

Company No. 04620480

**INHEALTH GROUP LIMITED**

TUESDAY



A33 \*A69YFONH\*  
04/07/2017 #194  
COMPANIES HOUSE

**Written resolution of the Company pursuant to s.281 and Part 13 Ch 2 Companies Act 2006**

Circulation Date: 23 June 2017

In accordance with Part 13 Ch 2 Companies Act 2006, the directors of the Company propose the following written resolution which is proposed as a special resolution (the "**Resolution**").

**SPECIAL RESOLUTION**

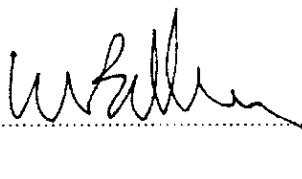
- 1 That the articles of association attached to this written resolution be adopted as the articles of association of the Company in substitution for, and to the exclusion of, the existing articles of association.

**Agreement to written resolution**

*Please read the notes at the end of this document before signifying your agreement to the written resolution.*

The undersigned, a person entitled on the date set out above to vote on the written resolution, irrevocably agrees to the Resolution.

Signed by IVAN BRADBURY  
(print name of signatory)

Signature 

for and on behalf of InHealth Group Holdings Plc

Date: 23 June 2017

**NOTES**

*Procedures for signifying agreement*

- 1 If you agree to the resolution, please signify your agreement by signing and dating this document where indicated above and returning it to the Company.

If you do not agree to the written resolution, you do not need to do anything. You will not be deemed to agree if you do not reply.

*Period for agreeing to written resolution*

- 1 Unless, by the end of the period of 28 days beginning with the Circulation Date stated at the head of this document, sufficient agreement has been received for the written resolution to pass, it will lapse. If you agree to the resolution, please ensure that your agreement reaches us during that period. Your agreement will be ineffective if received after that date.

**THE COMPANIES ACT 2006**

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**COMPANY LIMITED BY SHARES**

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**NEW**

**ARTICLES OF ASSOCIATION**

(Adopted by Written Resolution passed on 23 June 2017)  
- of -

**INHEALTH GROUP LIMITED**

**THE COMPANIES ACT 2006**

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-of-

**INHEALTH GROUP LIMITED**

**1 Introduction**

- 1.1 The Regulations contained or incorporated in Table A in the Schedule to The Companies (Tables A to F) Regulations 1985 as amended by The Companies (Tables A to F) Amendment Regulations 1985, The Companies Act 1985 (Electronic Communications) Order 2000, The Companies (Tables A to F) (Amendment Regulations 2007 and The Companies (Tables A to F) (Amendment) (No. 2) Regulations 2007 (called "Table A" in these Articles) shall apply to the Company, save insofar as they are varied or excluded by, or are inconsistent with, the following Articles.
- 1.2 Save as expressly provided otherwise in these Articles, words or expressions contained in Table A and in these Articles bear the same meaning as in the Act as in force from time to time. The last paragraph of Regulation 1 of Table A shall not apply.
- 1.3 Regulations 3, 32, 34, 35, 40, 54, 76 to 77 (inclusive), 80, 90, 93, 94 to 98 (inclusive), 104, 111, 112, 115 and 118 of Table A *shall not* apply to the Company.

**2 Definitions**

- 2.1 In these Articles the following words and expressions shall have the following meanings:

**Act:** the Companies Act 2006, including any statutory modification or re-enactment of it for the time being in force;

**A Ordinary Shares:** A Ordinary Shares of £0.10 each in the capital of the Company;

**the A Ordinary Shareholders:** the Members for the time being holding A Ordinary Shares;

**B Ordinary Shares:** together, the B1 Ordinary Shares and B2 Ordinary Shares;

**B1 Ordinary Shares:** B1 Ordinary Shares of £0.10 each in the capital of the Company;

**B2 Ordinary Shares:** B2 Ordinary Shares of £0.01 each in the capital of the Company;

**B Ordinary Shareholders:** the members for the time being holding B Ordinary Shares;

**Board:** the board of directors of the Company;

**business day:** any day other than a Saturday, a Sunday or any other day which is a public holiday in England;

**Change of Control:** the Company becoming controlled by a person or persons who are not themselves controlled directly or indirectly by or connected with the Company's existing ultimate controller, other than as a result of a Share Sale or a Flotation;

**Company:** Inhealth Group Limited, company number 04620480;

**company:** includes any body corporate;

**Conflict Situation:** a situation in which a director has, or can have, a direct or indirect interest that conflicts, or may possibly conflict, with the interests of the Company, including in relation to the exploitation of any property, information or opportunity and regardless of whether the Company could take advantage of the property, information or opportunity itself, but excluding a situation which could not reasonably be regarded as likely to give rise to a conflict of interest;

**control:** shall have the meaning set out in section 995 of the Income Tax Act 2007;

**Controlling Interest:** a holding of Shares having the right to exercise more than 50 per cent. of the votes which may be cast on a poll at a general meeting of the Company on all, or substantially all, matters;

**Controlling Shareholder:** the registered holder for the time being of more than one half in nominal value of the issued Ordinary Shares (and includes, for the avoidance of doubt, any member holding all of the issued Ordinary Shares);

**EBITDA:** earnings before interest, taxes, depreciation and amortisation;

**Employee:** an individual who is employed by, or is a director of, the Company or any of its subsidiaries;

**employee benefit trust:** a trust established for the purpose of enabling or facilitating transactions in Shares between, and/or the acquisition of beneficial ownership of Shares by, any of the following persons:

- (a) the bona fide employees or former employees of the Company or of any subsidiary of the Company; or
- (b) the wives, husbands, civil partners, widows, widowers, surviving civil partners, children or stepchildren under the age of eighteen of any such employees or former employees;

**Excluded Transfer:** a transfer made under Articles 11.1.1 to 11.1.5;

**Family Members:** in relation to any person, the spouse, civil partner, parents and every child and remoter descendant of that person (including stepchildren and adopted children);

**Family Trust:** in relation to any person, trusts established by that person in relation to which only such person and/or Family Members of that person are capable of being beneficiaries thereof;

**financial year:** a financial year (as defined by section 390 of the Act) of the Company;

**Flotation:** the effective admission of ordinary shares of the Company or any holding company of the Company to trading on the London Stock Exchange plc's market for listed securities or on its Alternative Investment Market or to trading on any other investment exchange;

**“Good Leaver”** an Employee who

- (a) ceases to be employed by the Company as a result of any of the following circumstances:
  - (i) the Employee dies; or
  - (ii) the Employee suffers permanent incapacity due to ill health or accident (as evidenced to the satisfaction of the Board); or
  - (iii) the Employee's employment is terminated by the Employer in the case of redundancy, and “**redundancy**” for these purposes shall have the meaning given to that expression under the Employment Rights Act 1996 except that a person shall not be treated as being made redundant if he is offered and accepts an alternative position; or
  - (v) the Employee's employment is terminated (or deemed to have been terminated) by the Employer for a reason which does not fall within section 98(1) or 98(2) of the Employment Rights Act 1996; or
  - (vi) the Employee's Employer ceases to be directly or indirectly controlled by the Company; or
- (b) an Employee who does not fall within paragraph (a) but who is determined by the Board in its absolute discretion to be a Good Leaver;

