

Number of Company: SC180545

PRIVATE COMPANY LIMITED BY SHARES

WRITTEN RESOLUTIONS

OF

SARACEN FUND MANAGERS LIMITED

(the "Company")

By written resolutions passed by the members of the Company on 24 January 2012, the following resolutions were duly passed as special resolutions:

RESOLUTIONS

1. That the articles contained in the schedule annexed to this written resolution be adopted as the articles of association of the Company in substitution for and to the exclusion of the existing articles of association;
2. That the 2000 ordinary shares of £0.10 each in the capital of the Company, being the shares currently registered in the names of James Clelland Fisher, John Cameron Spence and Janette Rae Thorburn, be redesignated as A ordinary shares having the rights and being subject to the restrictions as set out in the articles of association to be adopted pursuant to resolution 1 above.
3. That, pursuant to resolution number 1 above being passed, the directors of the Company be authorised pursuant to article 8.2 of the new articles of association of the Company to increase the issued share capital of the Company by allotting 2,000 A ordinary shares of £0.10 each and 150,000 redeemable preference shares of £1.00 each on or around the date hereof (the "Allotment"); and
4. That, pursuant to resolutions numbered 1 and 3 above being passed, the pre-emption rights contained in article 33.2 of the new articles of association of the Company be disapplied in respect of the Allotment.



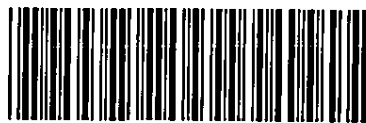
[Director OR Company Secretary]



**ARTICLES OF ASSOCIATION
OF
SARACEN FUND MANAGERS LIMITED**

Adopted by Special Resolution passed on 24 January 2012

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

of
SARACEN FUND MANAGERS LIMITED

(Adopted by Special Resolution passed on 24 January 2012)

PART 1

INTERPRETATION AND LIMITATION OF LIABILITY

1. DEFINED TERMS

1.1 In these articles, unless the context requires otherwise:

“Act”	means the Companies Act 2006;
“alternate” or “alternate director”	has the meaning given in article 24.1;
“A ordinary share”	means an ordinary share of £0.10 each in the capital of the Company and designated as an A ordinary share;
“articles”	means these articles of association;
“B ordinary share”	means an ordinary share of £0.10 each in the capital of the Company and designated as a B ordinary share;
“bad leaver”	has the meaning given in article 47.2.2
“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, such as sequestration proceedings in Scotland;
“call”	has the meaning given in article Error! Reference source not found. ;
“call notice”	has the meaning given in article Error! Reference source not found.

found.;

“chairman”	has the meaning given in article 16;
“chairman of the meeting”	has the meaning given in article 57.3;
“Companies Acts”	means the Companies Acts (as defined in section 2 of the Act), in so far as they apply to the company;
“company’s lien”	has the meaning given in article 36;
“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 49;
“document”	includes, unless otherwise specified, any document sent or supplied in electronic form;
“electronic form”	has the meaning given in section 1168 of the Act;
“employee shareholder”	has the meaning given in article 41.2.3
“fair value”	has the meaning given in article 42.2;
“founder shareholder”	means Jim Fisher, John Spence, Janette Thorburn, Daniel Leaf, Graham Campbell and Craig Yeaman;
“FSA”	means the Financial Services Authority in the UK;
“FSA glossary”	means the glossary to the FSA handbook;
“FSA handbook”	means the handbook that sets out all the FSA’s rules made under powers given to the FSA by the Financial Services and Markets Act 2000 (as amended);
“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;
“GENPRU 2.2.74R”	means regulation 2.2.74R of the General Prudential Sourcebook in respect of the redemption by a firm of any tier one instrument that is

included in its tier one capital resources;

“good leaver”	has the meaning given in article 47.2.1
“hard copy form”	has the meaning given in section 1168 of the Act;
“holder”	in relation to shares means the person whose name is entered in the register of members as the holder of the shares;
“instrument”	means a document in hard copy form;
“leaver”	has the meaning given in article 41.2.3
“lien enforcement notice”	has the meaning given in article 37;
“ordinary resolution”	has the meaning given in section 282 of the Act;
“ordinary share”	means the A ordinary shares and the B ordinary shares;
“other shareholders”	in relation to a transfer notice, means shareholders (other than those to whose shares the transfer notice relates), including the directors personally;
“paid”	means paid or credited as paid;
“participate”	in relation to a directors’ meeting, has the meaning given in article 14;
“preference share”	means a non-cumulative non-voting perpetual preference share of £1 each in the capital of the company;
“preference shareholder”	means a person who is the holder of a preference share;
“proxy notice”	has the meaning given in article 63;
“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 Act;
“subscriber share”	means a share taken on the formation of the company by a

subscriber of the company's memorandum;

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

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

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

- 1.2 Unless the context otherwise requires, other words or expressions contained in these articles bear the same meaning as in the Act as in force on the date when these articles become binding on the company.
- 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 any regulation, FSA rule, statute, statutory provision or subordinate legislation is a reference to it as it is in force from time to time, taking account of any subordinate legislation from time to time made under it and any amendment or re-enactment, and includes any regulation, FSA rule, 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.

2. **LIABILITY OF SHAREHOLDERS**

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

3. **EXCLUSION OF PRESCRIBED ARTICLES**

No regulations or articles prescribed by regulations under any statute concerning companies shall form part of the articles of the company and all such regulations and articles are hereby excluded.

4. **NAME OF COMPANY**

For the purposes of section 77 of the Act, the directors may change the name of the company by a decision taken in accordance with article 11.

PART 2

DIRECTORS

DIRECTORS' POWERS AND RESPONSIBILITIES

5. **DIRECTORS' GENERAL AUTHORITY**

Subject to these 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. The specific powers referred to in articles 6 and 7 below are without prejudice to the generality of this article.

6. **BORROWING POWERS**

The directors may exercise all the powers of the company to borrow or raise money without limit as to amount and upon such terms and in such manner as they think fit and to mortgage or charge the whole or any part of its undertaking and property, and to issue debentures, debenture stock and other securities, whether outright or as collateral security for any debt, liability or obligation of the company or of any third party.

7. **EMPLOYEE BENEFITS**

7.1 The directors may establish or concur or join with any relevant undertakings in establishing and making contributions out of the company's moneys to any relevant scheme.

