

**THE COMPANIES ACT 2006
COMPANY HAVING SHARE CAPITAL**

**ARTICLES OF ASSOCIATION
of
THIRD DIMENSION SOFTWARE LIMITED**

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PART 1

INTERPRETATION AND LIMITATION OF LIABILITY

Defined terms

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

“articles”	means the company’s articles of association;
"bad leaver"	means an employee who becomes a departing employee in circumstances where he is not a good leaver;
"business day"	means a day (other than a Saturday or Sunday) on which banks in the City of London are generally open for business;
“bankruptcy”	includes individual insolvency proceedings in a jurisdiction other than England and Wales or Northern Ireland which have an effect similar to that of bankruptcy;
“chairman”	has the meaning given in article 12;
“chairman of the meeting”	has the meaning given in article 58;
“Companies Acts”	means the Companies Acts (as defined in section 2 of the Companies Act 2006), in so far as they apply to the company;
"controlling interest"	means an interest in shares conferring on the holder or holders control of the company within the meaning of section 1124 of the Corporation Tax Act 2010;
"departing employee"	means an employee who ceases to be a director or employee of or consultant to a group company;
“director”	means a director of the company, and includes any person occupying the position of director, by whatever name called;
“distribution recipient”	has the meaning given in article 50;
“document”	includes, unless otherwise specified, any document sent or supplied in electronic form;
“electronic form”	has the meaning given in section 1168 of the Companies Act 2006;
“employee”	means an individual who is, or has been, a director and/or an employee of, or who does provide or has

	provided consultancy services to, any group company, but does not include TPM, Michael Charles Lawrence Dawes, Martin Arthur Coulthard and Steve Robinson;
“expert”	the auditors of the company from time to time, or if the auditors (or, if the company has no auditors, its reporting accountants) are unwilling or unable to act, any person nominated by the parties concerned or, in the event of disagreement, appointed by the President for the time being of the Institute of Chartered Accountants in England and Wales;
“fair value”	<p>such price per share as may be agreed between the Board and the proposing transferor, or in the absence of agreement, the price which an expert states in writing to be, in their opinion, the fair value of each share concerned, on a sale as between a willing seller and a willing purchaser; in determining such fair value the expert shall be instructed in particular:</p> <ul style="list-style-type: none"> (a) to have regard to the rights and restrictions attached to the Shares in respect of income and capital; (b) to disregard whether or not the Shares represent a minority interest; (c) to take no account of whether the Shares do or do not carry control of the company; (d) if the company is then carrying on business as a going concern, to assume that it will continue to do so; <p>and in stating the fair value the expert (whose charges shall be borne by the company unless the expert shall otherwise determine) shall be considered to be acting as an expert and not as an arbitrator and its decision shall be final and binding on the parties;</p>

“fully paid”	in relation to a share, means that the nominal value and any premium to be paid to the company in respect of that share have been paid to the company;
“good leaver”	<p>means an employee who becomes a departing employee by reason of:</p> <p>(a) death;</p> <p>(b) permanent disability or permanent incapacity through ill-health;</p> <p>(c) redundancy;</p> <p>(d) termination of employment or consultancy by the employee in circumstances where the employee is not in breach of his employment contract or consultancy agreement with the company, provided that the employee has given 3 months' notice of their intention to leave;</p>
“group company”	means the company and its subsidiary companies (if any), and "group" shall be interpreted accordingly;
“hard copy form”	has the meaning given in section 1168 of the Companies Act 2006;
“holder” or “shareholder”	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;
“minority shareholder”	means any shareholder other than TPM;
“offered shares”	Has the meaning set out in article 39(3);
“ordinary resolution”	has the meaning given in section 282 of the Companies Act 2006;
“paid”	means paid or credited as paid;
“participate”	in relation to a directors' meeting, has the meaning given in article 10;

“price paid”	means, in respect of any relevant share, either: (a) where such relevant share was issued to the proposed transferor, the subscription price paid (or agreed to be paid) in respect of that share, including any share premium; or (b) where such share has been transferred to the proposed transferor, the purchase price paid (or agreed to be paid) in respect of that share;
“proxy notice”	has the meaning given in article 67;
“relevant shares”	means, in relation to an employee, all shares held by the employee in question (whether directly or indirectly), including: (a) any shares acquired by any such person after the date the relevant transfer notice is deemed given but before completion of the transfer of shares pursuant to the relevant transfer notice; and (b) in the case of Ben Adeline, any shares held by Blu Ventures Limited (company number 13056846);
“shareholder”	means a person who is the holder of a share;
“shares”	means shares in the company;
“special resolution”	has the meaning given in section 283 of the Companies Act 2006;
“subsidiary”	has the meaning given in section 1159 of the Companies Act 2006;
“TPM”	means Dr Timothy Peter Monks;
“transfer notice”	means a notice in writing given (or deemed given) by a shareholder (" seller ") offering to transfer all his shares (" sale shares ") to the company and the other shareholders (excluding any shareholder whose shares are, at the date of the transfer notice, the subject of a deemed transfer notice under these articles) (" continuing shareholders ") specifying the

	<p>following details:</p> <p>(a) the number of sale shares comprised within the transfer notice; and</p> <p>(b) each continuing shareholder's proportionate entitlement to the sale shares, being the same proportion of the sale shares as the proportion that the number of shares held by him bears to the total number of shares held by the continuing shareholders (in respect of each continuing shareholder, his "entitlement");</p>
"transfer price"	<p>(a) the fair value; or</p> <p>(b) if these articles specify another price at which the offered shares are to be offered for sale, the price specified in these articles.</p>
"transmittee"	means a person entitled to a share by reason of the death or bankruptcy of a shareholder or otherwise by operation of law; and
"writing"	means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise.