**Group:** the Company and its subsidiaries;

**Hurdle Amount:** a specified sum as determined by the Board and notified to the holder of the relevant B Ordinary Shares before they acquired such shares (or, if no such notification was given to such holder, the specified sum set out in the last notification given by the Board to a person who was proposing to acquire such B Ordinary Shares, before the acquisition by such holder) (and such determination and notification can prescribe a basis on which the specified sum may be reduced or increased, including a reduction by reference to dividends paid or otherwise distributed or the amount of capital returned to the Ordinary Shareholders after the issue of the B Ordinary Shares in question and/or an increase by reference to the amount (including premium) used to subscribe for Ordinary Shares or any shares ranking ahead of the B Ordinary Shares after the issue of the B Ordinary Shares in question). For the avoidance of doubt, a different Hurdle Amount may apply in respect of different Tranches of B Ordinary Shares;

**Leaver:** a person who:

- (a) ceases to be an Employee (other than in circumstances where the Employer of that person changes pursuant to a bona fide internal group reorganisation) and is not a Good Leaver; or
- (b) (if still an Employee) becomes bankrupt;

**Material Transaction:** any transaction involving the Company, its business and assets or the Shares (or any of them) which the Board considers materially alters the financial position of the Company or which the Board otherwise considers means that it is appropriate to require all of the holders of the B Ordinary Shares to sell such shares;

**Measurement Date:** a date designated by the Board and notified to the holder of the relevant B Ordinary Shares before they acquired such shares or, if no such notification was given to such holder, the date set out in the last notification given by the Board to a person who was proposing to acquire such B Ordinary Shares, before the acquisition by such holder;

**Member:** a holder of Shares;

**a member of the same group:** as regards any company, a company which is for the time being a holding company or a subsidiary (as defined in section 1159 of the Act) of that company or of any such holding company;

**Minimum Sale Value:** a value which the Sale Value must equal or exceed, as set by the Board and notified to the relevant B Ordinary Shareholder before they acquired the B Ordinary Shares in question or, if no such notification was given to the holder of some of the B Ordinary Shares, the specified sum set out in the last notification given by the Board to a person who was proposing to acquire such B Ordinary Shares before the acquisition by the holder of the B Ordinary Shares in question). For the avoidance of doubt, a different Minimum Sale Value may apply in respect of different Tranches of B Ordinary Shares;

**Ordinary Shareholders:** the Members for the time being holding Ordinary Shares;

**Ordinary Shares:** Ordinary Shares of £0.01 each in the capital of the Company;

**Realisation Date:**

- (a) in the case of a Flotation, the date on which dealings commence in respect of the shares the subject of the Flotation;
- (b) in the case of a Share Sale, the date of completion of the Share Sale;
- (c) in the case of a Trade Sale, the date of completion of the Trade Sale;
- (d) in the case of a Change of Control, the date of completion of the transaction resulting in the Change of Control;
- (e) in the case of a Material Transaction, the date of completion of such transaction or such other date as the Board determines is appropriate;

**Realisation Event:** a Flotation, a Share Sale, a Trade Sale, a Change of Control or a Material Transaction;

**Related Party:** in respect of any person:

- (a) any Family Member of that person;
- (b) the trustee(s) of a Family Trust of that person;

- (c) the personal representatives of that person, or of any Family Member of that person;
- (d) any nominee of any of the above;

**Relevant Shares:** the Shares originally transferred or issued to a Family Member of an Employee or to the trustees of a Family Trust of an Employee, and any additional Shares issued to such person or persons by way of capitalisation or acquired by such person or persons on the exercise of any right or option granted or arising by virtue of the holding of the Relevant Shares or any of them;

**Sale Value:**

- (a) on a Share Sale:

- (i) the aggregate amount of all cash consideration payable to the holders of Shares in consideration for the transfer of those Shares; plus
- (ii) the aggregate market value of all non-cash consideration payable to the holders of Shares in consideration for the transfer of those Shares;

in each case, as agreed between the Board and the holders of a majority by number of the B Ordinary Shares or (at the discretion of the Board) as determined by a valuer appointed by the Board;

- (b) on a Flotation, the market value of the entire issued share capital of the Company as agreed between the Board and the holders of a majority by number of the B Ordinary Shares or (at the discretion of the Board) as determined by a valuer appointed by the Board. The value shall be based on the market capitalisation of the Company (or, as the case may be, any holding company of the Company whose shares are listed as set out in the prospectus, listing particulars or other equivalent document issued in connection with the Flotation) on admission, adjusted to exclude any assets or liabilities of the company whose shares are listed which are not assets of the Company or a subsidiary of the Company;

- (c) on a Trade Sale:

- (i) the aggregate amount received by the Company or any subsidiary of the Company in consideration for the transfer of assets in such Trade Sale; plus
- (ii) the aggregate market value of all non-cash consideration payable to the Company or any subsidiary of the Company in consideration for the transfer of assets in such Trade Sale; plus
- (iii) the market value of any retained business of the Company following such Trade Sale

in each case, as agreed between the Board and the holders of a majority by number of the B Ordinary Shares or (at the discretion of the Board) as determined by a valuer appointed by the Board;

- (d) on a Change of Control the market value of the entire issued share capital of the Company as agreed between the Board and the holders of a majority by number of the B Ordinary Shares or (at the discretion of the Board) as determined by a valuer appointed by the Board. The value shall be calculated by reference to the consideration payable in connection with the Change of Control, adjusted to exclude any assets or liabilities acquired in connection

with the Change of Control which are not assets or liabilities of the Company or any of its subsidiaries;

- (e) in the event of a Material Transaction, the market value of the entire issued share capital of the Company as agreed between the Board and the holders of a majority by number of the Ordinary Shares or (at the discretion of the Board) as determined by a valuer appointed by the Board;
- (f) in the event of a sale of B Ordinary Shares (i) pursuant to the provisions of Article 6.6 or (ii) on the issue of a Compulsory Sale Notice under Article 11.1 or 11.5, such amount as the Board determines is equal to the EBITDA of the Group, based on the last twelve months of trading, derived from the latest available management accounts multiplied by 8.4 (eight point four), less the Group's net debt, as at the Measurement Date or, as the case may be, the date of the meeting at which the Board confirmed that the Minimum Sale Value had been reached, as set out in the notice issued under Article 6.6.1 or, as the case may be, the Compulsory Sale Notice;