7.2 The directors may pay, enter into agreements to pay or make grants (revocable or irrevocable and either subject or not subject to any terms and conditions) of pensions or other benefits to employees and ex-employees and their dependents, or to any of such persons, including pensions or benefits additional to those, if any, to which such employees or ex-employees or their dependents are or may become entitled under any relevant scheme. Any such pension or benefit may, as the directors consider desirable, be granted to an employee either before or in anticipation of, or upon or at any time after, his actual retirement.

7.3 In this article:

7.3.1 "employees" includes any director who may hold or have held any executive office or other office or place of profit, or have been appointed to exercise special powers or authorities;

7.3.2 “**relevant scheme**” means any scheme or fund for providing pensions, sickness or compassionate allowances, life assurance or other benefits for employees and ex-employees of the company (and any other participating undertaking) and their dependents, or any class or classes of such persons; and

7.3.3 “**relevant undertaking**” means the parent undertaking of the company or subsidiary undertakings of such parent undertaking or undertakings with which the company is associated in business.

7.4 The directors may agree a company wide annual salary cap per person in relation to employees and consultants which may only be increased by an ordinary resolution.

8. **SHAREHOLDERS’ RESERVE POWER**

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

8.2 Without limiting the generality of article 8.1 and notwithstanding any provision of these articles to the contrary, the company shall not without the previous sanction of a special resolution of the holders of ordinary shares:

8.2.1 alter the articles of association of the company; or

8.2.2 alter, increase, reduce or redeem the issued share capital of the company; or

8.2.3 issue any new shares in the company or grant options over any of its shares or other securities; or

8.2.4 reorganise, consolidate, sub-divide or convert the shares for the time being in the capital of the company or vary any of the rights attaching to any such shares; or

8.2.5 acquire, purchase, or subscribe for any shares, debentures, mortgages or securities (or any interest therein) in any company, trust or any body; or

8.2.6 incur any expenditure or liability or authorise, approve or permit any expenditure or liability to be incurred in respect of the acquisition of any undertaking of any company or part thereof; or

8.2.7 make any application for the listing or the admission to trading of any part of the share capital of the company on AIM or the main market of the London Stock Exchange or any other recognised investment exchange (as defined in section 285 of the Financial Services and Markets Act 2000) or make any arrangements for any other form of

marketing or any of its share capital (including without limitation on any stock exchange other than the London Stock Exchange); or

8.2.8 sell the undertaking of the company or any substantial part thereof or sell any fixed assets of the company other than in the ordinary course of business; or

8.2.9 take any steps to have the company wound up, whether for the purposes of amalgamation or reconstruction or otherwise, unless a registered insolvency practitioner shall have advised that the company requires to be wound up by reason of having become insolvent.

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

9. **DIRECTORS MAY DELEGATE**

9.1 Subject to these articles, the directors may delegate any of the powers which are conferred on them under these articles:

9.1.1 to such person or committee;

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

9.1.3 to such an extent;

9.1.4 in relation to such matters or territories; and

9.1.5 on such terms and conditions;

as they think fit.

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

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

10. **COMMITTEES**

10.1 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.

10.2 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**11. DIRECTORS TO TAKE DECISIONS COLLECTIVELY**

- 11.1 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 written resolution in accordance with article 12.
- 11.2 If:
- 11.2.1 the company only has one director in office; and
 - 11.2.2 no provision of these articles requires it to have more than one director;
 - 11.2.3 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 these articles relating to directors' decision-making.

12. WRITTEN RESOLUTIONS

- 12.1 A decision of the directors may take the form of a resolution in writing, to which each eligible director has indicated agreement in writing.
- 12.2 References in this article to eligible directors are to directors who would have been entitled to vote on the matter, and whose vote would be counted under these articles, had it been proposed as a resolution at a directors' meeting.
- 12.3 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.

13. CALLING A DIRECTORS' MEETING

- 13.1 Any director may call a directors' meeting by giving notice of the meeting to the directors or by authorising the company secretary (if any) to give such notice.
- 13.2 Notice of any directors' meeting must indicate:
- 13.2.1 its proposed date and time;
 - 13.2.2 where it is to take place; and
 - 13.2.3 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.

13.3 Reasonable notice of a directors' meeting must be given to each director, but need not be in writing.

13.4 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. 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.

14. **PARTICIPATION IN DIRECTORS' MEETINGS**

14.1 Subject to these articles, directors "**participate**" in a directors' meeting, or part of a directors' meeting, when:

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

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

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

14.3 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.

15. **QUORUM FOR DIRECTORS' MEETINGS**

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

15.2 Subject to article 15.3, the quorum for directors' meetings may be fixed from time to time by a decision of the directors, but it must never be less than three, and unless otherwise fixed, it is three.

15.3 For the purposes of any meeting (or part of a meeting) held to consider or decide on any matter in which one or more directors have an interest, if there is only one director in office who would, if present, be counted in the quorum at that meeting (or part of a meeting), the quorum is one.

15.4 If the total number of directors for the time being in office is less than the quorum required, the directors must not take any decision other than a decision:

15.4.1 to appoint further directors; or

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

16. CHAIRING OF DIRECTORS' MEETINGS

- 16.1 The directors may appoint a director to chair their meetings.
- 16.2 The person so appointed for the time being is known as the chairman.
- 16.3 The directors may terminate the chairman's appointment at any time.
- 16.4 If there is no chairman, or if the chairman is not participating in a directors' meeting within ten minutes of the time at which it was to start, or if he is unwilling to chair the meeting, the participating directors must appoint one of themselves to chair it.

17. CASTING VOTE

- 17.1 If the numbers of votes for and against a proposal are equal, the chairman, or other director chairing the relevant meeting, has a casting vote.
- 17.2 But this does not apply if, in accordance with these articles, the chairman or other director is not to be counted as participating in the decision-making process for quorum or voting purposes.