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

Liability of members

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

PART 2

DIRECTORS

DIRECTORS' POWERS AND RESPONSIBILITIES

Directors' general authority

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

Shareholders' reserve power

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

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

Directors may delegate

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

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

as they think fit.

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

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

Committees

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

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

DECISION-MAKING BY DIRECTORS

Directors to take decisions collectively

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

(2) If—

(a) the company only has one director for the time being, and

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

the general rule does not apply, and the director may (for so long as he remains sole director) take decisions without regard to any of the provisions of articles 8 to 15 (inclusive).

Unanimous decisions

8.(1) A decision of the directors is taken in accordance with this article when all eligible

- directors indicate to each other by any means that they share a common view on a matter.
- (2) Such a decision may take the form of a resolution in writing, where each eligible director has signed one or more copies of it, or to which each eligible director has otherwise indicated agreement in writing.
- (3) References in this article to eligible directors are to directors who would have been entitled to vote on the matter had it been proposed as a resolution at a directors' meeting.
- (4) A decision may not be taken in accordance with this article if the eligible directors would not have formed a quorum at such a meeting.

Calling a directors' meeting

- 9.(1) Any director may call a directors' meeting by giving notice of the meeting to the directors or by authorising the company secretary (if any) to give such notice.
- (2) Notice of any directors' meeting must indicate—
- (a) its proposed date and time;
 - (b) where it is to take place; and
 - (c) if it is anticipated that directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting.
- (3) Notice of a directors' meeting must be given to each director, but need not be in writing.
- (4) Notice of a directors' meeting need not be given to directors who waive their entitlement to notice of that meeting, by giving notice to that effect to the company not more than 7 days after the date on which the meeting is held. Where such notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it.

Participation in directors' meetings

- 10.(1) Subject to the articles, directors participate in a directors' meeting, or part of a directors' meeting, when—
- (a) the meeting has been called and takes place in accordance with the articles, and
 - (b) they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.
- (2) In determining whether directors are participating in a directors' meeting, it is irrelevant where any director is or how they communicate with each other.
- (3) If all the directors participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is.

Quorum for directors' meetings

- 11.(1) At a directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.
- (2) The quorum at any meeting of the directors shall be two directors, one of whom must be TPM (for as long as he is a director).
- (3) If the total number of directors for the time being is less than the quorum required, the directors must not take any decision other than a decision—
- (a) to appoint further directors, or
 - (b) to call a general meeting so as to enable the shareholders to appoint further directors.

Chairing of directors' meetings

- 12.**(1) The directors may appoint a director to chair their meetings.
(2) The person so appointed for the time being is known as the chairman.
(3) The directors may terminate the chairman's appointment at any time.
(4) If the chairman is not participating in a directors' meeting within ten minutes of the time at which it was to start, the participating directors must appoint one of themselves to chair it.

Casting vote

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

Interests in existing or proposed transactions or arrangements with the company

- 14.**(1) Subject to disclosure in accordance with sections 177 and 182 of the Companies Act 2006, a director shall be entitled to count in the quorum and vote at a meeting of directors or of a committee of directors or in any decision-making process howsoever held on any resolution concerning a proposed or existing transaction or arrangement in which he has a direct or indirect interest.
(2) Subject to the provisions of the Companies Act 2006, and provided that he has disclosed to the directors the nature and extent of any direct or indirect interest he has in a proposed or existing transaction or arrangement with the company, a director shall not, by reason of his office, be accountable to the company for any benefit which he derives from any such transaction or arrangement and no such transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit.

Directors' discretion to make further rules

- 15.** 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.

Records of meetings to be kept

- 16.** The directors must cause minutes of all proceedings at meetings of directors to be recorded in writing and kept for at least 10 years from the date of the meeting recorded. In the case of the company having only one director, such director must cause all resolutions made by him to be recorded in writing and kept for at least 10 years from the date of the resolution recorded.

APPOINTMENT OF DIRECTORS

Methods of appointing directors

- 17.**(1) Any person who is willing to act as a director, and is permitted by law to do so, may be appointed to be a director—
 (a) by the holders of more than 50% of the shares (who may also remove any director so appointed), or
 (b) by a decision of the directors.
(2) In any case where, as a result of death, the company has no shareholders and no directors, the personal representatives of the last shareholder to have died have the right,

by notice in writing, to appoint a person to be a director.

(3) For the purposes of paragraph (2), where 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.

Termination of director's appointment

18. A person ceases to be a director as soon as—

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

Directors' remuneration

19.(1) Directors (and alternate directors) may undertake any services for the company that the directors decide.

(2) Directors (and alternate directors) are entitled to such remuneration as the directors determine—

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

(3) Subject to the articles, a director's (or alternate director's) remuneration may—

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

(4) Unless the directors decide otherwise, directors' (and alternate directors') remuneration accrues from day to day.

(5) Unless the directors decide otherwise, directors (and alternate directors) are not accountable to the company for any remuneration which they receive as directors (or alternate directors) or other officers or employees of the company's subsidiaries or of any other body corporate in which the company is interested.

