Articles 47.3 and 47.4 partly in one way and partly in another;
 - 47.5.2 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
 - 47.5.3 authorise any person to enter into an agreement with the Company on behalf of all the persons entitled which is binding on them in respect of the allotment of shares and debentures to them under this Article.

SHAREHOLDER MEETINGS

48. ATTENDANCE AND SPEAKING AT GENERAL MEETINGS

- 48.1 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.
- 48.2 A person is able to exercise the right to vote at a general meeting when:
- 48.2.1 that person is able to vote, during the meeting, on resolutions put to the vote at the meeting, and
 - 48.2.2 that person's vote can be taken into account in determining whether or not such resolutions

are passed at the same time as the votes of all the other persons attending the meeting.

48.3 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.

48.4 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.

48.5 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.

49. QUORUM FOR GENERAL MEETINGS

49.1 No meeting of members shall be quorate unless those members present include (whether in person or by a duly authorised representative or a proxy) the holders of not less than 50% (fifty percent) of the shares for the time being in issue.

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

50. CHAIRING GENERAL MEETINGS

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

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

50.2.1 the directors present, or

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

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

50.3 The person chairing a meeting in accordance with this Article is referred to as the “**chairman of the meeting**”.

51. ATTENDANCE AND SPEAKING BY DIRECTORS AND NON-SHAREHOLDERS

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

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

51.2.1 shareholders of the Company, or

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

to attend and speak at a general meeting.

52. ADJOURNMENT

52.1 If the persons attending a general meeting within 30 (thirty) minutes 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.

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

- 52.2.1 the meeting consents to an adjournment, or
- 52.2.2 it appears to the chairman of the meeting that an adjournment is necessary to protect the safety of any person attending the meeting or ensure that the business of the meeting is conducted in an orderly manner.
- 52.3 The chairman of the meeting must adjourn a general meeting if directed to do so by the meeting.
- 52.4 When adjourning a general meeting, the chairman of the meeting must:
 - 52.4.1 either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the directors, and
 - 52.4.2 have regard to any directions as to the time and place of any adjournment which have been given by the meeting.
- 52.5 *If the continuation of an adjourned meeting is to take place more than 14 (fourteen) days after it was adjourned, the Company must give at least seven clear days' notice of it (that is, excluding the day of the adjourned meeting and the day on which the notice is given):*
 - 52.5.1 to the same persons to whom notice of the Company's general meetings is required to be given, and
 - 52.5.2 containing the same information which such notice is required to contain.
- 52.6 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

53. VOTING ON A SHOW OF HANDS

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

54. ERRORS AND DISPUTES

- 54.1 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.
- 54.2 Any such objection must be referred to the chairman of the meeting, whose decision is final.

55. POLL VOTES

- 55.1 A poll on a resolution may be demanded:
 - 55.1.1 in advance of the general meeting where it is to be put to the vote, or
 - 55.1.2 at a general meeting, either before a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared.
- 55.2 A poll may be demanded at any general meeting by any qualifying person (as defined in section 318 of the Act) present and entitled to vote at the meeting.

55.3 A demand for a poll may be withdrawn if:

55.3.1 the poll has not yet been taken, and

55.3.2 the chairman of the meeting consents to the withdrawal.

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

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

56. CONTENT OF PROXY NOTICES

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

56.1.1 states the name and address of the shareholder appointing the proxy;

56.1.2 identifies the person appointed to be that shareholder's proxy and the general meeting in relation to which that person is appointed;

56.1.3 is signed by or on behalf of the shareholder appointing the proxy, or is authenticated in such manner as the directors may determine; and

56.1.4 is delivered to the Company in accordance with the Articles not less than 48 (forty eight) hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in accordance with any instructions contained in the notice of the general meeting (or adjourned meeting) to which they relate,

and a proxy notice which is not delivered in such manner shall be invalid, unless the directors, in their discretion, accept the notice at any time before the meeting.

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

56.3 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.

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

56.4.1 allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting, and

56.4.2 appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself.

57. DELIVERY OF PROXY NOTICES

57.1 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.

57.2 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.

57.3 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.

57.4 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.