18. CONFLICTS OF INTEREST

- 18.1 Provided that the matter has been authorised by the directors in accordance with section 175 of the Act or by resolution of the shareholders, a director may be in any situation in which he has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the company and which he would otherwise be under a duty to avoid pursuant to section 175 of the Act. For this purpose, a conflict of interest includes a conflict of interest and duty and a conflict of duties.
- 18.2 A director shall not be accountable to the company for any profit, remuneration or benefit realised by or accruing to him in consequence of any situation authorised by the directors in accordance with section 175 of the Act or by resolution of the shareholders, and no transaction or arrangement shall be liable to be avoided, by reason of his office or of the fiduciary relationship thereby established.
- 18.3 Any authorisation pursuant to article 18.1 shall be for such duration and subject to such terms and conditions as the directors or shareholders (as the case may be) shall determine and may be varied or terminated at any time. In particular, but without limitation, any such authorisation may (but need not) provide that:

- 18.3.1 if the director has obtained any information in relation to the matter which has been authorised, otherwise than as a director of the company, in respect of which he owes a

duty of confidentiality to another person, the director is under no obligation to disclose such information to the company or to use or apply such information in performing his duties as a director of the company where to do so would be a breach of that duty of confidentiality; and/or

- 18.3.2 the director shall not be given any information relating to the matter which has been authorised; and/or
 - 18.3.3 if a proposed decision of the directors is concerned with the matter which has been authorised, the director is not to be counted as participating in the decision-making process for quorum or voting purposes.
- 18.4 A director is not to be counted as participating in the decision-making process for quorum or voting purposes:
- 18.4.1 in respect of any decision to authorise a matter pursuant to article 18.1; or
 - 18.4.2 in respect of any decision relating to a matter which has been authorised pursuant to article 18.1 where the terms of that authorisation do not permit this; or
 - 18.4.3 in respect of any other decision in which he has an interest unless:
 - (a) his interest cannot reasonably be regarded as likely to give rise to a conflict of interest; or
 - (b) he has disclosed the nature and extent of his interest to the other directors (to the extent that they are not already aware of it).
- 18.5 For the purposes of this article, references to proposed decisions and decision-making processes include any directors' meeting or part of a directors' meeting.
- 18.6 Subject to article 18.7, if a question arises in relation to a proposed decision of the directors or of a committee of directors as to the right of a director to participate in the decision-making process for voting or quorum purposes, the question may be referred to the chairman (or other director chairing the relevant meeting) whose ruling in relation to any director other than himself is to be final and conclusive.
- 18.7 If a question arises in relation to a proposed decision of the directors or of a committee of directors as to the right of the chairman (or other director chairing the relevant meeting) to participate in the decision-making process for voting or quorum purposes, the question is to be decided by a decision of the directors excluding the chairman or such other director (as the case may be).

19. **RECORDS OF DECISIONS TO BE KEPT**

The directors must ensure that the company keeps a record, in accordance with section 1135 of the Act, for at least ten years from the date of the decision recorded, of every decision taken by the directors, whether at a meeting or otherwise.

20. **DIRECTORS' DISCRETION TO MAKE FURTHER RULES**

Subject to these 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

21. **NUMBER OF DIRECTORS**

21.1 The maximum number and minimum number of directors may be determined from time to time by ordinary resolution of the company.

21.2 If no such determination has been made, there will be no maximum number of directors and the minimum number will be two.

22. **METHODS OF APPOINTING DIRECTORS**

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

22.1.1 by ordinary resolution; or

22.1.2 by a decision of the directors, provided that the appointment does not cause the number of directors to exceed any number determined in accordance with article 21.1 as the maximum number of directors.

22.2 In any case where the company has no directors, then any shareholder may call a general meeting (or instruct the company secretary, if any, to do so) for the purpose of appointing one or more directors.

22.3 In any case where, as a result of death or bankruptcy, the company has no shareholders and no directors, the transmittee(s) of the last shareholder to have died or to have a bankruptcy order made against him (as the case may be) have the right, by notice in writing, to appoint a person who is willing to act and is permitted by law to do so to be a director.

- 22.4 For the purposes of article 22.3, where two or more shareholders die in circumstances rendering it uncertain who was the last to die, a younger shareholder is deemed to have survived an older shareholder.

23. **TERMINATION OF DIRECTOR'S APPOINTMENT**

- 23.1 A person ceases to be a director as soon as:

- 23.1.1 that person ceases to be a director by virtue of any provision of the Act or is prohibited from being a director by law;
- 23.1.2 a bankruptcy order is made against that person;
- 23.1.3 a composition is made with that person's creditors generally in satisfaction of that person's debts;
- 23.1.4 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 six months;
- 23.1.5 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;
- 23.1.6 the director shall for more than six consecutive months have been absent without permission of the directors from meetings of the directors held during the period and his alternate director (if any) shall not during such period have attended in his stead and the directors resolve that his office be vacated;
- 23.1.7 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.

24. **ALTERNATE DIRECTORS**

- 24.1 Any director may appoint as an "alternate" any person (including another director) to exercise the powers and carry out the responsibilities of that director and may remove any alternate so appointed.
- 24.2 Any such appointment or removal shall be effected by notice in writing to the company or delivered at a meeting of the directors and shall be effective forthwith upon the receipt or delivery (as the case may be).

- 24.3 The notice must identify the proposed alternate and, 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 appointing him.
- 24.4 Except as these articles specify otherwise, alternate directors:
- 24.4.1 are deemed for all purposes to be directors;
 - 24.4.2 are liable for their own acts and omissions;
 - 24.4.3 are subject to the same restrictions as the director appointing them; and
 - 24.4.4 are not deemed to be agents of or for the directors appointing them.
- 24.5 Subject to articles 24.6, 24.7 and 24.8, an alternate director has the same rights in relation to any directors' meeting or directors' written resolution as the director appointing him.
- 24.6 An alternate director may indicate agreement to a written resolution in place of the director appointing him, in which case the director appointing him shall be deemed to have indicated agreement to the written resolution.
- 24.7 A person who is an alternate director but not a director may be counted as participating in a directors' meeting for the purposes of determining whether a quorum is participating (but only if the director appointing him is not participating). No alternate may be counted as more than one director for such purpose.
- 24.8 In addition to any vote he may have as a director in his own right, an alternate director has an additional vote on behalf of each director for whom he acts as alternate who is:
- 24.8.1 not participating in a directors' meeting; and
 - 24.8.2 would have been entitled to vote if they were participating in it.
- 24.9 An alternate director is not entitled to receive any remuneration from the company for serving as an alternate director, except as provided in this article. The director appointing an alternate may by notice in writing to the company from time to time direct that a part of the remuneration otherwise payable to him shall be paid to his alternate instead.
- 24.10 An alternate director shall cease to be an alternate director if the director appointing him ceases for any reason to be a director.

25. DIRECTORS' REMUNERATION

25.1 Directors may undertake any services for the company that the directors decide.

25.2 Subject to article 7.4, directors are entitled to such remuneration as the directors determine:

25.2.1 for their services to the company as directors; and

25.2.2 for any other service which they undertake for the company.