Directors' expenses

20. The company shall pay any reasonable expenses which the directors (including alternate directors) properly incur in connection with their attendance at—

- (a) meetings of directors or committees of directors,
- (b) general meetings, or
- (c) separate meetings of the holders of any class of shares or of debentures of the

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

ALTERNATE DIRECTORS

Appointment and removal of alternates

21.(1) Any director (the “appointor”) may appoint as an alternate any other director, or any other person approved by resolution of the directors, to—

- (a) exercise that director’s powers, and
- (b) carry out that director’s responsibilities,

in relation to the taking of decisions by the directors in the absence of the alternate’s appointor.

(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.

(3) The notice must—

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

Rights and responsibilities of alternate directors

22.(1) An alternate director may act as an 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.

(2) Except as the articles specify otherwise, alternate directors—

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

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

(3) A person who is an alternate director but not a director—

- (a) may be counted as participating for the purposes of determining whether a quorum is participating (but only if that person’s appointor is not participating),
- (b) may participate in an unanimous decision of the directors (but only if his appointor is an eligible director in relation to that decision), and
- (c) may not be counted as more than one director for the purposes of articles 22(3)(a) and (b).

(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).

(5) An alternate director is not entitled to receive any remuneration from the company for serving as an alternate director except such part of the alternate’s appointor’s remuneration as the appointor may direct by notice in writing made to the company.

Termination of alternate directorship

23. An alternate director’s appointment as an alternate terminates—

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

PART 3

SHARES AND DISTRIBUTIONS

SHARES

Company's lien over partly paid shares

- 24.**(1) The company has a lien ("**the company's lien**") over every share which is partly paid for any part of—
- (a) that share's nominal value, and
 - (b) any premium at which it was issued,
- which has not been paid to the company, and which is payable immediately or at some time in the future, whether or not a call notice has been sent in respect of it.
- (2) The company's lien over a share—
- (a) takes priority over any third party's interest in that share, and
 - (b) extends to any dividend or other money payable by the company in respect of that share and (if the lien is enforced and the share is sold by the company) the proceeds of sale of that share.
- (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.

Enforcement of the company's lien

- 25.**(1) Subject to the provisions of this article, if—
- (a) a lien enforcement notice has been given in respect of a share, and
 - (b) 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.
- (2) A lien enforcement notice—
- (a) 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;
 - (b) must specify the share concerned;
 - (c) must require payment of the sum payable within 14 days of the notice;
 - (d) must be addressed either to the holder of the share or to a person entitled to it by reason of the holder's death, bankruptcy or otherwise; and
 - (e) must state the company's intention to sell the share if the notice is not complied with.
- (3) Where shares are sold under this article—
- (a) 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
 - (b) 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.

(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—

(a) first, in payment of so much of the sum for which the lien exists as was payable at the date of the lien enforcement notice,

(b) 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 a suitable indemnity 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 money payable in respect of the shares after the date of the lien enforcement notice.

(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—

(a) is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share, and

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

Call notices

26.(1) Subject to the articles and the terms on which shares are allotted, the directors may send a notice (a "**call notice**") to a member requiring the member to pay the company a specified sum of money (a "**call**") which is payable in respect of shares which that member holds at the date when the directors decide to send the call notice.

(2) A call notice—

(a) may not require a member to pay a call which exceeds the total sum unpaid on that member's shares (whether as to the share's nominal value or any amount payable to the company by way of premium);

(b) must state when and how any call to which it relates it is to be paid; and

(c) may permit or require the call to be paid by instalments.

(3) A member must comply with the requirements of a call notice, but no member is obliged to pay any call before 14 days have passed since the notice was sent.

(4) Before the company has received any call due under a call notice the directors may—

(a) revoke it wholly or in part, or

(b) specify a later time for payment than is specified in the notice,

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

Liability to pay calls

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

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

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

(a) to pay calls which are not the same, or

(b) to pay calls at different times.

When call notice need not be issued

28.(1) A call notice need not be issued in respect of sums which are specified, in the terms

on which a share is issued, as being payable to the company in respect of that share (whether in respect of nominal value or premium)—

- (a) on allotment;
- (b) on the occurrence of a particular event; or
- (c) on a date fixed by or in accordance with the terms of issue.

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

Failure to comply with call notice: automatic consequences

29.(1) If a person is liable to pay a call and fails to do so by the call payment date—

- (a) the directors may issue a notice of intended forfeiture to that person, and
- (b) until the call is paid, that person must pay the company interest on the call from the call payment date at the relevant rate.

(2) For the purposes of this article—

- (a) the “**call payment date**” is the time when the call notice states that a call is payable, unless the directors give a notice specifying a later date, in which case the “call payment date” is that later date;
- (b) the “**relevant rate**” is—
 - (i) the rate fixed by the terms on which the share in respect of which the call is due was allotted;
 - (ii) such other rate as was fixed in the call notice which required payment of the call, or has otherwise been determined by the directors; or
 - (iii) if no rate is fixed in either of these ways, 5 per cent per annum.

(3) The relevant rate must not exceed, by more than 5 percentage points, the base lending rate most recently set by the Monetary Policy Committee of the Bank of England in connection with its responsibilities under Part 2 of the Bank of England Act 1998(a).