58. AMENDMENTS TO RESOLUTIONS

- 58.1 An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if:
- 58.1.1 notice of the proposed amendment is given to the Company in writing by a person entitled to vote at the general meeting at which it is to be proposed not less than 48 (forty eight) hours before the meeting is to take place (or such later time as the chairman of the meeting may determine), and
 - 58.1.2 the proposed amendment does not, in the reasonable opinion of the chairman of the meeting, materially alter the scope of the resolution.
- 58.2 A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if:
- 58.2.1 the chairman of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed, and
 - 58.2.2 the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.
- 58.3 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.

ADMINISTRATIVE ARRANGEMENTS

59. MEANS OF COMMUNICATION TO BE USED

- 59.1 Subject to the Articles, anything sent or supplied by or to the Company under the Articles may be sent or supplied in any way in which the Act provides for documents or information which are authorised or required by any provision of the Act to be sent or supplied by or to the Company.
- 59.2 Any notice, document or other information shall be deemed served on or delivered to the intended recipient:
- 59.2.1 if properly addressed and sent by prepaid United Kingdom first class post to an address in the United Kingdom, 48 (forty eight) hours after it was posted (or five business days after posting either to an address outside the United Kingdom or from outside the United Kingdom to an address within the United Kingdom if (in each case) sent by reputable international overnight courier addressed to the intended recipient, provided that delivery in at least five business days was guaranteed at the time of sending and the sending party receives a confirmation of delivery from the courier service provider);
 - 59.2.2 if properly addressed and delivered by hand, when it was given or left at the appropriate address;
 - 59.2.3 if properly addressed and sent or supplied by electronic means, one hour after the document or information was sent or supplied; and
 - 59.2.4 if sent or supplied by means of a website, when the material is first made available on the website or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on the website.

For the purposes of this Article, no account shall be taken of any part of a day that is not a business day.

- 59.3 In proving that any notice, document or other information was properly addressed, it shall be sufficient to show that the notice, document or other information was delivered to an address permitted for the purpose by the Act.
- 59.4 Subject to the Articles, any notice or document to be sent or supplied to a director in connection with the taking of decisions by directors may also be sent or supplied by the means by which that director has asked to be sent or supplied with such notices or documents for the time being.
- 59.5 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 (forty eight) hours.

60. COMPANY SEALS

- 60.1 Any common seal may only be used by the authority of the directors.
- 60.2 The directors may decide by what means and in what form any common seal is to be used.
- 60.3 Unless otherwise decided by the directors, if the Company has a common seal and it is affixed to a document, the document must also be signed by at least one authorised person in the presence of a witness who attests the signature.
- 60.4 For the purposes of this Article, an authorised person is:
- 60.4.1 any director of the Company;
 - 60.4.2 the company secretary (if any); or
 - 60.4.3 any person authorised by the directors for the purpose of signing documents to which the common seal is applied.

61. NO RIGHT TO INSPECT ACCOUNTS AND OTHER RECORDS

- 61.1 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.

62. PROVISION FOR EMPLOYEES ON CESSATION OF BUSINESS

- 62.1 The directors may decide to make provision for the benefit of persons employed or formerly employed by the Company or any Group Company of it (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 Group Company.

DIRECTORS' INDEMNITY AND INSURANCE

63. INDEMNITY

- 63.1 Subject to Article 63.2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled:
- 63.1.1 each relevant officer shall be indemnified out of the Company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a relevant officer:
 - (a) in the actual or purported execution and/or discharge of his duties, or in relation to them; and

- (b) in relation to the Company's (or any Group Company's) activities as trustee of an occupational pension scheme (as defined in section 235(6) of the Act),

including (in each case) any liability incurred by him in defending any civil or criminal proceedings, in which judgment is given in his favour or in which he is acquitted or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part or in connection with any application in which the court grants him, in his capacity as a relevant officer, relief from liability for negligence, default, breach of duty or breach of trust in relation to the Company's (or any Group Company's) affairs; and

- 63.1.2 the Company may provide any relevant officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings or application referred to in Article 63.1.1 and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure.

- 63.2 This Article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Act or by any other provision of law.

64. INSURANCE

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

65. WINDING UP

- 65.1 On any Winding-Up, the liquidator may divide among the shareholders in specie the whole or any part of the assets of the Company and may, for that purpose, value any assets and determine how the division shall be carried out as between the shareholders or different classes of shareholders. The liquidator may, with the like sanction, vest the whole or any part of the assets in trustees upon such trusts for the benefit of the shareholders as he with the like sanction determines, but no shareholder shall be compelled to accept any assets upon which there is a liability.