25.3 Subject to these articles, a director's remuneration may:

25.3.1 take any form; and

25.3.2 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.

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

26. DIRECTORS' EXPENSES

26.1 The company may pay any reasonable expenses which the directors, and the company secretary (if any), properly incur in connection with their attendance at:

26.1.1 meetings of directors or committees of directors;

26.1.2 general meetings; or

26.1.3 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.

PART 3**SHARES AND DISTRIBUTIONS****SHARES****27. ALL SHARES TO BE FULLY PAID UP**

27.1 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.

27.2 This does not apply to the subscriber shares.

28. POWERS TO ISSUE DIFFERENT CLASSES OF SHARE

28.1 Without prejudice to the rights attached to any existing share, the company may issue shares with such rights or restrictions as may be determined by the directors.

28.2 In particular and without limitation, 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.

29. CLASS RIGHTS

29.1 Subject to article 29.2, whenever the capital of the company is divided into different classes of shares all provisions applicable to general meetings of the company or to the proceedings at such meetings shall apply, with any necessary modifications, to any separate meeting of the holders of shares of any class.

29.2 At a separate meeting of the holders of shares of any class:

29.2.1 for a meeting other than an adjourned meeting, the necessary quorum shall be one person holding or representing by proxy at least 50% in nominal value of the issued shares of the class and for an adjourned meeting one person holding or representing by proxy shares of the class;

29.2.2 any holder of shares of the class present in person or by proxy may demand a poll and each holder shall on a poll have one vote in respect of every share of the class held by it; and

29.2.3 the provisions of Article 29.4 shall apply in relation to any proposed variation of special rights attached to that class of shares.

29.3 The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith provided that such further shares are issued equally in all respects to all then existing shares of that class.

29.4 Whenever the capital of the company is divided into different classes of shares the special rights attached to any class may be varied or abrogated either whilst the company is a going concern or during or in contemplation of a winding up, only with consent in writing signed by the holders of all the issued shares of that class.

30. **ORDINARY SHARES**

30.1 A ordinary shares and B ordinary shares each constitute different classes of shares for the purposes of the Act, but except as expressly provided in these articles, A ordinary shares and B ordinary shares shall rank *pari passu* in all respects.

30.2 A ordinary shares and B ordinary shares shall be entitled to share in any dividends *pro rata*, provided that no dividends may be paid on A ordinary shares and B ordinary shares prior to the redemption of the preference shares in full.

31. **REDEEMABLE PREFERENCE SHARES**

31.1 The preference shares may be redeemed at any time, but solely at the option of the company, provided:

31.1.1 the preference shares are not redeemed before the fifth anniversary of the date of issue;

31.1.2 unless the company has given notice to the FSA in accordance with GENPRU 2.2.74R; and

31.1.3 unless at the time of exercise of that right it complies with the Main BIPRU Firm Pillar 1 Rules (as defined in the FSA glossary) and will continue to do so after redemption.

31.2 On a winding-up or other return of capital (other than a redemption or purchase of shares of the company, or a reduction of share capital), a holder of preference shares will rank in the application of the assets of the company available to shareholders (1) junior to the holder of any shares of the company in issue ranking in priority to the preference shares, (2) equally in all respects with holders of other preference shares and any other shares of the company in issue ranking *pari passu* with the preference shares, (3) in priority to the holders of ordinary shares and any other shares of the company ranking junior to the preference shares.

31.3 Subject to articles 31.1 and 31.2, the preference shares are non-redeemable perpetual securities.

31.4 Any separate meeting of preference shareholders shall be convened and conducted in all respects as nearly as possible in the same way as a general meeting of the company, except as specifically provided by the articles. The quorum at any such meeting shall be persons holding or representing by proxy at least one third of the issued preference shares then outstanding but so that if at any adjourned meeting a quorum as so defined is not present, any one holder of the preference shares present in person or by proxy shall be a quorum.

31.5 Holders of preference shares will not be entitled to vote at general meetings of the company.

- 31.6 Holders of preference shares shall not have any right to receive a dividend in respect of their preference shares.

32. ALLOTMENT OF SHARES

- 32.1 Subject article 32.2 and to the Companies Acts, the directors may allot, grant options over or otherwise dispose of shares to such persons at such times and generally on such terms and conditions as they think fit.

- 32.2 Subject to article 32.3, all shares which the directors propose to allot must first be offered to the shareholders in accordance with this article and unless the company shall by special resolution otherwise direct:

32.2.1 The directors shall give notice to each of the shareholders of the total number and subscription price of the shares they propose to allot and invite each of the shareholders to state in writing within 21 days (or such longer period as the directors may decide) from the date of the notice whether he is willing to subscribe for any of such shares and if so the maximum number for which he is willing to subscribe;

32.2.2 The directors shall allocate the new shares to and amongst the shareholders as nearly as may be in proportion to the existing numbers of shares held by them and shall allot them accordingly, provided that none of the shareholders shall be obliged to take more than the maximum number of shares which he has stated he is willing to purchase; and

32.2.3 The directors must not dispose of any shares which are not accepted pursuant to an offer under this article on terms which are more favourable to the persons subscribing for them than the terms on which they were offered to the shareholders.

- 32.3 Notwithstanding the provisions of article 32.2, the directors may allot shares to incentivise new employees, provided that, in any given year, such shares do not exceed ten percent of the total shares of that class already in issue. Any shares issued pursuant to this article 32.3 shall be classed as "B ordinary shares".

- 32.4 Section 561 of the Act, or any statutory modification or re-enactment thereof for the time being in force, shall not apply to an allotment of any equity security by the company.

33. TRUSTS MAY BE RECOGNISED

- 33.1 The company shall be entitled to recognise in such manner and to such extent as it may think fit any trust in respect of any shares. However, the company shall not be bound to recognise any such trust, even if it has express notice of it, except as required by the Companies Acts.

33.2 Notwithstanding any such recognition, the company shall not be bound to see to the execution, administration or observance of any trust, whether expressed, implied or constructive, in respect of any shares, and shall be entitled to recognise and give effect to the acts and deeds of the holder of such shares as if they were the absolute owners thereof.

33.3 For the purposes of this article, “trust” includes any right or interest (whether equitable, contingent, future, partial or otherwise) in respect of any share, or any fractional part of a share, other than an absolute right of the holder to the entirety of the same.