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

Notice of intended forfeiture

30. A notice of intended forfeiture—

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

Directors' power to forfeit shares

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

Effect of forfeiture

- 32.**(1) Subject to the articles, the forfeiture of a share extinguishes—
- (a) all interests in that share, and all claims and demands against the company in respect of it, and
 - (b) all other rights and liabilities incidental to the share as between the person whose share it was prior to the forfeiture and the company.
- (2) Any share which is forfeited in accordance with the articles—
- (a) is deemed to have been forfeited when the directors decide that it is forfeited;
 - (b) is deemed to be the property of the company; and
 - (c) may be sold, re-allotted or otherwise disposed of as the directors think fit.
- (3) If a person's shares have been forfeited—
- (a) the company must send that person notice that forfeiture has occurred and record it in the register of members;
 - (b) that person ceases to be a member in respect of those shares;
 - (c) that person must surrender the certificate for the shares forfeited to the company for cancellation;
 - (d) that person remains liable to the company for all sums payable by that person under the articles at the date of forfeiture in respect of those shares, including any interest (whether accrued before or after the date of forfeiture); and
 - (e) the directors may waive payment of such sums wholly or in part or enforce payment without any allowance for the value of the shares at the time of forfeiture or for any consideration received on their disposal.
- (4) At any time before the company disposes of a forfeited share, the directors may decide to cancel the forfeiture on payment of all calls and interest due in respect of it and on such other terms as they think fit.

Procedure following forfeiture

- 33.**(1) If a forfeited share is to be disposed of by being transferred, the company may receive the consideration for the transfer and the directors may authorise any person to execute the instrument of transfer.
- (2) A statutory declaration by a director or the company secretary that the declarant is a director or the company secretary and that a share has been forfeited on a specified date—
- (a) is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share, and
 - (b) subject to compliance with any other formalities of transfer required by the articles or by law, constitutes a good title to the share.
- (3) A person to whom a forfeited share is transferred is not bound to see to the application of the consideration (if any) nor is that person's title to the share affected by any irregularity in or invalidity of the process leading to the forfeiture or transfer of the share.
- (4) If the company sells a forfeited share, the person who held it prior to its forfeiture is entitled to receive from the company the proceeds of such sale, net of any commission, and excluding any amount which—
- (a) was, or would have become, payable, and
 - (b) had not, when that share was forfeited, been paid by that person in respect of that share,
- but no interest is payable to such a person in respect of such proceeds and the company is not required to account for any money earned on them.

Surrender of shares

- 34.**(1) A member may surrender any share—
- (a) in respect of which the directors may issue a notice of intended forfeiture;
 - (b) which the directors may forfeit; or
 - (c) which has been forfeited.
- (2) The directors may accept the surrender of any such share.
- (3) The effect of surrender on a share is the same as the effect of forfeiture on that share.
- (4) A share which has been surrendered may be dealt with in the same way as a share which has been forfeited.

Powers to issue different classes of share

- 35.**(1) Subject to the articles and to the Companies Act 2006, but without prejudice to the rights attached to any existing share, the directors of the company may issue shares with such rights or restrictions as they may determine.
- (2) The company may issue shares which are to be redeemed, or are liable to be redeemed at the option of the company or the holder, and the directors may determine the terms, conditions and manner of redemption of any such shares.

Company not bound by less than absolute interests

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

Share certificates

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

Replacement share certificates

- 38.**(1) If a certificate issued in respect of a shareholder's shares is—
- (a) damaged or defaced, or
 - (b) said to be lost, stolen or destroyed,
- that shareholder is entitled to be issued with a replacement certificate in respect of the same shares.
- (2) A shareholder exercising the right to be issued with such a replacement certificate—
- (a) may at the same time exercise the right to be issued with a single certificate or separate certificates;

- (b) must return the certificate which is to be replaced to the company if it is damaged or defaced; and
- (c) must comply with such conditions as to evidence, indemnity and the payment of a reasonable fee as the directors decide.

Share transfers

In articles 39 to 45 a reference to the transfer of a share includes the transfer or assignment of a beneficial or other interest in that share or the creation of a trust or encumbrance over that share and reference to a share includes a beneficial or other interest in a share.

39.(1) TPM may transfer all or any of the shares he holds from time to time, as he in his absolute discretion sees fit.

(2) No minority shareholder may transfer any share except pursuant to the procedure detailed in sub-articles (3) to (9) below, article 40, article 41 or with the written consent of TPM.

Pre-emption on transfer

(3) Subject to articles 39(2) and 48, no shareholder, or person entitled to shares in the Company by transmission, shall be entitled to transfer his shares without first offering them for transfer to the other shareholders. The offer may be in respect of all or part only of the shares held by the proposing transferor and shall be made by the proposing transferor by submitting a transfer notice the company.

(4) The transfer notice shall specify the shares offered (the "**offered shares**"). The transfer notice shall constitute the directors as the agent of the proposing transferor for the sale of the offered Shares to other shareholders at the transfer price. The transfer notice may contain a provision that, unless all the offered shares are sold under this article 39, none shall be sold and that provision shall have effect. The transfer notice may not be revoked unless the directors otherwise agree.

(5) On agreement or determination of the transfer price the directors shall as soon as practicable give notice to all the shareholders (other than the proposing transferor) of the number and description of the offered shares and the transfer price. The notice shall invite each of the shareholders to state in writing to the company within 14 days (the "**period**") whether he is willing to purchase any and, if so, what maximum number ("**maximum**"), of the offered shares. The directors shall at the same time give a copy of the notice to the proposing transferor.

(6) Subject to article 39(7), on the expiration of the period the directors shall allocate the offered shares to or amongst those persons who have expressed a willingness to purchase offered shares ("**purchasers**") as follows:

- (a) each allocation between purchasers shall, in the case of competition, be made pro rata to the nominal amount of shares held by each of them but shall not exceed the maximum which such holder shall have expressed a willingness to purchase; and
- (b) if the transfer notice shall state that the proposing transferor is not willing to transfer part only of the offered shares, no allocation will be made unless all the offered shares are allocated.