**Share Sale:**

- (a) the sale of all of the issued Shares not already held by the proposed purchaser to a single purchaser (or to one or more purchasers as part of a single transaction); or
- (b) the sale of less than all of the issued Shares in circumstances where the purchaser or purchasers is or are (or will upon the agreement or agreements for such sale or any offer to purchase becoming unconditional be) entitled to acquire the issued Shares not agreed to be acquired pursuant to such agreement or agreements or offer in accordance with the provisions of Chapter 3 of Part 28 of the Act (formerly Part XIII A of the Companies Act 1985) or pursuant to the provisions of Article 13;

in each case, excluding a sale to a purchaser who is (directly or indirectly) controlled by or connected with the Company's existing ultimate controller;

**Shares:** shares of any class in the Company;

**Subscription Price:** the total amount paid by a B Ordinary Shareholder to acquire their B Ordinary Shares;

**a Trade Sale:** a sale or series of sales (whether by the sale of assets or shares in its subsidiaries) by the Company (or any subsidiary of the Company), directly or indirectly, of 50% or more of the business and assets of the Company and its subsidiaries to a purchaser or purchasers who are not controlled (directly or indirectly) by or connected with the Company or its ultimate controller; and

**a Tranche:** any number of B Ordinary Shares in respect of which the Hurdle Amount and Minimum Sale Value notified to their holders is the same;

2.2 In these Articles:

2.2.1 the term "**transfer**" shall, unless the context otherwise requires, include:

2.2.1.1 a sale or disposal of any legal or equitable interest in a Share, whether or not by the Member registered as the holder of that Share;

2.2.1.2 any renunciation or other direction by a Member entitled to an allotment or transfer



of Shares that such Shares be allotted, issued or transferred to another person;

- 2.2.2 any reference to an "**interest**" in the context of any transfer of Shares shall include any interest in shares as defined by section 820 of the Act;
- 2.2.3 any persons who are "**connected**" for the purposes of sections 1122 and 1123 of the Corporation Tax Act 2010 (formerly 839 of the Income and Corporation Taxes Act 1988) shall be connected for the purposes of these Articles;
- 2.2.4 any reference to "**subsidiaries**" shall be to subsidiaries within the meaning of section 1159 of the Companies Act 2006; and
- 2.2.5 wherever a valuer is or is to be appointed pursuant to these Articles:
- (i) the Board may appoint the Company's auditors or any other firm of accountants or professional valuers it considers to be appropriate;
  - (ii) the valuer shall act as expert and not as an arbitrator;
  - (iii) the valuer shall be instructed to determine the market value of the Shares or other assets in question on the basis provided in Part VIII of the Taxation of Chargeable Gains Act 1992, assuming that the Shares are freely transferable and without taking into account (a) any restrictions on the transfer of equity share capital or (b) whether the Shares constitute a majority or minority holding;
  - (iv) the valuer shall be appointed at the Company's cost; and
  - (v) the valuer's determination shall be final and binding except in the case of fraud or manifest error;
- 2.3 in Regulation 1 of Table A the definition of "secretary" shall be amended as if the words "(if any)" were inserted after each use of the words "the secretary" other than where that term and its accompanying definition are set out in Regulation 1.

### **3 Limited liability**

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

## **4 Objects**

4.1 Nothing in these Articles shall constitute a restriction on the objects of the Company to do (or omit to do) any act and, in accordance with section 3(1) of the Act, the Company's objects are unrestricted.

4.2 The purpose of the Company:

4.2.1 may, if and to the extent the directors consider it appropriate; and

4.2.2 shall, if directed by the holders of a majority of the Ordinary Shares of the Company by notice in writing to the Company,

include promoting the success of the group as a whole or of any one or more members of the group (and in this context "group" means the Company, any other body corporate which is its holding company or subsidiary and any other body corporate which is a subsidiary of that holding company).

## **5 Company name**

The name of the Company may be changed by:

5.1 special resolution of the Members; or

5.2 resolution of the directors; or

5.3 otherwise in accordance with the Act.

## **6 Share Rights**

The Ordinary Shares, A Ordinary Shares and B Ordinary Shares shall have, and be subject to, the following rights and restrictions:

### **6.1 Income**

6.1.1 Sums distributed by the Company in or in respect of any financial year shall be paid to the Ordinary Shareholders in proportion to the number of Ordinary Shares held by them.

6.1.2 No dividends or other distributions shall be paid on the A or B Ordinary Shares.

6.1.3 Regulations 102 to 105 (inclusive) of Table A shall be subject to Article 4.1 and in Regulation 103 of Table A the words from "If the share capital is divided .... " to the end of the Regulation shall be deleted.

### **6.2 Share Sale**

6.2.1 On a Share Sale, the Sale Value shall, subject to Article 6.2.2 and 6.2.3, be distributed to the Ordinary Shareholders, the A Ordinary Shareholders and the B Ordinary Shareholders pro rata (so far as is possible) to their respective holdings of Ordinary Shares, A Ordinary Shares and B Ordinary Shares (pari passu as if the shares held by these Members constituted one class of shares).

6.2.2 No B Shareholder shall participate in any distribution pursuant to Article 6.2.1 above in respect of a B Ordinary Share held by them unless the Sale Value is equal to or greater than the Minimum Sale Value applicable to that B Ordinary Share.

6.2.3 A B Ordinary Share shall only entitle the holder to participate in a distribution of Sale Value pursuant to Article 6.2.1 in respect of Sale Value which is in excess of the Hurdle Amount applicable to that B Ordinary Share.

6.2.4 Any non-cash consideration payable for shares in respect of a Share Sale shall be distributed among the Members such that each Member receives cash and non-cash consideration in the same proportion as the others PROVIDED THAT in the event the B Ordinary Shareholders receive or become entitled to receive any non-cash consideration other than (i) loan notes or equivalent instruments or (ii) shares or other securities which are listed on the London Stock Exchange plc's main market or its Alternative Investment Market or traded on any other investment exchange, they shall each be entitled to require the Controlling Shareholder to purchase such assets from them for cash at the value attributed to such assets by the Share Sale.

### 6.3 Trade Sale or Change of Control or Material Transaction

In the event of a Trade Sale or a Change of Control or a Material Transaction all of the B Ordinary Shares in issue on the Realisation Date shall automatically be transferred to the Controlling Shareholder (or to such other person or persons as it shall nominate by prior notice in writing) on the Realisation Date. The Controlling Shareholder shall be required to pay to each of the B Ordinary Shareholders within 30 days following the determination of the amount payable, against delivery of the certificate(s) for the shares transferred by them, a cash amount for the shares transferred by them equal to the amount which would have been payable to them for such shares in accordance with Article 6.2 as a result of a Share Sale as at that date at the relevant Sale Value. For the avoidance of doubt, if the Sale Value is below the Minimum Sale Value, the amount payable by the Controlling Shareholder for the automatic transfer of the B Ordinary Shares to it under this Article 6.3 shall be nil. Any transfers pursuant to the provisions of this Article 6.3 shall be of the entire legal and beneficial interest in the Shares free from all encumbrances and together with all rights attaching thereto. Any stock transfer forms required to be completed in order to effect the transfer of shares pursuant to this Article may be signed either by the selling shareholder or by any director of the Company on behalf of the selling shareholder. After the name of the purchaser has been entered in the Register of Members in purported exercise of these powers, the validity of the proceedings shall not be questioned by any person.