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:

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

34.2.2 the nominal value of those shares;

34.2.3 that the shares are fully paid (or, in the case of the subscriber shares, the amount paid up on them); and

34.2.4 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 be executed in accordance with the Companies Acts.

35. **REPLACEMENT SHARE CERTIFICATES**

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

35.1.1 damaged or defaced; or

35.1.2 said to be lost, stolen or destroyed;

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

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

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

36. **COMPANY'S LIEN OVER SHARES**

- 36.1 The company has a lien (the "**company's lien**") over every share, whether or not fully paid, which is registered in the name of any person indebted or under any liability to the company, whether he is the sole registered holder or one of several joint holders, for all monies payable by him (either alone or jointly with any other person) to the company, whether payable immediately or at some time in the future.
- 36.2 The company's lien over a share:
 - 36.2.1 takes priority over any third party's interest in that share; and
 - 36.2.2 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.
- 36.3 The directors may at any time decide that a share which is or would otherwise be subject to the company's lien shall not be subject to it, either wholly or in part.

37. **ENFORCEMENT OF THE COMPANY'S LIEN**

- 37.1 Subject to the provisions of this article, if:
 - 37.1.1 a lien enforcement notice has been given in respect of a share; and
 - 37.1.2 the person to whom the notice was given has failed to comply with it;

the company may sell that share in such manner as the directors decide.
- 37.2 A "**lien enforcement notice**":
 - 37.2.1 may only be given in respect of a share which is subject to the company's lien, in respect of which a sum is payable and the due date for payment of that sum has passed;
 - 37.2.2 must specify the share concerned;

- 37.2.3 must require payment of the sum payable within 14 clear days of the notice (that is, excluding the date on which the notice is given and the date on which that 14 day period expires);
- 37.2.4 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
- 37.2.5 must state the company's intention to sell the share if the notice is not complied with.

37.3 Where shares are sold under this article:

- 37.3.1 the directors may authorise any person to execute an instrument of transfer of the shares to the purchaser or a person nominated by the purchaser; and
- 37.3.2 the transferee is not bound to see to the application of the consideration, and the transferee's title is not affected by any irregularity in or invalidity of the process leading to the sale.

37.4 The net proceeds of any such sale (after payment of the costs of sale and any other costs of enforcing the lien) must be applied:

- 37.4.1 first, in payment of so much of the sum for which the lien exists as was payable at the date of the lien enforcement notice;
- 37.4.2 second, to the person entitled to the shares at the date of the sale, but only after the certificate for the shares sold has been surrendered to the company for cancellation or an indemnity in a form reasonably satisfactory to the directors has been given for any lost certificates, and subject to a lien equivalent to the company's lien over the shares before the sale for any monies payable by him (either alone or jointly with any other person) to the company after the date of the lien enforcement notice.

37.5 A statutory declaration by a director or the company secretary that the declarant is a director or the company secretary and that a share has been sold to satisfy the company's lien on a specified date:

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

38. SHARE TRANSFERS

- 38.1 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.
- 38.2 No fee may be charged for registering any instrument of transfer or other document relating to or affecting the title to any share.
- 38.3 The company may retain any instrument of transfer which is registered.
- 38.4 The transferor remains the holder of a share until the transferee's name is entered in the register of members as holder of it.
- 38.5 The directors shall register any transfer of a share, which is presented for registration duly stamped.

39. TRANSMISSION OF SHARES

- 39.1 If title to a share passes to a transmittee, the company may only recognise the transmittee as having any title to that share.
- 39.2 Subject to these articles, and pending any transfer of the shares to another person, a transmittee has the same rights as the holder had.
- 39.3 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.
- 39.4 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.

40. 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, or the name of any person to whom the transmittee transfers those shares, has been entered in the register of members.

41. TRANSFER NOTICE

- 41.1 If at any time a shareholder desires to transfer any shares registered in his name he shall give to the company notice in writing specifying the shares which he desires to transfer (a “**transfer notice**”).
- 41.2 A transfer notice shall be deemed to have been given to the company (if one has not already been received):
- 41.2.1 by a transmittee (entitled by reason other than death), in respect of A ordinary shares to which he becomes entitled by transmission, immediately on the company becoming aware of the event giving rise to the transmission
 - 41.2.2 by a transmittee, in respect of B ordinary shares to which he becomes entitled by transmission, immediately on the company becoming aware of the event giving rise to the transmission; and
 - 41.2.3 by any person holding B ordinary shares other than a founder shareholder who is, or has been, a director and /or an employee of the company (an “**employee shareholder**”) who leaves such employment for any reason, in respect of any shares held by him in the company, if and when the directors so decide (a “**leaver**”).
- 41.3 For the purposes of these articles, the “**vendor**” means any shareholder, transmittee or other person who gives or is deemed to give a transfer notice to the company pursuant to article 41.1 or 41.2.
- 41.4 Once a transfer notice has been given or is deemed to be given it may not be withdrawn except as provided in these articles.
- 41.5 Subject to these articles, a transfer notice shall constitute the company the vendor’s agent for the sale of the shares specified in it (the “**sale shares**”) in accordance with these articles.

42. SALE PRICE

- 42.1 The sale price of the sale shares (the “**sale price**”) shall be the price agreed by the vendor and the directors, but subject to article 47.1, if the vendor and the directors are unable to agree a price or if the transfer notice is a deemed transfer notice pursuant to article 41.2.1 or 41.2.2, the sale price shall be the fair value of the sale shares.
- 42.2 The “**fair value**” of any shares being transferred shall be the sum that the Institute for Chartered Accountants of Scotland shall, in accordance with these articles, determine and certify as the sum considered by them to be the fair value of such shares as at the date of the transfer notice.

42.3 In determining the fair value of any shares, the Institute for Chartered Accountants of Scotland shall have proper regard to:

42.3.1 the maintainable earnings; and

42.3.2 the underlying value of the assets of the company and its subsidiaries.

42.4 The vendor and the directors may make representations to the Institute for Chartered Accountants of Scotland as to the fair value of the relevant shares.

42.5 The Institute for Chartered Accountants of Scotland shall act as experts and not as arbiters and their determination of the fair value shall be final and binding for all purposes, save in the case of manifest error.

43. **OFFER OF SALE SHARES**

43.1 Immediately the sale price has been fixed in accordance with these articles, the company shall:

43.1.1 in respect of A ordinary shares

- (a) give notice in writing to each of the other shareholders of that class of share of the total number and the sale price of the sale shares; and
- (b) invite each of the other shareholders of that class of share to state in writing within 30 days from the date of the notice whether it is willing to purchase any of the sale shares and if so the maximum number which it is willing to purchase.