(7) On the allocation being made, the directors shall give details of the allocation in writing to the proposing transferor and each purchaser and, on the seventh day after such details are given, the purchasers to whom the allocation has been made shall be bound to pay the purchase price for, and to accept a transfer of, the offered shares

allocated to them respectively and the proposing transferor shall be bound, on payment of the purchaser price, to transfer the offered shares to the respective purchasers to whom the allocation has been made.

(8) If the proposing transferor, after becoming bound to transfer offered shares, fails to do so, the company may receive the purchase price and the Directors may appoint a person to be the proposing transferor's agent or attorney to execute instruments of transfer of the offered shares in favour of the purchasers to whom the allocation has been made and shall cause the names of those purchasers to be entered in the register of shareholders of the company as the holders of the offered shares and shall hold the purchase price in trust for the proposing transferor. The receipt of the company shall be a good discharge to those purchasers and, after their names have been entered in the register of shareholders of the company under this provision, the validity of the transactions shall not be questioned by any person.

(9) If, following the expiry of the period, any of the offered shares have not been allocated under article 39(6), the proposing transferor may at any time within a period of 90 days after the expiry of the period transfer the offered shares not allocated to any person and at any price (being not less than the transfer price) provided that the directors may require to be satisfied that those shares are being transferred under a bona fide sale for the consideration stated in the transfer without any deduction, rebate or allowance to the purchaser and, if not so satisfied, may refuse to register the instrument of transfer (without prejudice, however, to the Directors' absolute discretion to refuse to approve or register any transfer of shares in the circumstances described in article 39(7)).

Effecting transfer

(10) 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.

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

(12) The company may retain any instrument of transfer which is registered.

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

(14) The directors may refuse to register the transfer of a share, and if they do so, they must give the transferee notice of their refusal together with their reasons for the refusal. If registration is refused, 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.

Employee shareholder departure

40. (1) If an employee becomes a departing employee a transfer notice shall, unless TPM otherwise directs in writing in respect of any particular relevant shares, be deemed to have been served on the date of his termination of employment in respect of all relevant shares (a "**compulsory employee transfer**").

(2) Notwithstanding any other provisions of these articles, the price payable for relevant shares in respect of a compulsory employee transfer shall, where the departing employee is:

- (a) a bad leaver be restricted to a maximum of the lower of:
 - i. the aggregate price paid of such relevant shares; and

- ii. the aggregate fair value of such relevant shares; and
 - (b) a good leaver, be the higher of:
 - i. the aggregate price paid of such relevant shares; and
 - ii. the aggregate fair value of such relevant shares.
- (3) Forthwith upon a transfer notice being deemed to be served under this article, the shares subject to the relevant transfer notice shall cease to confer on the holder of them any rights:
- (a) to vote (whether on a show of hands, on a poll or otherwise and whether in person, by proxy or otherwise), including in respect of any resolution of any class of shares;
 - (b) to receive dividends or other distributions otherwise attaching to those shares; or
 - (c) to participate in any future issue of shares issued in respect of those shares.
- (4) TPM (in priority to the company and the continuing shareholders) may accept the offer set out in a transfer notice deemed served under this article 40 in respect of the Sale Shares at any time up to 90 business days after the date of the transfer notice deemed served under this article 40.
- (5) Subject to article 40(4), the company (in priority to the continuing shareholders) may (if it is lawful for it to do so) accept the offer set out in a transfer notice deemed served under this article in respect of the Sale Shares at any time up to 90 business days after the date of the transfer notice deemed served under this article.
- (6) If the company does not (or cannot) accept an offer pursuant to (5) above, the continuing shareholders may accept the offer set out in a transfer notice deemed served under this article in respect of their entitlement at any time up to 90 business days after the date of the transfer notice. If any continuing shareholder does not accept such offer, the other continuing shareholders may purchase his entitlement in such proportions as they may decide between them.

Events of Default

41.(1) A minority shareholder is deemed to have served a transfer notice immediately before any of the following events of default:

- (a) save in respect of a shareholder who is an employee, his death;
- (b) a bankruptcy order being made against him, or an arrangement or composition being made with his creditors, or where he otherwise takes the benefit of any statutory provision for the time being in force for the relief of insolvent debtors;
- (c) a change of control (as control is defined in section 1124 of the Corporation Tax Act 2010) of any shareholder that is a company; or
- (d) he fails to remedy a material breach by him of any obligation under these articles or any shareholders' agreement relating to the company.

(2) The deemed transfer notice has the following effect:

- (a) the price at which the sale shares are offered by the seller to the continuing shareholders shall be:
 - (i) the aggregate fair value of the sale shares, where (a) applies; or
 - (ii) the lower of the aggregate nominal value of those sale shares and the aggregate fair value of the sale shares where (b), (c) or (d) applies;
- (b) TPM may accept the offer set out in the transfer notice deemed served under this article 41 at any time up to 90 business days after the date of the transfer notice deemed served under this article. If TPM fails to do so, the company (if it is lawful for it to do so) is obliged to purchase the sale shares; and

- (c) if the company is unable to do so, the continuing shareholders are each obliged to purchase their entitlement to the sale shares but the continuing shareholders may, if they so agree, purchase the sale shares in some other proportions.

Completion of share purchase

42.(1) Completion of the sale and purchase of shares under the two preceding articles shall take place:

- (a) in the case of a purchase under article 41, 60 business days after the date of the deemed transfer notice served under that article; and
- (b) 20 business days after the continuing shareholders accept an offer made by a transfer notice served pursuant to article 40.