### 6.4 Flotation

In the event of a Flotation, all of the B Ordinary Shares in issue on the Realisation Date shall on that date automatically be transferred to the company whose shares are to be listed pursuant to the Flotation (or in the case of a Flotation of the Company, to the Controlling Shareholder). The consideration for the transfer shall be such number of listed ordinary shares in the company whose shares are to be listed as have a value, at the share price on Admission, equal to the amount which would have been payable for the B Ordinary Shares (as applicable) in accordance with Article 6.2 as a result of a Share Sale as at that date at the relevant Sale Value. For the avoidance of doubt, if the Sale Value on the relevant date is below the Minimum Sale Value, the consideration for the transfer of the B Ordinary Shares shall be nil (so the B Ordinary Shareholders will not receive any listed ordinary shares in consideration for the compulsory transfer of their B Ordinary Shares under this Article 6.4). Any transfers pursuant to the provisions of this Article 6.4 shall be of the entire legal and beneficial interest in the Shares free from all encumbrances and together with all rights attaching thereto. Any stock transfer forms required to be completed in order to effect the transfer of shares pursuant to this Article may be signed either by the selling shareholder or by any director of the Company on behalf of the selling shareholder. After the name of the purchaser has been entered in the Register of Members in purported exercise of these powers, the validity of the proceedings shall not be questioned by any person.

## **6.5 Capital**

- 6.5.1 On a return of capital on liquidation the capital returned to shareholders shall, subject to Article 6.5.2, be distributed to the Ordinary Shareholders, the A Ordinary Shareholders and the B Ordinary Shareholders pro rata (so far as is possible) to their respective holdings of Ordinary Shares, A Ordinary Shares and B Ordinary Shares (pari passu as if the shares held by these Members constituted one class of shares).
- 6.5.2 No B Shareholder shall participate in any distribution pursuant to Article 6.5.1 above in respect of a B Ordinary Share held by them to the extent the amount to be distributed is less than or equal to the Hurdle Amount applicable to that B Ordinary Share. If the aggregate amount to be distributed pursuant to Article 6.5.1 (when added to the aggregate amount of any other capital returns which occurred since the date of issue of the relevant B Ordinary Share) is less than the Minimum Share Value then no amounts shall be distributed in respect of the B Ordinary Shares. If the aggregate amount to be distributed pursuant to Article 6.5.1 (when added to the aggregate amount of any other capital returns which occurred since the date of issue of the relevant B Ordinary Share) is more than or equal to the Minimum Share Value and more than the Hurdle Amount for a B Ordinary Share, a B Ordinary Shareholder shall have the right to participate on a pro rata basis in respect of that B Ordinary Share in the portion of that amount which exceeds the Hurdle Amount.

## **6.6 B Ordinary Shareholder Exit**

- 6.6.1 If there has been no Realisation Event prior to the Measurement Date, the Board shall within 60 days after the Measurement Date deliver to each of the B Ordinary Shareholders a notice setting out in reasonable detail its calculation of the Sale Value as at the Measurement Date and the amount which would be payable for each B Ordinary Share pursuant to Article 6.6.4 at that Sale Value (together with any supporting materials required to understand the basis of calculation).
- 6.6.2 Any B Ordinary Shareholder (other than a B Ordinary Shareholder who is a Leaver) may, at any time in the 40 day period following the date of a notice given pursuant to Article 6.6.1, provided that the Sale Value as so determined is not less than the Minimum Sale Value, submit a written notice to the Company requesting that the Company procure the purchase of all (but not some of) his B Ordinary Shares. Following receipt of a notice validly given by any B Ordinary Shareholder in accordance with this Article 6.6.2 the Company shall be required within 14 days of receipt of the notice to procure the purchase of all of the B Ordinary Shares held by such B Ordinary Shareholder at the purchase price calculated in accordance with Article 6.6.4 to the extent that it is lawful for it to do so under applicable law.
- 6.6.3 The Company may, at any time within the 40 day period following the date of a notice given pursuant to Article 6.6.1, submit a written notice to each B Ordinary Shareholder requiring them to sell all (but not some of) the B Ordinary Shares held by them. Following receipt of a notice validly given by the Company in accordance with this Article 6.6.3 each B Ordinary Shareholder shall be required within 14 days of receipt of the notice to sell all of the B Ordinary Shares held by him at the purchase price calculated in accordance with Article 6.6.4.
- 6.6.4 The purchase price for the B Ordinary Shares that are the subject of a notice given pursuant to Article 6.6.2 or 6.6.3 shall be equivalent to the amount the B Ordinary Shareholder would receive

for such Shares pursuant to Article 6.2 if all the Shares were sold in a Share Sale at the Sale Value on the Measurement Date.

## **6.8 Voting**

### **6.8.1 On a show of hands:**

- (a) every Ordinary Shareholder who (being an individual) is present in person or by a proxy or (being a corporation) is present by a representative shall have one vote; and
- (b) every holder of B1 Ordinary Shares (a “**B1 Ordinary Shareholder**”) who (being an individual) is present in person or (being a corporation) is present by a representative shall have such number of votes as is equal to 5 per cent of the votes cast by a show of hands provided that where B1 Ordinary Shares have been issued to more than five individuals or entities, only the first five (chronologically) of those individuals or entities entered in the register of members of the Company shall have the right to vote.

### **6.8.2 On a poll:**

- (a) every Ordinary Shareholder who (being an individual) is present in person or by a proxy or (being a corporation) by a representative shall have one vote for every Ordinary Share of which he is the holder; and
- (b) every B1 Shareholder who (being an individual) is present in person or by a proxy or (being a corporation) by a representative shall have such number of votes as is equal to 5 per cent of the votes attaching to all of the Shares, provided that where B1 Ordinary Shares have been issued to more than five individuals or entities, only the first five (chronologically) of those individuals or entities entered in the register of members of the Company shall have the right to vote.

### **6.8.3 On a written resolution:**

- (a) every Ordinary Shareholder shall have one vote for every Ordinary Share of which he is the holder; and
- (b) every B1 Shareholder shall have such number of votes as is equal to 5 per cent of the votes attaching to all of the Shares provided that where B1 Ordinary Shares have been issued to more than five individuals or entities, only the first five (chronologically) of those individuals or entities entered in the register of members of the Company shall have the right to vote.