43.1.2 in respect of B ordinary shares

- (a) give notice in writing to each of the other shareholders of the total number and the sale price of the sale shares; and
- (b) invite each of the other shareholders to state in writing within 30 days from the date of the notice whether it is willing to purchase any of the sale shares and if so the maximum number which it is willing to purchase.

43.2 If sale shares remain following completion of the process set out in article 43.1, the company shall immediately:

43.2.1 give notice in writing to each of those shareholders who purchased sale shares pursuant to articles 43.1.1 and 43.1.2 respectively of the total number and the sale price of the remaining sale shares; and

43.2.2 invite each of the those shareholders to state in writing within 30 days from the date of the notice whether it is willing to purchase any of the remaining sale shares and if so the maximum number which it is willing to purchase.

43.3 If, pursuant to article 43.1 and, if applicable article 43.2, the company finds other shareholders willing to purchase some or all of the sale shares, the company shall allocate the sale shares to and amongst the other shareholders as nearly as may be in proportion to the existing numbers of shares held by them, provided that none of the other shareholders shall be obliged to take more than the maximum number of shares which it has stated it is willing to purchase.

43.4 The directors shall immediately give notice of the allocation of sale shares made under article 43.3 (an “**allocation notice**”) to the vendor and to the shareholders to whom the sale shares have been allocated. The allocation notice shall specify the place and time (not being earlier than 14 and not later than 28 days after the date of the allocation notice) at which the sale of the shares so allocated shall be completed.

44. **TRANSFER OF SALE SHARES**

44.1 If the directors give an allocation notice pursuant to article 43.4, the vendor shall be bound to execute and deliver a transfer or transfers of the sale shares referred to in that allocation notice together with the relative share certificate, and the shareholders to whom the sale shares have been allocated shall be bound to pay the sale price in respect of the shares allocated to them, at the time and place specified in the allocation notice.

44.2 If, pursuant to articles 43.1 and 43.2, the company does not find other shareholders willing to purchase all of the sale shares, the directors may give notice to the vendor (a “**direction notice**”) directing that all or any of the sale shares not taken up by other shareholders shall be transferred at a price not lower than the sale price to:

44.2.1 the company (subject to the provisions of the Companies Act); or

44.2.2 any person willing to purchase them (subject to the provisions of articles 45 and 46).

and the vendor shall be bound to execute and deliver a transfer or transfers of the sale shares referred to in that direction notice together with the relative share certificate at the time and place specified by the directors, subject to receipt of the price so specified.

44.3 If the vendor fails to comply with article 44.1 or article 44.2, the company may:

44.3.1 receive and give a good discharge for the purchase money on behalf of the vendor;

- 44.3.2 authorise any director to execute transfers of the sale shares in favour of the purchasers; and
- 44.3.3 (subject to stamping) enter the names of the purchasers in the register of members as the holder of such of the sale shares as shall have been transferred to them.

After the names of the purchasers have been entered in the register of members, the validity of the proceedings shall not be questioned by any person.

- 44.4 The directors shall register any transfer of a share pursuant to article 44.1 or article 44.2 which is presented for registration duly stamped.

45. TAG ALONG RIGHTS ON CHANGE OF CONTROL

- 45.1 Except in the case of transfers pursuant to article 47, and after going through the pre-emption procedure set out in article 43, the provisions of article 45.2 to 45.6 shall apply if, in one or a series of related transactions, one or more sellers propose to transfer any of the ordinary shares (a **“proposed transfer”**) which would, if carried out, result in any person (the **“buyer”**), and any person acting in concert with the buyer, acquiring a controlling interest in the company.
- 45.2 Before making a proposed transfer, a seller shall procure that the buyer makes an offer (the **“offer”**) to the other shareholders to purchase all of the ordinary shares held by them for a consideration in cash per ordinary share that is at least equal to the highest price per ordinary share offered or paid by the buyer, or any person acting in concert with the buyer, in the proposed transfer or in any related previous transaction in the 6 months preceding the date of the proposed transfer (the **“specified price”**).
- 45.3 The offer shall be given by written notice (the **“offer notice”**), at least 14 days (the **“offer period”**) before the proposed sale date (the **“sale date”**). To the extent not described in any accompanying documents, the offer notice shall set out:
 - 45.3.1 the identity of the buyer;
 - 45.3.2 the purchase price and other terms and conditions of payment;
 - 45.3.3 the sale date; and
 - 45.3.4 the number of shares proposed to be purchased by the buyer (the **“offer shares”**).
- 45.4 If the buyer fails to make the offer to all of the holders of ordinary shares in the company in accordance with article 45.2 and article 45.3, the seller shall not be entitled to complete the

proposed transfer and the company shall not register any transfer of shares effected in accordance with the proposed transfer.

45.5 If the offer is accepted by any shareholder (an “**accepting shareholder**”) within the offer period, the completion of the proposed transfer shall be conditional on completion of the purchase of all the offer shares held by accepting shareholders.

45.6 The proposed transfer is subject to the pre-emption provisions of article 43, but the purchase of offer shares from accepting shareholders shall not be subject to those provisions.

45.7 In this article:

45.7.1 “**acting in concert**” has the meaning given to it in the city code on takeovers and mergers published by the panel on takeovers and mergers (as amended from time to time); and

45.7.2 “**controlling interest**” means shares conferring in the aggregate 50% or more of the total voting rights conferred by all the issued shares in the company for the time being.

46. **DRAG ALONG RIGHTS**

46.1 If the holders of 75% of the ordinary shares in issue for the time being (the “**selling shareholders**”) wish to transfer all of their interest in the shares (the “**sellers’ shares**”) to a *bona fide* arm’s length purchaser (a “**proposed buyer**”), the selling shareholders may require all other shareholders (the “**called shareholders**”) to sell and transfer all their shares to the proposed buyer (or as the proposed buyer directs) in accordance with the provisions of this article (“**drag along option**”).

46.2 The selling shareholders may exercise the drag along option by giving written notice to that effect (a “**drag along notice**”) at any time before the transfer of the sellers’ shares to the proposed buyer. The drag along notice shall specify:

46.2.1 that the called shareholders are required to transfer all their shares (the “**called shares**”) pursuant to this article 46;

46.2.2 the person to whom the called shares are to be transferred;

46.2.3 the consideration payable for the called shares which shall, for each called share, be an amount equal to the price per share offered by the proposed buyer for the sellers’ shares; and

46.2.4 the proposed date of the transfer.