(2) At such completion:

- (a) the seller shall deliver, or procure that there is delivered to each continuing shareholder who is to purchase sale shares, a duly completed stock transfer form transferring the legal and beneficial ownership of the relevant sale shares to him, together with the relevant share certificate(s) (or an indemnity (in a form reasonably acceptable to the directors of the company) in lieu thereof);
- (b) each relevant continuing shareholder shall pay the sale price for the sale shares being transferred to him by telegraphic transfer for same day value to the account specified by the seller; and
- (c) the seller shall deliver, or procure that there are delivered to the company, his resignation (if relevant) as an officer of the company, to take effect from completion.

(3) Any transfer of shares by way of a sale pursuant to these articles shall be deemed to include a warranty that the seller sells the shares with full title guarantee.

Transmission of shares

43.(1) If title to a share passes to a transmittee, the company may only recognise the transmittee as having any title to that share.

(2) A transmittee who produces such evidence of entitlement to shares as the directors may properly require—

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

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

Exercise of transmittees' rights

44.(1) Transmittees who wish to become the holders of shares to which they have become entitled must notify the company in writing of that wish.

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

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

Transmittees bound by prior notices

45. 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(s) named as the transferee(s) in an instrument of transfer executed under article 44 has been entered in the register of members.

Classes of Shares

46.(1) Except as otherwise provided in these articles, the ordinary shares and all other classes of shares in the company shall rank *pari passu* in all respects but shall constitute separate classes of shares.

(2) No class of shares other than the ordinary shares shall carry the right to be given notice of, attend or to vote at, a general meeting of the company.

(3) The directors shall be entitled, subject to the Companies Act 2006, to declare dividends on the ordinary shares and the other classes of shares as they shall (in their absolute discretion) see fit.

Pre-emption rights on issue of shares

47.(1) In accordance with section 567(1) of the Companies Act 2006, 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.

(2) Unless otherwise determined by TPM, any shares for the time being unissued shall, before they are issued, be offered to the existing shareholders in proportion, as nearly as may be practicable, to the number of existing shares held by them respectively.

(3) Such offer (as referred to in article 47(2)) shall be made by notice in writing to each shareholder specifying the number of shares offered to him and the subscription price for such shares and inviting him to state in writing within such period as the Board may prescribe (being not less than fourteen days after the date of the notice) whether he wishes to accept any and, if so, what number of shares offered to him and whether he wishes to subscribe for shares in excess of his entitlement and, if so, what maximum number.

(4) If, within the period referred to in article 47(3), such shareholders have expressed their willingness to accept all or any of the shares offered to them, such shares shall be so issued to them accordingly.

(5) Any shares so offered to any such shareholder and not taken up within the period referred to in article 47(3) shall be issued to those shareholders who have taken up their full entitlement of shares and who have indicated a willingness to subscribe for excess shares and such issue shall be in proportion, as nearly as may be practicable, to the number of existing shares held by them respectively (excluding any shares issued pursuant to this article 47 but subject to the limitation that no shares shall be issued to any such holder of shares in excess of the maximum number which he has expressed a willingness to subscribe.

(6) Any shares not taken up pursuant to such offer (and any shares released from the provisions of this article by TPM) shall be under the control of the Board who may allot, grant options over or otherwise dispose of such shares to such persons on such terms and in such manner as it thinks fit provided that in the case of any shares not disposed of pursuant to the offer to the shareholders in accordance with this article 47, such shares shall not be disposed of on terms more favourable than the terms on which they were offered to the holders of shares. This article 47 shall have effect subject to section 551 of the 2006 Act.

(7) If the company is bound by the terms of any shareholders' agreement in respect of the shares, no shares (or any interest therein) shall be allotted unless the proposed allottee has duly executed a deed of adherence in respect of, or is already a party to, such shareholders' agreement.

Drag Along and Tag Along provisions

Tag along

48.(1) In the event that a proposed transfer of shares whether made as one or as a series of transactions (a "**proposed transfer**") would, if completed, result in any person other than an existing shareholder (the "**buyer**"), together with any person acting in concert with the buyer, acquiring a controlling interest, the provisions articles 48(1) to (3) shall apply.

(2) The company shall procure that, prior to the completion of the proposed transfer, the buyer shall make an offer (the "**offer**") to each shareholder (each an "**offeree**") on the date of the offer to buy all of the shares held by such offerees on the date of the offer for a consideration in cash per share (the "**offer price**") which is equal to the highest price per share offered, paid or to be paid by the buyer, or any person acting in concert with the buyer, for any shares of the same class in connection with the proposed transfer. If the buyer does not propose a price for a class of shares, the company shall ask an expert to determine what part of the consideration offered by the buyer should be attributable to that class of shares.

(3) The offer shall be made by notice in writing (an "**offer notice**") addressed to each offeree on the date of the offer at least 21 business days (the "**offer period**") before the date fixed for completion of the proposed transfer (the "**sale date**"). The offer notice shall specify:

- (a) the identity of the buyer (and any person(s) acting in concert with the buyer);
- (b) the offer price and any other terms and conditions of the offer;
- (c) the sale date; and
- (d) the number of shares which would be held by the buyer (and persons acting in concert with the buyer) on completion of the proposed transfer.

(4) The completion of the proposed transfer shall be conditional in all respects on:

- (a) the making of an offer in accordance with article 48(3); and
- (b) the completion of the transfer of any shares by any offeree (each an "**accepting offeree**") who accepts the offer within the offer period,

and the directors shall refuse to register any proposed transfer made in breach of this article.