### **6.8.4 A Ordinary Shares and B2 Ordinary Shares shall not entitle their holders to vote at general meetings of the Company.**

## **7 Issue of new shares**

### **7.1 The Company has the power to allot and issue shares in the capital of the Company and to grant rights to subscribe for, or to convert any security into, shares in the capital of the Company pursuant to those rights.**

### **7.2 The directors may only exercise the power of the Company to allot and issue shares or to grant rights to subscribe for, or to convert any securities into, shares, in order to allot or issue shares to the**

Controlling Shareholder or some other person expressly approved by the Controlling Shareholder in writing.

7.3 Subject to the provisions of the Act and without prejudice to this Article 7 or to any rights attached to any existing shares, the Company may issue further classes of shares with such rights or restrictions as may be determined by ordinary resolution. In the event that rights and restrictions attaching to shares are determined by ordinary resolution or by the directors pursuant to these Articles, those rights and restrictions shall apply, in particular in place of any rights or restrictions that would otherwise apply by virtue of the Act in the absence of any provisions in the articles of a company, as if those rights and restrictions were set out in the Articles.

7.4 The provisions of sections 561 and 562 of the Act shall not apply to the Company.

7.5 Subject to the provisions of the Act, shares may be issued which are to be redeemed or are to be liable to be redeemed at the option of the Company or the holder on such terms and conditions and in such manner as may be determined by the directors or by the Company by ordinary resolution.

## **8 Variation of class rights**

8.2 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, with the consent in writing of the holders of three fourths of the issued shares of the class or with the sanction of an Extraordinary Resolution passed at a separate meeting of the holders of that class or, in the case of the B Ordinary Shares, in accordance with Article 8.2. To every such separate meeting all the provisions of these Articles relating to general meetings of the Company shall apply mutatis mutandis except that:

- (a) the necessary quorum shall be at least two persons holding or representing by proxy one third in nominal amount of the issued shares of the class, but so that at any adjourned meeting of such holders at which such a quorum is not present the holder or holders present shall be a quorum; and
- (b) the holders of shares of the class in question shall on a poll have one vote in respect of every share of the class held by them respectively.

8.3 The special rights attaching to the B Ordinary Shares (or any Tranche of B Ordinary Shares) as a class may be varied or abrogated by an ordinary resolution of the Company in general meeting.

8.4 The rights attached to any class of Shares shall not (unless otherwise provided by the rights attached to the Shares of that class) be deemed to be varied by the creation or issue of further Shares ranking in some or all respects *pari passu* therewith or in priority thereto or by the purchase or redemption by the Company of any of its own Shares.

8.5 The creation, issue or allotment of any B Ordinary Shares which would mean the aggregate number of B Ordinary Shares exceeds 211,507 B Ordinary Shares and which could reduce the amount payable to the holders of the B Ordinary Shares shall require the consent in writing of the holders of three fourths of the B Ordinary Shares or the sanction of an Extraordinary Resolution passed at a separate meeting of the holders of the B Ordinary Shares provided that an adjustment or amendment made in the event of a share capital reorganisation or variation of share capital with a view to ensuring that the value of the B Ordinary Shares is not increased shall not require such consent.

To every such separate meeting convened for the purposes of this Article 8.4, all the provisions of these Articles relating to general meetings of the Company shall apply mutatis mutandis except that:

- (a) the necessary quorum shall be at least two persons holding or representing by proxy one third in nominal amount of the issued shares of the class, but so that at any adjourned meeting of such holders at which such a quorum is not present the holder or holders present shall be a quorum; and
- (b) the holders of shares of the class in question shall on a poll have one vote in respect of every share of the class held by them respectively.

## **9 Transfer of Shares**

- 9.1 Shares may be transferred only in accordance with the provisions of Articles 9 to 13 (to the extent applicable); any other transfer shall be void.
- 9.2 The directors shall be required (subject only to Article 9.3 and to Regulation 24 of Table A) promptly to register any transfer of Shares made in accordance with the provisions of Articles 9 to 13 (to the extent applicable), but shall not register any transfer of Shares not so made.
- 9.3 In addition to the circumstances set out in Regulation 24 of Table A in which the directors may refuse to register the transfer of a Share, the directors may also refuse to register the transfer of a Share to a bankrupt, a minor or a person of unsound mind.
- 9.4 For the purpose of ensuring that a transfer of Shares is authorised under these Articles or that no circumstances have arisen by reason of which Shares should have been offered under Article 10.3 or Article 11, the directors may from time to time require any Member or past Member or the personal representatives or trustee in bankruptcy, receiver or liquidator of any Member, or any person named as transferee in any instrument of transfer lodged for registration to provide to the Company such information as the directors reasonably think fit regarding any matter which they consider relevant.

## **10 Permitted transfers**

- 10.1 Subject to the provisions of Article 9, any Shares may at any time be transferred:
  - 10.1.1 with the prior written consent of the Controlling Shareholder, by an Employee (not being a holder of the Shares concerned as a trustee) during his lifetime to a Family Member of that Employee to whom the Employee is transferring the entire legal and beneficial interest in the Shares concerned; or
  - 10.1.2 by an Ordinary Shareholder to a member of its group or to a person or persons with whom it is connected; or
  - 10.1.3 with the prior written consent of the Controlling Shareholder, by an Employee to trustees of a Family Trust of that Employee to whom the Employee is transferring the entire legal and beneficial interest in the Shares concerned; or
  - 10.1.4 by any Member, with the prior written consent of the Controlling Shareholder, to the trustee(s) or nominee for the time being of an employee benefit trust; or
  - 10.1.5 by the trustee(s) or nominee for the time being of an employee benefit trust, with the prior written

consent of the Controlling Shareholder, to any beneficiary of such employee benefit trust; or

- 10.1.6 by any Member, with the prior written consent of the Controlling Shareholder; or
- 10.1.7 by a Member in pursuance of a sale of Shares (whether alone or in combination with other sales of Shares) in accordance with Article 11; or
- 10.1.8 by any Member in consequence of acceptance of an offer made to that Member pursuant to Article 12 or pursuant to a notice given under Article 13; or
- 10.1.9 by any Member in accordance with the provisions of Article 6.3, 6.4 or 6.6.

## **10.2 Transfers by trustees of Family Trusts**

- 10.2.1 Where Shares have been transferred under Article 10.1.3 or under Article 10.2.1 or 10.2.2 to trustees of a Family Trust of an Employee, or been issued to trustees of a Family Trust of an Employee, the trustees and their successors may transfer all or any of the Relevant Shares as follows:
  - 10.2.2 on any change of trustees, the Relevant Shares may be transferred to the trustees for the time being of the Family Trust concerned; or
  - 10.2.3 pursuant to the terms of such Family Trust or in consequence of the exercise of any power or discretion vested in the trustees or any other person, all or any of the Relevant Shares may be transferred to the trustees for the time being of any other Family Trust of the same Employee or to any Family Member of the relevant Employee or deceased or former Employee who has become entitled to the Shares proposed to be transferred.