- 46.3 Once issued, a drag along notice shall be irrevocable. However, a drag along notice shall lapse if, for any reason, the selling shareholders have not sold the sellers' shares to the proposed buyer within 14 days of serving the drag along notice. The selling shareholders may serve further drag along notices following the lapse of any particular drag along notice.
- 46.4 No drag along notice shall require a called shareholder to provide the proposed buyer with any representations or warranties except as to title or to agree to any terms except those specifically set out in this article.
- 46.5 Completion of the sale of the called shares shall take place on the completion date. "Completion date" means the date proposed for completion of the sale of the sellers' shares unless all of the called shareholders and the selling shareholders agree otherwise in which case the completion date shall be the date agreed in writing by all of the called shareholders and the selling shareholders;
- 46.6 The rights of pre-emption set out in these articles shall not apply to any transfer of shares to a proposed buyer (or as it may direct) pursuant to a sale for which a drag along notice has been duly served.
- 46.7 Within 14 days of the selling shareholders serving a drag along notice on the called shareholders, the called shareholders shall deliver stock transfer forms for the called shares, together with the relevant share certificates (or a suitable indemnity for any lost share certificates) to the company. On the completion date, the company shall pay the called shareholders, on behalf of the proposed buyer, the amounts they are due for their shares pursuant to article 46.2.3 to the extent that the proposed buyer has put the company in the requisite funds. The company's receipt for the price shall be a good discharge to the proposed buyer. The company shall hold the amounts due to the called shareholders pursuant to article 46.2.3 in trust for the called shareholders without any obligation to pay interest.
- 46.8 To the extent that the proposed buyer has not, on the completion date, put the company in funds to pay the consideration due pursuant to article 46.2.3, the called shareholders shall be entitled to the return of the stock transfer forms and share certificates (or suitable indemnity) for the relevant called shares and the called shareholders shall have no further rights or obligations under this article in respect of their shares.
- 46.9 If any called shareholder does not, on completion of the sale of the called shares, execute transfer(s) in respect of all of the called shares held by it, the defaulting called shareholder shall be deemed to have irrevocably appointed any person nominated for the purpose by the selling shareholders to be his agent and attorney to execute all necessary transfer(s) on his behalf, against receipt by the company (on trust for such holder) of the consideration payable for the

called shares, to deliver such transfer(s) to the proposed buyer (or as they may direct) as the holder thereof. After the proposed buyer (or its nominee) has been registered as the holder, the validity of such proceedings shall not be questioned by any such person. Failure to produce a share certificate shall not impede the registration of shares under this article.

47. LEAVERS

47.1 If an employee shareholder becomes a leaver, that leaver, subject to article 47.3 below, shall be regarded as having given a deemed transfer notice pursuant to article 41.2 in respect of all the B ordinary shares held by the leaver on the date of such deemed transfer notice. In such circumstances the sale price shall be calculated as follows:

- (a) where the leaver is a bad leaver, the lower of fair value (calculated in accordance with article 42.2) and the nominal value of the bad leaver's shares; and
- (b) where the leaver is a good leaver, the fair value of the good leaver's shares (calculated in accordance with article 42.2).

47.2 In these articles:

47.2.1 An employee shareholder shall be deemed to be a good leaver in circumstances where the relevant person:

- (a) is designated a "good leaver" by the directors of the company; or
- (b) ceases to be employed for any reason other than termination for cause

47.2.2 an employee shareholder shall be deemed to be a bad leaver in circumstances where the relevant person has ceased to be employed as a result of termination for cause:

For the purposes of this article 47.2 "termination for cause" shall mean termination:

- (a) as a result of any material breach of the contract of service or for service by the leaver;
- (b) where the leaver has committed some act which has materially damaged the interests, reputation or goodwill of the company;
- (c) where the leaver has committed an act of (or has omitted to do something the omission of which constitutes) negligence, recklessness, wilful default, or bad faith towards the company and which has resulted in, or is likely to result in, a material loss to any area of the company's business; or

(d) where the leaver has failed to perform his/her duties to the required standard.

47.3 The directors of the company may, in their absolute discretion, agree that a good leaver's shares shall not be subject to a deemed transfer notice pursuant to article 41.2.3.

47.4 The leaver's shares shall be offered pursuant to the provisions of article 43.

DIVIDENDS AND OTHER DISTRIBUTIONS

48. PROCEDURE FOR DECLARING DIVIDENDS

48.1 The company may by ordinary resolution declare and pay dividends.

48.2 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.

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

48.4 Unless the shareholders' resolution to declare or 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 to declare or pay it.

48.5 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.

48.6 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.

48.7 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.

49. PAYMENT OF DIVIDENDS AND OTHER DISTRIBUTIONS

49.1 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:

49.1.1 transfer to a bank or building society account specified by the distribution recipient in writing;

- 49.1.2 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;
 - 49.1.3 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
 - 49.1.4 any other means of payment as the directors agree with the distribution recipient in writing.
- 49.2 In these articles, the "**distribution recipient**" means, in respect of a share in respect of which a dividend or other sum is payable:
- 49.2.1 the holder of the share; or
 - 49.2.2 if the share has two or more joint holders, whichever of them is named first in the register of members; or
 - 49.2.3 if the holder is no longer entitled to the share by reason of death or bankruptcy, or otherwise by operation of law, the transmittee.
50. **NO INTEREST ON DISTRIBUTIONS**
- 50.1 The company may not pay interest on any dividend or other sum payable in respect of a share unless otherwise provided by:
- 50.1.1 the terms on which the share was issued; or
 - 50.1.2 the provisions of another agreement between the holder of that share and the company.
51. **UNCLAIMED DISTRIBUTIONS**
- 51.1 All dividends or other sums which are:
- 51.1.1 payable in respect of shares; and
 - 51.1.2 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.
- 51.2 The payment of any such dividend or other sum into a separate account does not make the company a trustee in respect of it.

51.3 If:

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

51.3.2 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.

52. NON-CASH DISTRIBUTIONS

52.1 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).

52.2 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:

52.2.1 fixing the value of any assets;

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

52.2.3 vesting any assets in trustees.

53. WAIVER OF DISTRIBUTIONS

53.1 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:

53.1.1 the share has more than one holder; or

53.1.2 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

54. **AUTHORITY TO CAPITALISE AND APPROPRIATION OF CAPITALISED SUMS**

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

54.1.1 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

54.1.2 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.

54.2 Capitalised sums must be applied:

54.2.1 on behalf of the persons entitled; and

54.2.2 in the same proportions as a dividend would have been distributed to them.

54.3 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.

54.4 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.

54.5 Subject to these articles the directors may:

54.5.1 apply capitalised sums in accordance with articles 54.3 and 54.4 partly in one way and partly in another;

54.5.2 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

54.5.3 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.

DECISION-MAKING BY SHAREHOLDERS

ORGANISATION OF GENERAL MEETINGS

55. ATTENDANCE AND SPEAKING AT GENERAL MEETINGS

- 55.1 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.
- 55.2 A person is able to exercise the right to vote at a general meeting when:
- 55.2.1 that person is able to vote, during the meeting, on resolutions put to the vote at the meeting; and
- 55.2.2 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.
- 55.3 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.
- 55.4 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.
- 55.5 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.

56. 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.

57. CHAIRING GENERAL MEETINGS

- 57.1 If the directors have appointed a chairman, the chairman shall chair general meetings if present and willing to do so.
- 57.2 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,

57.2.1 the directors present; or

57.2.2 (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.

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

58. **ATTENDANCE AND SPEAKING BY DIRECTORS AND NON-SHAREHOLDERS**

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

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

58.2.1 shareholders of the company; or

58.2.2 otherwise entitled to exercise the rights of shareholders in relation to general meetings, to attend and speak at a general meeting.

59. **ADJOURNMENT**

59.1 If the persons attending a general meeting within half an hour of the time at which the meeting was due to start do not constitute a quorum, or if during a meeting a quorum ceases to be present, the chairman of the meeting must adjourn it. If the persons attending the adjourned meeting within half an hour of the time at which the meeting was due to start do not constitute a quorum, the adjourned meeting shall be dissolved.

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

59.2.1 the meeting consents to an adjournment; or

59.2.2 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.

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

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

59.4.1 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

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

59.5 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):

59.5.1 to the same persons to whom notice of the company's general meetings is required to be given; and

59.5.2 containing the same information which such notice is required to contain.

59.6 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

60. 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 these articles.

61. ERRORS AND DISPUTES

61.1 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.

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

62. POLL VOTES

62.1 A poll on a resolution may be demanded:

62.1.1 in advance of the general meeting where it is to be put to the vote; or

62.1.2 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.

62.2 A poll may be demanded by any person having the right to vote on the resolution.

62.3 A demand for a poll may be withdrawn if:

~~62.3.1~~ 62.3.1 the poll has not yet been taken; and

62.3.2 the chairman of the meeting consents to the withdrawal.

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

63. **CONTENT OF PROXY NOTICES**

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

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

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

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

63.1.4 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.

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

63.3 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.

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

63.4.1 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

63.4.2 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.

64. **DELIVERY OF PROXY NOTICES**

64.1 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.

64.2 A proxy notice shall be invalid unless it is received (together with such evidence as the directors may require in relation to any authority under which it is executed) by the company at least one hour before the commencement of the meeting or adjourned meeting which the proxy is to attend or the time appointed for taking the poll at which the proxy is to vote.

- 64.3 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.
- 64.4 A notice revoking a proxy appointment or the appointment of a duly authorised representative of a corporation only takes effect if it is delivered at least one hour before the start of the meeting or adjourned meeting to which it relates or, in the case of a poll, the time appointed for taking the poll.
- 64.5 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.

65. AMENDMENTS TO RESOLUTIONS

- 65.1 An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if:
- 65.1.1 notice of the proposed amendment is given to the company in writing by a person entitled to vote at the general meeting at which it is to be proposed not less than 48 hours before the meeting is to take place (or such later time as the chairman of the meeting may determine); and
 - 65.1.2 the proposed amendment does not, in the reasonable opinion of the chairman of the meeting, materially alter the scope of the resolution.
- 65.2 A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if:
- 65.2.1 the chairman of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed; and
 - 65.2.2 the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.
- 65.3 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

66. MEANS OF COMMUNICATION TO BE USED

66.1 Subject to these articles, anything sent or supplied by or to the company under these 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 that Act to be sent or supplied by or to the company.

66.2 This article 66.2 applies to anything sent or supplied by the company to any shareholder or by any shareholder to the company:

66.2.1 Where it is sent by post (whether in hard copy or electronic form) and the company is able to show that it was properly addressed, prepaid and posted, it is deemed to have been received by the proposed recipient 48 hours after it was posted to an address in the United Kingdom or 5 days after posting to an address outside the United Kingdom];

66.2.2 Where it is sent or supplied by electronic means and the company is able to show that it was properly addressed, it is deemed to have been received by the proposed recipient at the time it was sent.

66.3 Every person who becomes entitled to a share shall be bound by any notice in respect of that share which, before his name is entered in the register of members, has been duly given to a person from whom he derives his title.

66.4 Subject to these 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.

66.5 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 hours.

67. COMPANY SEAL

The company shall not have a common seal.

68. RIGHT TO INSPECT ACCOUNTS AND OTHER RECORDS

Every shareholder is entitled to inspect any of the company's accounting or other records or documents.

69. **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

70. **INDEMNITY**

70.1 Subject to article 70.2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled, each relevant officer of the company shall be indemnified out of the company's assets against all losses or liabilities which he may sustain or incur:

70.1.1 in or about the execution of the duties of his office or otherwise in relation thereto;

70.1.2 in connection with any negligence, default, breach of duty or breach of trust in relation to the company or an associated company;

70.1.3 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 Act).

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

70.3 In this article:

70.3.1 companies are "**associated**" if one is a subsidiary of the other or both are subsidiaries of the same body corporate; and

70.3.2 a "**relevant officer**" means any director or secretary, or former director or secretary, of the company or an associated company.

71. **INSURANCE**

71.1 The directors may decide to purchase and maintain insurance, at the expense of the company, for the benefit of any relevant officer or employee in respect of any relevant loss.

71.2 In this article:

- 71.2.1 a “**relevant officer or employee**” means any director, secretary or employee, or former director, secretary or employee, of the company or an associated company;
- 71.2.2 a “**relevant loss**” means any loss or liability which has been or may be incurred by a relevant officer or employee in connection with that officer’s or employee’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
- 71.2.3 companies are “**associated**” if one is a subsidiary of the other or both are subsidiaries of the same body corporate.