Drag-along

(5) If the holders of a majority by nominal value of the shares in issue for the time being (the "**selling shareholders**") wish to transfer all of their interest in their shares ("**sellers' shares**") to a bona fide purchaser on arm's-length terms ("**proposed buyer**"), the selling shareholders shall have the option ("**drag along option**") to require all the other holders of shares on the date of the request ("**called shareholders**") to sell and transfer all their interest in shares with full title guarantee to the proposed buyer (or as the proposed buyer may direct) in accordance with the provisions of this article.

(6) The selling shareholders may exercise the drag along option by giving notice in writing to that effect (a "**drag along notice**"), at any time before the completion of the transfer of the sellers' shares, to the proposed buyer and each called shareholder. A drag along notice shall specify:

- (a) that the called shareholders are required to transfer all their Shares ("**called shares**") pursuant to this article;
 - (b) the identity of the proposed buyer (and, if relevant, the transferee(s) nominated by the proposed buyer);
 - (c) the proposed price payable for the called shares and the date for payment, which must be the same as the date specified at (e) below;
 - (d) that completion of the sale and purchase of the called shares is conditional upon the completion of the sale and purchase of the sellers' shares; and
 - (e) the proposed date of completion of sale and purchase of the called shares and the Sellers's Shares, which must be the same date in each case.
- (7) Once given, a drag along notice may not be revoked save with the prior consent of the directors, acting with the consent of members holding a majority by nominal value of the shares.
- (8) A drag along notice shall lapse if, for any reason, the selling shareholders have not completed the transfer of all the sellers' shares to the proposed buyer (or as the proposed buyer may direct) within 90 business 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.
- (9) The consideration (in cash or otherwise) for which each of the called shareholders shall be obliged to sell each of the called shares shall be a percentage of the total consideration proposed to be paid by the proposed buyer for the class of shares in question, being the percentage of the total number of shares of that class in issue which are held by that called shareholder. If the proposed buyer does not propose a price for a class of shares, the company shall ask an expert to determine what part of the consideration offered by the proposed buyer should be attributable to that class of shares.
- (10) No drag along notice shall require a called shareholder to agree to any terms except those specifically set out in this article.
- (11) Within 60 business days of the selling shareholders serving a drag along notice on the called shareholders, the called shareholders shall deliver stock transfer forms for their shares in favour of the proposed buyer (or as the proposed buyer may direct), together with the share certificate(s) in respect of those shares (or a suitable indemnity in respect thereof) to the company.
- (12) If any called shareholder fails to deliver to the company a duly executed stock transfer form (or forms) in respect of the called shares held by him (together with the share certificate(s) in respect of those called shares (or a suitable indemnity in respect thereof)) the defaulting called shareholder shall be deemed to have appointed any person nominated for the purpose by the selling shareholders to be his agent and attorney to execute and deliver all necessary transfers on his behalf, against receipt by the company (on trust for such holder) of the consideration payable for the called shares. After the proposed buyer (or person(s) nominated by the proposed buyer) has been registered as the holder of any such called shares, the validity of such proceedings shall not be questioned by any person. Failure to produce a share certificate shall not impede the registration of any transfer of shares under this article.
- (13) Upon any person, following the issue of a drag along notice, becoming a shareholder (or increasing an existing shareholding) including, without limitation, pursuant to the exercise of any option, warrant or other right to acquire or subscribe for, or to convert any security into shares, whether or not pursuant to a share option scheme (a "**new shareholder**"), a drag along notice shall be deemed to have been served upon the new shareholder, on the same terms as the previous drag along notice, who shall then be bound to sell and transfer all such shares acquired by him to the proposed buyer (or as the proposed buyer may direct) and the provisions of articles 48(5) to (11) shall apply mutatis mutandis to the new shareholder, save that completion of the sale of such

shares shall take place forthwith upon the later of the drag along notice being deemed served on the New Shareholder and the date of completion of the sale of the called shares.

(14) Any deemed transfer notice served in respect of the transfer of any share which has not completed before the date of service of a drag along notice shall automatically be revoked by the service of a drag along notice.

DIVIDENDS AND OTHER DISTRIBUTIONS

Procedure for declaring dividends

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

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

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

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

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

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

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

Payment of dividends and other distributions

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

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

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

(c) 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

(d) any other means of payment as the directors agree with the distribution recipient in writing.

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

(a) the holder of the share; or

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

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

No interest on distributions

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

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

Unclaimed distributions

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

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

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

(3) If—

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

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

Non-cash distributions

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

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

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

Waiver of distributions

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

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

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

CAPITALISATION OF PROFITS

Authority to capitalise and appropriation of capitalised sums

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

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

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

(2) Capitalised sums must be applied—

(a) on behalf of the persons entitled, and

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

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

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

(5) Subject to the articles the directors may—

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

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

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

PART 4

DECISION-MAKING BY SHAREHOLDERS

ORGANISATION OF GENERAL MEETINGS

Attendance and speaking at general meetings

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

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

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

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

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

- (4) In determining attendance at a general meeting, it is immaterial whether any two or more members attending it are in the same place as each other.
- (5) Two or more persons who are not in the same place as each other attend a general meeting if their circumstances are such that if they have (or were to have) rights to speak and vote at that meeting, they are (or would be) able to exercise them.