## **10.3 Relevant Shares passing to third parties**

- 10.3.1 In the event that:
  - 10.3.1.1 any Relevant Shares held by trustees cease to be held on a Family Trust of the Employee from whom shares were originally acquired by such trustees (otherwise than where an authorised transfer of those Shares has been made); or
  - 10.3.1.2 a person holding Relevant Shares ceases to be a Family Member of the Employee from whom Shares were originally acquired by such person, whether directly or indirectly through a series of two or more transfers; or
  - 10.3.1.3 a person holding Relevant Shares who is a Family Member of the Employee from whom Shares were originally acquired by such person, whether directly or indirectly through a series of two or more transfers, becomes bankrupt,

the Member holding the Relevant Shares shall forthwith notify the Company in writing that that event has occurred and the Member shall (if required to do so by the Board by notice in writing) procure the transfer of all Relevant Shares to the Employee from whom Shares were originally acquired by the relevant Family Member or the relevant trustees of a Family Trust (as the case may be) and provide evidence of such transfer to the Company not later than 20 business days after the date of the Board's notice.

- 10.3.2 If a Member, having become bound to procure the transfer of any Shares under the provisions of this Article 10.3 shall fail to do so the directors may authorise any individual to execute on behalf of and as agent or attorney for the relevant Family Member or trustees any necessary instruments



of transfer and shall register the relevant Employee as the holder of the Shares. After the name of the transferee has been entered in the Register of Members in purported exercise of these powers, the validity of the proceedings shall not be questioned by any person.

## **11 Compulsory Transfer**

- 11.1 If any Employee becomes a Good Leaver, the Company may, and shall if so requested in writing by the Controlling Shareholder, at any time serve a written notice on that B Ordinary Shareholder in respect of some or all of his B Ordinary Shares, which shall be deemed for the purposes of this Article 11 to include any B Ordinary Shares which he transferred to a Family Member or the trustee(s) of a Family Trust under Article 10.1.1 or 10.1.3 (a "**Compulsory Sale Notice**").
- 11.2 If a Compulsory Sale Notice is issued to a B Ordinary Shareholder in accordance with Article 11.1, the Company shall procure the purchase of, and the relevant B Ordinary Shareholder shall sell, or shall procure the sale of, the number of B Ordinary Shares referred to in the Compulsory Sale Notice for a sum equal to the higher of:
- (a) the Subscription Price paid by the B Ordinary Shareholder for the B Ordinary Shares referred to in the Compulsory Sale Notice; and
  - (b) if on the date the Compulsory Sale Notice is issued under Article 11.1, the Sale Value is equal to or greater than the Minimum Sale Value, such other amount, not exceeding the amount the B Ordinary Shareholder would receive for such B Ordinary Shares pursuant to Article 6.2 if all of the Shares were sold at the Sale Value, as may be determined by the Board in the Compulsory Sale Notice in its absolute discretion.
- 11.3 If a B Ordinary Shareholder becomes a Leaver, the Company may, and shall if so requested in writing by the Controlling Shareholder, at any time, serve a written notice on that B Ordinary Shareholder in respect of some or all of his B Ordinary Shares, which shall be deemed for the purposes of this Article 11 to include any B Ordinary Shares which he transferred to a Family Member or the trustee(s) of a Family Trust under Article 10.1.1 or 10.1.3 (a "**Compulsory Sale Notice**").
- 11.4 If a Compulsory Sale Notice is issued to a B Ordinary Shareholder in accordance with 11.3, the Company shall procure the purchase of, and the relevant B Ordinary Shareholder shall sell, or shall procure the sale of, the relevant number of B Ordinary Shares referred to in the Compulsory Sale Notice for a sum being the lower of:
- (a) the Subscription Price paid by the B Ordinary Shareholder for the B Ordinary Shares referred to in the Compulsory Sale Notice; and
  - (b) such other amount as may be determined by the Board in the Compulsory Sale Notice in its absolute discretion.
- 11.5 Where the Board has confirmed pursuant to Article 11.6 that the Minimum Sale Value has been achieved the Company may, and shall if so requested in writing by the Controlling Shareholder, within 3 months of the date of the Board meeting confirming that the Minimum Sale Value has been achieved, serve a written notice on any B Ordinary Shareholder who is not a Leaver or a Good Leaver in respect of some or all of his B Ordinary Shares (a "**Compulsory Sale Notice**") setting out in reasonable detail its calculation of the Sale Value as at the date on which the Board determined that the Minimum Sale Value had been reached and the amount which would be payable for each B Ordinary Share pursuant to Article 6.2 at that Sale Value (together with any supporting materials required to understand the basis of calculation). If a Compulsory Sale Notice

is issued to a B Ordinary Shareholder in accordance with this Article 11.5, the Company shall procure the purchase of, and the relevant B Ordinary Shareholder shall sell, or shall procure the sale of, within 14 days of the Sale Value being agreed, deemed to be agreed, or determined, the number of B Ordinary Shares referred to in the Compulsory Sale Notice for a sum equal to the higher of:

- (a) the Subscription Price paid by the B Ordinary Shareholder for the B Ordinary Shares referred to in the Compulsory Sale Notice; and
- (b) the amount the B Ordinary Shareholder would receive for such B Ordinary Shares pursuant to Article 6.2 if all of the Shares were sold at the Sale Value.

11.6 Each year, as soon as practicable following the approval by the Board of the Company's accounts (or at such other time as the Board in its discretion shall determine, as long as there is at least one such determination in accordance with this clause each year), the Board shall consider the value of the Company and determine whether the Minimum Sale Value has been reached. If the Board considers the Minimum Sale Value has been reached it shall determine the Sale Value as at the date of the determination.

11.7 Each B Ordinary Shareholder shall be required to take any steps reasonably required by the Board to give effect to this Article 11 and shall promptly after the issue of a Compulsory Sale Notice deliver to the Company at its registered office the certificates for his B Ordinary Shares.

Any transfers pursuant to the provisions of Article 6.6 or this Article 11 shall be of the entire legal and beneficial interest in the Shares free from all encumbrances and together with all rights attaching thereto. Any stock transfer forms required to be completed in order to effect the transfer of shares pursuant to this Article may be signed either by the transferors or by any director of the Company as agent or attorney for and on behalf of the transferors.

## **12 Tag along rights**

12.1 Subject to Article 12.6, Article 12 applies when a transfer (other than an Excluded Transfer) of Shares ("**the Specified Shares**") would, if registered, result in a person, or such person and any other person(s):

12.1.1 with whom he is connected; or

12.1.2 with whom he is acting in concert, as defined in The City Code on Takeovers and Mergers,

(each a "**member of the purchasing group**") acquiring a Controlling Interest in the Company.

12.2 No transfer to which Article 12 applies may be registered unless the proposed transferee has made an offer to buy all of the issued Shares (including or excluding the Specified Shares, and including any Ordinary Shares issuable on the exercise of any then outstanding subscription or conversion rights) for a price per share calculated in accordance with Article 6.2.

12.3 The proposed transferee's offer shall be open for acceptance for at least 15 days;

12.4 The offer may be subject to one or more conditions, including a condition the satisfaction of which is dependent upon the number and/or percentage of the Ordinary Shares in respect of which the offer is accepted.

12.5 At the option of the holders of the Specified Shares the provisions of this Article 12 shall not apply

where the provisions of Article 13 are proposed to be operated.

### **13 Drag along rights**

13.1 If a proposed transfer (other than an Excluded Transfer) of Shares (also the Specified Shares) would, if registered, result in members of the purchasing group (defined as in Article 12) holding a Controlling Interest in the Company, the proposed transferee of the Specified Shares may give notice in writing to each holder of Shares, other than:

13.1.1 the holders of the Specified Shares; and

13.1.2 members of the purchasing group,

("the **Minority Shareholders**") requiring them within 5 business days of the date of the notice to sell and transfer all (but not just some) of their holdings of Shares to the proposed transferee. The transfer shall be on terms no less favourable to the Minority Shareholders than those agreed between the holders of the Specified Shares and the proposed transferee, provided that:

13.1.3 a Minority Shareholder shall not be required to give any warranties or indemnities in the context of the transaction other than warranties that such Minority Shareholder has (i) title to the Shares to be sold and transferred by him and (ii) capacity to enter into the transaction contemplated; and

13.1.4 a Minority Shareholder shall not be required to sell and transfer his holding of Shares prior to the date on which the Specified Shares are transferred to the proposed transferee;

13.1.5 the consideration payable for the Specified Shares shall be calculated in accordance with Article 6.2.

13.2 If within a period of six months following the date of a notice given under Article 13.1, Shares are issued to any person (whether on exercise of any subscription or conversion rights or otherwise) the transferee of the Specified Shares may serve a further notice on each holder of such shares (also a "**Minority Shareholder**") requiring him to sell and transfer all his shares to a person specified in the notice on the same terms as are provided for in Article 13.1.

13.3 A notice given under Article 13.1 or 13.2 shall be accompanied by all documents required to be executed by the relevant Minority Shareholder to give effect to the required sale and transfer.

13.4 If any Minority Shareholder shall fail to:

13.4.1 transfer his Shares (for the purposes of this Article 13.4, "**Minority Shares**") as required by Article 13.1 or 13.2; or

13.4.2 execute any document required to be executed in order to give effect to the provisions of Article 13.1 or 13.2, the directors may authorise any individual to execute on behalf of and as attorney or agent for the Minority Shareholder any necessary transfer or other document and shall register the proposed transferee as the holder of the Minority Shares. The Company's receipt of the consideration for the Minority Shares shall be a good discharge to the proposed transferee, and the Company shall thereafter hold the same on trust for the Minority Shareholder. After the name of the proposed transferee has been entered in the register of members in purported exercise of these powers, the validity of the proceedings shall not be questioned by any person.

13.5 While Article 13 applies to a Minority Shareholder's shares, those shares may not be transferred other than under Article 13.

## **14 General meetings**

- 14.1 No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business. One member holding more than one half in nominal value of the issued Ordinary Shares for the time being and present in person or by proxy or representative shall constitute a quorum and shall be deemed for this purpose to constitute a valid meeting but, save in such a case two members holding Ordinary Shares present in person or by proxy or representative shall be a quorum.
- 14.2 A general meeting or a meeting of any class of members of the Company may consist of a conference between members, some or all of whom are in different places, provided that each member may participate in the business of the meeting whether directly, by telephone or by any other means (whether electronically or otherwise) which enables him:
- 14.2.1 to hear (or otherwise receive real time communications made by) each of the other participating members addressing the meeting; and
- 14.2.2 if he so wishes, to address all of the other participating members simultaneously (or otherwise communicate in real time with them).
- 14.3 Regulation 38 of Table A shall apply as if the word “given” in the final sentence of that Regulation was deleted and replaced with the word “sent”.
- 14.4 In the case of an equality of votes, whether one a show of hands or on a poll, the chairman shall be entitled to a casting vote in addition to any other vote he may have.

## **15 Proxies**

- 15.1 Regulations 60 and 61 of Table A shall be modified by the addition of the following sentence at the end of each of those Regulations:
- “The appointment of a proxy may be in writing or in electronic form, sent to such address (including any number) as may be notified by or on behalf of the Company for that purpose and may be in such form as the directors may approve including requirements as to the use of such discrete identifier or provision of such other information by a member so as to verify the identity of such member and as to the authenticity of any electronic signature thereon.”
- 15.2 Regulation 62 of Table A shall be modified by the addition of the following sentences:
- “If more than one appointment of a proxy relating to the same share is deposited, delivered or received for the purposes of the same meeting, the appointment last deposited, delivered or received (whether in writing or in electronic form) shall prevail in conferring authority on the person named therein to attend the meeting and vote.
- An appointment of proxy in electronic form found by the Company to contain a computer virus shall not be accepted by the Company and shall be invalid.”
- 15.3 Regulation 63 of Table A shall apply as if the words “contained in an electronic communication” were deleted and replaced with the words “in electronic form”.

## **16 Directors**

- 16.1 In its application to the Company, Regulation 64 of Table A shall be modified by the deletion of the word “two” and the substitution of the word “one”.

- 16.2 The Controlling Shareholder shall have the right at any time and from time to time to appoint one or more persons to be a director or directors of the Company. Any such appointment shall be effected by notice in writing to the Company by the Controlling Shareholder and the Controlling Shareholder may in like manner at any time and from time to time remove from office any director (whether or not appointed by him or it pursuant to this Article).
- 16.3 In its application to the Company, Regulation 65 of Table A shall be modified by the deletion of the words "approved by resolution of the directors and".
- 16.4 In its application to the Company, Regulation 78 of Table A shall be modified by the deletion of the words "... and may also determine the rotation in which any additional directors are to retire".
- 16.5 In its application to the Company, 81 of Table A shall be modified by the deletion of paragraph (e) and the substitution of the following paragraph:-
- “(e) he is removed from office under the provisions of Article 16.2 of the Company’s Articles of Association.”
- 16.6 In its application to the Company, Regulation 84 of Table A shall be modified by the deletion of the third and final sentences.
- 16.7 Without prejudice to any of their powers, the directors may exercise any of the powers conferred by the Act 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 the transfer to any person of the whole or part of the undertaking of the Company or any of its subsidiaries.
- 17 Proceedings of Directors**
- 17.1 The continuing directors or a sole continuing director may act notwithstanding any vacancies in their number. A sole director shall have authority to exercise all powers and discretions vested in the directors. In the event of:
- 17.1.1 there being a sole director; or
- 17.1.2 there being only one director on the board who is entitled by reason of section 175(6)(a) of the Act to be counted in the quorum at a meeting to consider the authorisation by the directors of a Conflict Situation,
- Regulation 89 of Table A shall apply as if the word “two” was deleted and replaced with the word “one”. Regulation 90 of Table A shall not apply.
- 17.2 If a Conflict Situation arises, the directors may authorise it for the purposes of section 175(4)(b) of the Act by a resolution of the directors made in accordance with that section and these Articles. *At the time of the authorisation, or at any time afterwards, the directors may impose any limitations or conditions or grant the authority subject to such terms which (in each case) they consider appropriate and reasonable in all circumstances. Any authorisation may be revoked or varied at any time in the discretion of the directors.*
- 17.3 Save as otherwise specified in these Articles or the Act and subject to any limitations, conditions or terms attaching to any authorisation given by the directors for the purposes of section 175(4)(b) of the Act, *a director may vote on, and be counted in the quorum in relation to any resolution relating to a matter in which he has, or can have:*

- 17.3.1 a direct or indirect interest or duty which conflicts, or possibly may conflict, with the interests of the Company;
- 17.3.2 a conflict of interest arising in relation to an existing or proposed transaction or arrangement with the Company.
- 17.4 A director shall not be in breach of the duties he owes to the Company by virtue of sections 171-177 of the Act or otherwise because of anything done or omitted to be done in accordance with the provisions of this Article or the terms of any authorisation given by the directors in accordance with this Article.
- 17.5 Any director who participates in the proceedings of a meeting by electronic means (which includes, for the avoidance of doubt, by telephone) by which all the other directors present at such meeting (whether in person or by alternate or by electronic means) may hear at all times such director and such director may hear at all times all other directors present at such meeting (whether in person or by alternate or by electronic means) shall be deemed to be present at such meeting and shall be counted when reckoning a quorum.
- 17.6 A resolution in writing signed by all the directors who are entitled to:
- 17.6.1 receive notice of a meeting of directors or of a committee of directors; and
- 17.6.2 vote (and whose votes would have been counted) on the relevant resolution,
- shall be as valid and effectual as if it had been passed at a meeting of directors or (as the case may be) a committee of directors duly convened and held. The resolution may be contained in one document or in several documents each stating the terms of the resolution accurately and signed by one or more directors; but a resolution signed by an alternate director need not also be signed by his appointor and, if it is signed by a director who has appointed an alternate director, it need not be signed by the alternate director in that capacity.

## **18 Directors' interests, gratuities and pensions**

- 18.1 Paragraph (b) of Regulation 85 of Table A shall be modified by the insertion of the following words after the word "interested":
- "or which is a parent undertaking or a subsidiary of a parent undertaking of the company".
- 18.2 Regulation 87 of Table A shall apply as if the word "subsidiary" was deleted each time it is used in the Regulation and replaced with the words "subsidiary undertaking".

## **19 Execution of documents**

In its application to the Company Regulation 101 of Table A shall be modified by the addition of the following sentence:

"Any instrument expressed to be executed by the Company and signed by two directors, or by one director and the secretary, by the authority of the directors or of a committee authorised by the directors shall (to the extent permitted by the Act) have effect as if executed by affixing the seal."

## **20 Indemnity, insurance and funding of defence proceedings**

- 20.1 This Article 20 shall have effect, and any indemnity provided by or pursuant to it shall apply, only to the extent permitted by, and subject to the restrictions of, the Act. It does not allow for or provide (to any extent) an indemnity which is more extensive than is permitted by the Act and any such indemnity is limited accordingly. This Article 20 is also without prejudice to any indemnity to which any person may otherwise be entitled.
- 20.2 The Company:
- 20.2.1 shall indemnify every person who is a director of the Company, and shall keep indemnified each such person after he ceases to hold office; and
- 20.2.2 may indemnify any other person who is an officer (other than an auditor) of the Company, in each case out of the assets of the Company from and against any loss, liability or expense incurred by him or them in relation to the Company by reason of his being or having been a director or other officer of the Company, including any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in connection with any application under section 661 or 1157 of the Act (formerly sections 144 and 727 of the Companies Act 1985, respectively) in which relief is granted to him by the Court, and no director or other officer shall be liable for any loss, damage or misfortune which may happen to or be incurred by the Company in the execution of the duties of his office or otherwise in relation to his office.
- 20.3 The Company may indemnify any person who is a director of a company that is a trustee of an occupational pension scheme (as defined in section 235(6) of the Act) out of the assets of the Company from and against any loss, liability or expense incurred by him or them in connection with such company's activities as trustee of the scheme.
- 20.4 The Company may purchase and maintain insurance at the expense of the Company for the benefit of any person who is or was at any time a director or other officer (other than an auditor) of the Company or of any associate company (as defined in section 256 of the Act) of the Company or a trustee of any pension fund or employee benefits trust for the benefit of any employee of the Company.
- 20.5 The directors may, subject to the provisions of the Act, exercise the powers conferred on them by sections 205 and 206 of the Act to:
- 20.5.1 provide funds to meet expenditure incurred or to be incurred in defending any proceedings, investigation or action referred to in those sections or in connection with an application for relief referred to in section 205 of the Act; or
- 20.5.2 take any action to enable such expenditure not to be incurred.

## **21 Communications**

- 21.1 The company communications provisions (as defined in the Act) shall also apply to any document or information not otherwise authorised or required to be sent or supplied by or to a company under the Companies Acts (as defined in the Act) but to be sent or supplied by or to the Company pursuant to these Articles. Notice of a meeting of directors may also be given by telephone.
- 21.2 The provisions of section 1168 of the Act (hard copy and electronic form and related expressions) shall apply to the Company as if the words “and the Articles” were inserted after the words “the Companies Acts” in sections 1168(1) and 1168(7).
- 21.3 Section 1147 of the Act shall apply to any document or information to be sent or supplied by the Company to its members under the Companies Acts or pursuant to these Articles as if:
- 21.3.1 in section 1147(2) the words “or by airmail (whether in hard copy or electronic form) to an address outside the United Kingdom” were inserted after the words “in the United Kingdom”;
- 21.3.2 in section 1147(3) the words “48 hours after it was sent” were deleted and replaced with the words “when sent, notwithstanding that the Company may be aware of the failure in delivery of such document or information.”;
- 21.3.3 a new section 1147(4)(A) were inserted as follows:
- “Where the document or information is sent or supplied by hand (whether in hard copy or electronic form) and the Company is able to show that it was properly addressed and sent at the cost of the Company, it is deemed to have been received by the intended recipient when delivered.”; and
- 21.3.4 section 1147(5) were deleted.
- 21.4 Proof that a document or information sent by electronic means was sent in accordance with guidance issued by the Institute of Chartered Secretaries and Administrators shall be conclusive evidence that the document or information was properly addressed as required by section 1147(3) of the Act and that the document or information was sent or supplied.
- 21.5 In the case of members who are joint holders of shares, anything to be agreed or specified by the holder may be agreed or specified by the holder whose name appears first in the register of members. Schedule 5, Part 6, paragraph 16(2) of the Act shall apply accordingly.