Quorum for general meetings

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

Chairing general meetings

- 58.**(1) If the directors have appointed a chairman, the chairman shall chair general meetings if present and willing to do so.
- (2) If the directors have not appointed a chairman, or if the chairman is unwilling to chair the meeting or is not present within ten minutes of the time at which a meeting was due to start—
- (a) the directors present, or
 - (b) (if no directors are present), the meeting,
- must appoint a director or shareholder to chair the meeting, and the appointment of the chairman of the meeting must be the first business of the meeting.
- (3) The person chairing a meeting in accordance with this article is referred to as “the chairman of the meeting”.

Attendance and speaking by directors and non-shareholders

- 59.**(1) Directors may attend and speak at general meetings, whether or not they are shareholders.
- (2) The chairman of the meeting may permit other persons who are not—
- (a) shareholders of the company, or
 - (b) otherwise entitled to exercise the rights of shareholders in relation to general meetings,
- to attend and speak at a general meeting.

Adjournment

- 60.**(1) If the persons attending a general meeting within half an hour of the time at which the meeting was due to start do not constitute a quorum, or if during a meeting a quorum ceases to be present, the chairman of the meeting must adjourn it.
- (2) The chairman of the meeting may adjourn a general meeting at which a quorum is present if—
- (a) the meeting consents to an adjournment, or
 - (b) it appears to the chairman of the meeting that an adjournment is necessary to protect the safety of any person attending the meeting or ensure that the business of the meeting is conducted in an orderly manner.
- (3) The chairman of the meeting must adjourn a general meeting if directed to do so by the meeting.
- (4) When adjourning a general meeting, the chairman of the meeting must—
- (a) either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the directors, and

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

VOTING AT GENERAL MEETINGS

Voting: general

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

Errors and disputes

- 62.**(1) No objection may be raised to the qualification of any person voting at a general meeting except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting is valid.
- (2) Any such objection must be referred to the chairman of the meeting, whose decision is final.

Poll votes

- 63.**(1) A poll on a resolution may be demanded—
- (a) in advance of the general meeting where it is to be put to the vote, or
 - (b) at a general meeting, either before a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared.
- (2) A poll may be demanded by—
- (a) an individual who is a member of the company,
 - (b) a person authorised under section 323 of the Companies Act 2006 (representation of corporations at meetings) to act as the representative of a corporation in relation to the meeting, or
 - (c) a person appointed as proxy of a member in relation to the meeting.
- (3) A poll may not be demanded at a general meeting on the question of—
- (a) the election of the chairman of the meeting, or
 - (b) the adjournment of the meeting.
- (4) A demand for a poll may be withdrawn if—
- (a) the poll has not yet been taken, and
 - (b) the chairman of the meeting consents to the withdrawal.
- A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made.
- (5) Polls must be taken immediately and in such manner as the chairman of the meeting directs.

Content of proxy notices

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

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

Delivery of proxy notices

- 65.**(1) A person who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a general meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid proxy notice has been delivered to the company by or on behalf of that person.
- (2) An appointment under a proxy notice may be revoked by delivering to the company a notice in writing given by or on behalf of the person by whom or on whose behalf the proxy notice was given.
- (3) A notice revoking a proxy appointment only takes effect if it is delivered before the start of the meeting or adjourned meeting to which it relates.
- (4) If a proxy notice is not executed by the person appointing the proxy, it must be accompanied by written evidence of the authority of the person who executed it to execute it on the appointor’s behalf.

Amendments to resolutions

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

amendment to a resolution is out of order, the chairman's error does not invalidate the vote on that resolution.

PART 5

ADMINISTRATIVE ARRANGEMENTS

Means of communication to be used

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

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

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

Company seals

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

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

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

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

(a) any director of the company;

(b) the company secretary (if any); or

(c) any person authorised by the directors for the purpose of signing documents to which the common seal is applied.

No right to inspect accounts and other records

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

Provision for employees on cessation of business

70. Subject to the Companies Act 2006, the directors may decide to make provision for the benefit of persons employed or formerly employed by the company or any of its subsidiaries (other than a director or former director or shadow director) in connection with the cessation or transfer to any person of the whole or part of the undertaking of the company or that subsidiary.

DIRECTORS' INDEMNITY AND INSURANCE

Indemnity

71.(1) Subject to paragraph (2), but without prejudice to any indemnity to which a relevant officer may otherwise be entitled, a 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 in the actual or purported execution and/or discharge of his duties for the company or an associated company or any company that is a trustee of an occupational pension scheme (as defined in section 235(6) of the Companies Act 2006), or in relation thereto including any liability incurred by him in defending any civil or criminal proceedings, in which judgement 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 relief from liability for negligence, default, breach of duty or breach of trust in relation to the company's affairs or those of an associated company.

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

(3) In this article—

(a) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate, and

(b) a "relevant officer" means any director or other officer or former director or other officer of the company or an associated company or any company that is a trustee of an occupational pension scheme (as defined in section 235(6) of the Companies Act 2006) other than any person (whether an officer of the company or not) engaged by the company as auditor to the extent that he is acting in his capacity as an auditor.

Insurance

72.(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.

(2) In this article—

(a) a "relevant officer" means any director or other officer or former director or other officer of the company or an associated company or any company that is a trustee of an occupational pension scheme (as defined in section 235(6) of the Companies Act 2006) other than any person (whether an officer of the company or not) engaged by the company as auditor to the extent that he is acting in his capacity as an auditor,

(b) a "relevant loss" means any loss or liability which has been or may be incurred by a relevant officer in connection with that director's duties or powers in relation to the company, any associated company or any pension fund or employees' share scheme of the company or associated company, and

(c) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate.