

THE COMPANIES ACT 2006

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

of

PACKT PUBLISHING LIMITED

COMPANY NUMBER: 04759694

(Adopted by a special resolution passed on 25<sup>th</sup> November 2023)

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1. Introduction

1.1 The model articles for private companies limited by shares contained or incorporated in Schedule 1 to the Companies (Model Articles) Regulations 2008 (SI 2008/3229) as amended prior to the date of adoption of these articles (the "Model Articles") shall apply to the Company, save insofar as they are varied or excluded by, or are inconsistent with, the following Articles.

1.2 In these Articles and the Model Articles any reference to any statutory provision shall be deemed to include a reference to each and every statutory amendment, modification, re-enactment and extension thereof for the time being in force.

1.3 In these Articles:

- (a) article headings are used for convenience only and shall not affect the construction or interpretation of these Articles;
- (b) words denoting the singular include the plural and vice versa and reference to one gender includes the other gender and neuter and vice versa;
- (c) Articles 11(2), 13, 14, 17(2), 17(3), 26(5), 27, 28 and 29 of the Model Articles shall not apply to the Company;

2. Definitions

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

"Act" means the Companies Act 2006 (as amended from time to time);

"Associate" in relation to any person means:

- (a) any person who is an associate of that person and the question of whether a person is an associate of another is to be determined in accordance with

section 435 of the Insolvency Act 1986 and (whether or not an associate as so determined); and

(b) any Member of the same Group.

"Auditors" means the auditors of the Company from time to time;

"Bad Leaver" means a Leaver who leaves employment or office with the Group where their employment/office terminates by reason of material or persistent breach of contract or for cause, where "cause" shall mean: (i) the lawful termination of that person's contract of employment, office or consultancy without notice or payment in lieu of notice as a consequence of that person's misconduct; and/or (ii) during the Relevant Period that person's fair dismissal pursuant to section 98(2) (a) (capability) or 98(2) (b) (conduct) of the Employment Rights Act 1996 (or any replacement legislation) (or in circumstances where the Leaver is not an employee, where such provisions would have applied had the Leaver been an employee);

"Board" means the board of Directors and any committee of the board constituted for the purpose of taking any action or decision contemplated by these Articles;

"Business Day" means a day on which English clearing banks are ordinarily open for the transaction of normal banking business in the City of London (other than a Saturday or Sunday);

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

"Company" means Packt Publishing Limited;

"Controlling Interest" means legal and beneficial ownership of at least 50% of the Company's Shares;

"CTA 2010" means the Corporation Tax Act 2010;

"Director(s)" means a director or directors of the Company from time to time;

"electronic address" has the same meaning as in section 333 of the Act;

"electronic form" and "electronic means" have the same meaning as in section 1168 of the Act;

"Eligible Director" means a Director who would be entitled to vote on a matter had it been proposed as a resolution at a meeting of the Directors;

"Employee" means an individual who is employed by or who provides consultancy services to, the Company or any member of the Group;

"Encumbrance" means any mortgage, charge, security, interest, lien, pledge, assignment by way of security, equity, claim, right of pre-emption, option, covenant, restriction, reservation, lease, trust, order, decree, judgment, title defect (including without limitation any retention of title claim), conflicting claim of ownership or any other encumbrance of any nature whatsoever (whether or not perfected other than liens arising by operation of law);

"Equity Securities" has the meaning given in sections 560(1) to (3) inclusive of the Act;

"Expert Valuer" is as determined in accordance with Article 8;

"Fair Value" is as determined in accordance with Article 8;

"Family Trusts" means as regards any particular individual member or deceased or former individual member, trusts (whether arising under a settlement, declaration of trust or other instrument by whomsoever or wheresoever made or under a testamentary disposition or on an intestacy) under which no immediate beneficial interest in any of the shares in question is for the time being vested in any person other than the individual and/or Privileged Relations of that individual (other than a charity of last resort); and so that for this purpose a person shall be considered to be beneficially interested in a share if such share or the income thereof is liable to be transferred or paid or applied or appointed to or for the benefit of such person or any voting or other rights attaching thereto are exercisable by or as directed by such person pursuant to the terms of the relevant trusts or in consequence of an exercise of a power or discretion conferred thereby on any person or persons;

"Founder" means David Maclean (and, where the context permits, his successors in title and personal representatives);

"Good Leaver" means a Leaver who leaves employment/office with the Group by reason of:

- (a) injury, ill health or disability (however, evidence that the departure is caused by injury, ill health or disability must be provided to the Directors' satisfaction);
- (b) retirement;
- (c) death; or
- (d) circumstances where the Board, at their discretion, designate the Leaver to be a 'good leaver';

"Group" means the Company and its Subsidiary Undertaking(s) (if any) from time to time and "Group Company" shall be construed accordingly;

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

"Holding Company" means a newly formed holding company, pursuant to which the membership, pro rata shareholdings and classes of shares comprised in such holding company matches that of the Company (excluding treasury shares) immediately prior to the transfer of the issued share capital of the Company to such holding company;

"Hurdle" means £20,000,000 (twenty million pounds Sterling) received by the holders of the A Ordinary Shares, disregarding any Packt India Value received by the holders of the A Ordinary Shares;

"Intermediate Leaver" means a Leaver who leaves employment/office with the Group and is not a Bad Leaver or Good Leaver;

"Leaver" means a holder of C Ordinary Shares whose employment/engagement with the Company (or another member of the Group) ceases (in circumstances where they are not an employee/office holder of another member of the Group);

"a Member of the same Group" means as regards any company, a company which is from time to time a Parent Undertaking or a Subsidiary Undertaking of that company or a Subsidiary Undertaking of any such Parent Undertaking;

"Offer" has the meaning set out in Article 10.2;

"Ordinary Shares" means the A Ordinary Shares of £0.50 each, the B Ordinary Shares of £0.50 each and the C Ordinary Shares of £0.01 each in the capital of the Company from time to time;

"Original Shareholder" has the meaning set out in Article 7.1;

"Packt India " means Packt Publishing Private Limited, a private limited company registered in India under company registration number 152766 with the registrar of companies, Mumbai, whose registered office is at Unit No. B-106, Navkar Chambers Andheri Kurla Road, Marol Andheri, East Mumbai, Mumbai City, MH 400059, India;

"Packt India Value" means any sum which is attributable to the shares held by the Company in Packt India, where the value attributable to those shares will be the price paid for them by any independent purchaser on arm's length terms (if applicable), or otherwise the value attributed to them by an Expert Valuer;

"Permitted Transfer" means a transfer of Shares in accordance with Article 7;

"Permitted Transferee" means:

- (a) in relation to a Shareholder who is an individual, any of his Privileged Relations, Trustees or Qualifying Companies;
- (b) in relation to a Shareholder which is an undertaking (as defined in section 1161(1) of the Act) means any Member of the same Group;

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

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

"Proposed Sale Date" has the meaning given in Article 10.3;

"Proposed Sale Notice" has the meaning given in Article 10.3;

"Proposed Sale Shares" has the meaning given in Article 10.3;

"Proposed Seller" means any person proposing to transfer any shares in the capital of the Company;

"Proposed Transfer" has the meaning given in Article 10.1;

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

"Qualifying Person" has the meaning given in section 318(3) of the Act;

"Shareholder" means any holder of any Shares (but excludes the Company holding treasury shares);

"Share Plan" means any share plan for certain employees, officers, advisers and consultants of the Company relating to the C Ordinary Shares.

"Shares" means the Ordinary Shares (and any other Equity Securities of the Company from time to time);

"Share Sale" means the sale of all of the shares in the capital of the Company;

"Subsidiary", "Subsidiary Undertaking" and "Parent Undertaking" have the respective meanings set out in sections 1159 and 1162 of the Act; and

"Trustees" in relation to a Shareholder means the trustee or the trustees of a Family Trust.

### 3. Share capital

3.1 The share capital of the Company comprises of A Ordinary Shares of £0.50 each, B Ordinary Shares of £0.50 each and C Ordinary Shares of £0.01 each.

3.2 The rights attaching to the shares are as follows:

#### Voting

3.2.1 The A Ordinary Shares shall carry all voting rights.

3.2.2 The B Ordinary Shares shall carry no voting rights.

3.2.3 The C Ordinary Shares shall carry no voting rights.

#### Income

3.2.3 The A Ordinary Shares, B Ordinary Shares shall each be entitled to participate in a dividend or distribution of the Company (including, without limitation, a distribution in specie) declared on that class by the Board. The C Ordinary Shares shall be entitled to participate in a dividend or distribution of the Company (including, without limitation, a distribution in specie) declared on that class by the Board proportionately to the C Ordinary Shares which have vested for each holder in accordance with the Share Plan. The Board has no obligation to declare a dividend or distribution on any particular class of share, and may declare dividends and distributions on one class to the exclusion of the other.

#### Return of Capital

On a return of assets on liquidation, capital reduction, return of capital or any other capital distribution, including on a winding up, the rights of the share classes shall be as follows:

3.2.4 the B Ordinary Shares shall be entitled to the first £20,000, but no distributions thereafter;

3.2.5 the A Ordinary Shares shall not be entitled to any payment unless and until the holders of B Ordinary Shares have received the full amount entitled by them pursuant to Article 3.2.4, but thereafter they shall have all such capital rights vested in them; and

3.2.6 the C Ordinary Shares which have vested in accordance with the Share Plan for each holder shall not be entitled to any payment unless and until the capital distributed to the holders of the A Ordinary Shares is equal to the Hurdle (but disregarding always the Packt India Value which shall be solely for the benefit of the A Ordinary Shares and B Ordinary Shares as above) and thereafter shall rank pari passu with the A Ordinary Shares (other than in respect of the Packt India Value).

#### Worked example

On a solvent winding up of the company there is £32,020,000 to distribute to shareholders. Of this, £2M represents the Packt India Value. There are 10 A Ordinary Shares, 10 B Ordinary Shares and 10 C Ordinary Shares which have vested in accordance with the Share Plan. The 10 B Ordinary Shares are entitled to the first £20,000, but nothing further. The holders of the A Ordinary Shares receive the next £20M (the Hurdle) and that would be split pro rata, at £2M per A Ordinary Share. The holders of the A Ordinary Shares also receive the £2M attributable to the Packt India Value, as that does not form part of the Hurdle calculation, and is for the benefit of the holders of the A Ordinary Shares and B Ordinary Shares only, and the B Ordinary Shares have already been paid out their maximum £20K. The remaining £10M is split between the 10 A Ordinary Shares and 10 C Ordinary Shares, and each of those shares ranks pari passu with one another for capital distributions. This results in each share receiving £500,000 (the remaining £10M divided by the 20 aggregate A and C Ordinary Shares).

#### Share Sale

3.2.7 The shareholders hereby authorise the directors to make appropriate arrangements on a Share Sale to ensure the sales proceeds (net of all costs and expenses relating to the sale) are distributed as though it were a capital distribution in accordance with Articles 3.2.4 to 3.2.6.

#### 4. Votes in general meeting and written resolutions

4.1 The A Ordinary Shares shall confer on each holder of A Ordinary Shares the right to receive notice of and to attend, speak and vote at all general meetings of the Company and to receive and vote on proposed written resolutions of the Company.

4.2 Where A Ordinary Shares confer a right to vote, on a show of hands each holder of such shares who (being an individual) is present in person or by proxy or (being a corporation) is present by a duly authorised representative or by proxy shall have one vote and on a poll each such holder so present shall have one vote for each Share held by him.

4.3 No voting rights attached to a share which is nil paid or partly paid may be exercised:

(a) at any general meeting, at any adjournment of it or at any poll called at or in relation to it; or

(b) on any proposed written resolution,

unless all of the amounts payable to the Company in respect of that share have been paid.

#### 5. Variation of rights

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

5.2 The creation of a new class of shares which has preferential rights to one or more existing classes of shares shall not constitute a variation of the rights of those existing classes of shares.



## 6. Transfers of Shares

6.1 In Articles 6 to 11 inclusive, reference to the transfer of a Share includes the transfer or assignment of a beneficial or other interest in that Share or the creation of a trust or Encumbrance over that Share and reference to a Share includes a beneficial or other interest in a Share.

6.2 No Share may be transferred unless the transfer is made in accordance with these Articles, provided always that any transfer may be made with the consent of the Founder.

6.3 If a Shareholder transfers or purports to transfer a Share otherwise than in accordance with these Articles he will be deemed immediately to have granted an irrevocable and unconditional power of attorney to authorise any director of the Company to transfer all Shares held by the relevant Shareholder to the Company for no consideration.

6.4 Any transfer of a Share by way of sale which is required to be made under Articles 8 to 12 (inclusive) will be deemed to include a warranty that the transferor sells with full title guarantee.

6.5 The Directors may refuse to register a transfer if:

- (a) it is a transfer of a Share to a bankrupt, a minor or a person of unsound mind;
- (b) the transfer is to an Employee, Director or prospective Employee or prospective director of the Company, who in the opinion of the Board is subject to taxation in the United Kingdom, and such person has not entered into a joint section 431 ITEPA election with the Company;
- (c) it is a transfer of a Share which is not fully paid:
  - (i) to a person of whom the Directors do not approve; or
  - (ii) on which Share the Company has a lien;
- (d) the transfer is not lodged at the registered office or at such other place as the Directors may appoint;
- (e) the transfer is not accompanied by the certificate for the Shares to which it relates (or an indemnity for lost certificate in a form acceptable to the Board) and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer;
- (f) these Articles otherwise provide that such transfer shall not be registered.

If the Directors refuse to register a transfer, the instrument of transfer must be returned to the transferee with the notice of refusal unless they suspect that the proposed transfer may be fraudulent.

6.6 The Directors may, as a condition to the registration of any transfer of shares in the Company (whether pursuant to a Permitted Transfer or otherwise), require the transferee to execute and deliver to the Company a deed agreeing to be bound by the terms of any shareholders' agreement or similar document in force between some or all of the Shareholders and the Company in any form as the Directors may reasonably require (but not so as to oblige the transferee to have any obligations or liabilities greater than those of the proposed transferor under any such agreement or other document) and if any condition is imposed in accordance with this Article 6.7 the transfer may not be registered unless that deed has been executed and delivered to the Company's registered office by the transferee.

- 6.7 To enable the Directors to determine whether or not there has been any disposal of shares in the capital of the Company (or any interest in shares in the capital of the Company) in breach of these Articles the Directors may require any holder or the legal personal representatives of any deceased holder or any person named as transferee in any transfer lodged for registration or any other person who the Directors may reasonably believe to have information relevant to that purpose, to furnish to the Company that information and evidence the Directors may request regarding any matter which they deem relevant to that purpose, including (but not limited to) the names, addresses and interests of all persons respectively having interests in the shares in the capital of the Company from time to time registered in the holder's name. If the information or evidence is not provided to enable the Directors to determine to their reasonable satisfaction that no breach has occurred, or where as a result of the information and evidence the Directors are reasonably satisfied that a breach has occurred, the Directors shall immediately notify the holder of such shares in the capital of the Company in writing of that fact and the following shall occur:
- (a) the relevant shares shall cease to confer upon the holder of them (including any proxy appointed by the holder) any rights to vote (whether on a show of hands or on a poll and whether exercisable at a general meeting or on a written resolution of the Company or at any separate meeting or written resolution of the class in question) provided that, at the election of the relevant Investor, such rights shall not cease if as a result of such cessation the Company shall become a Subsidiary of an Investor; or
  - (b) the withholding of payment of all dividends or other distributions otherwise attaching to the relevant shares or to any further shares issued in respect of those shares; and
  - (c) the holder may be required at any time following receipt of the notice to transfer some or all of its Shares to any person(s) at the price that the Directors may require by notice in writing to that holder.

The rights referred to in (a) and (b) above may be reinstated by the Board subject to consent of the Founder and shall in any event be reinstated upon the completion of any transfer referred to in (c) above.

- 6.8 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:
- (a) the transferor; and
  - (b) (if any of the shares is partly or nil paid) the transferee.

## 7. Permitted Transfers

- 7.1 A holder of A Ordinary Shares or B Ordinary Shares (who is not a Permitted Transferee) (the "Original Shareholder") may transfer all or any of his or its A Ordinary Shares or B Ordinary Shares to a Permitted Transferee without restriction as to price or otherwise.
- 7.2 Shares previously transferred as permitted by Article 7.1 may be transferred by the transferee to any other Permitted Transferee of the Original Shareholder without restriction as to price or otherwise (subject to the prior written consent of the Founder).
- 7.3 Where under the provision of a deceased Shareholder's will or laws as to intestacy, the persons legally or beneficially entitled to any Shares, whether immediately or contingently, are Permitted Transferees of the deceased Shareholder, the legal

representative of the deceased Shareholder may transfer any Share to those Permitted Transferees, in each case without restriction as to price or otherwise.

- 7.4 Trustees may (i) transfer Shares to a Qualifying Company or (ii) transfer Shares to the Original Shareholder or to another Permitted Transferee of the Original Shareholder or (iii) transfer Shares to the new or remaining trustees upon a change of Trustees without restrictions as to price or otherwise.
- 7.5 No transfer of Shares may be made to Trustees unless the Board is satisfied:
- (a) with the terms of the trust instrument and in particular with the powers of the trustees;
  - (b) with the identity of the proposed trustees;
  - (c) the proposed transfer will not result in 50 per cent or more of the aggregate of the Company's equity share capital being held by trustees of that and any other trusts; and
  - (d) that no costs incurred in connection with the setting up or administration of the Family Trust in question are to be paid by the Company.
- 7.6 If a Permitted Transferee who is a Qualifying Company of the Original Shareholder ceases to be a Qualifying Company of the Original Shareholder, it must within five Business Days of so ceasing, transfer the Shares held by it to the Original Shareholder (or, to any Permitted Transferee of the Original Shareholder) (and may do so without restriction as to price or otherwise) failing which it will be deemed (unless it obtains the approval of the Board) (to include the consent of the Founder) to have granted an irrevocable and unconditional power of attorney authorising any director of the Company to transfer the Permitted Transferee's Shares to the Company for no consideration.
- 7.7 If a Permitted Transferee who is a spouse or Civil Partner of the Original Shareholder ceases to be a spouse or Civil Partner of the Original Shareholder whether by reason of divorce or otherwise he/she must, within 15 Business Days of so ceasing execute and deliver to the Company a transfer of the Shares held by him/her to the Original Shareholder (or, to any Permitted Transferee of the Original Shareholder) for such consideration as may be agreed between them; or failing which he/she shall be deemed to have granted an irrevocable and unconditional power of attorney authorising any director of the Company to transfer the Permitted Transferee's Shares to the Company for no consideration.
- 7.8 On the death (subject to Article 7.3), bankruptcy, liquidation, administration or administrative receivership of a Permitted Transferee (other than a joint holder) his personal representatives or trustee in bankruptcy, or its liquidator, administrator or administrative receiver must within five Business Days after the date of the grant of probate, the making of the bankruptcy order or the appointment of the liquidator, administrator or the administrative receiver execute and deliver to the Company a transfer of the Shares held by the Permitted Transferee without restriction as to price or otherwise. The transfer shall be to the Original Shareholder if still living (and not bankrupt or in liquidation) or, if so directed by the Original Shareholder, to any Permitted Transferee of the Original Shareholder. If the transfer is not executed and delivered within five Business Days of such period or if the Original Shareholder has died or is bankrupt or is in liquidation, administration or administrative receivership, the personal representative or trustee in bankruptcy or liquidator, administrator or administrative receiver will be deemed to have granted an irrevocable and unconditional power of attorney authorising any director of the Company to transfer the Permitted Transferee's Shares to (a) subject to the consent of the Founder and the provisions of the Act, the

Company or its nominee; or (b) the other holders of the same class being transferred, pari passu to their respective holdings of that class (provided that if any holder declines to acquire their proportion, it shall be transferred to the other accepting holders of that class), in each case for Fair Value as determined in accordance with article 8.

- 7.9 A transfer of any Shares approved by a majority of the Board (including the Founder) may be made without restriction as to price or otherwise and with any such conditions as may be imposed and each such transfer shall be registered by the Directors.
- 7.10 Any Shares may at any time be transferred where there is a sale of the entire issued share capital of the Company to a Holding Company, which has been approved by a majority of the Board, including the Founder.

## 8. Valuation of Shares

- 8.1 If the relevant provisions of articles 7.8 or 9.1 apply the Board shall promptly appoint an independent firm of accountants or valuers as an expert valuer ("Expert Valuer") to certify the Fair Value of the Shares.
- 8.2 The "Fair Value" of the Shares shall be determined by the Expert Valuer on the following assumptions and bases:
  - (a) valuing the Shares as on an arm's-length sale between a willing seller and a willing buyer, based on the overall value of the Company;
  - (b) if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so;
  - (c) taking into account the rights and restrictions which apply to the Shares as set out in these Articles;
  - (d) valuing the Sale Shares based on the amount which would be received by the holders of those class(es) of shares had the proceeds of a sale of the whole Company at that value been distributed under Article 3.2.7, with no discount for minority shareholdings; and
  - (e) reflect any other factors which the Expert Valuer reasonably believes should be taken into account.
- 8.3 If any difficulty arises in applying any of these assumptions or bases then the Expert Valuer shall resolve that difficulty in whatever manner they shall in their absolute discretion think fit.
- 8.4 The Expert Valuer shall be requested to determine the Fair Value within 20 Business Days of their appointment and to notify the Board of their determination.
- 8.5 The Expert Valuer shall act as experts and not as arbitrators and their determination shall be final and binding on the parties (in the absence of fraud or manifest error).
- 8.6 The Board will give the Expert Valuer access to all accounting records or other relevant documents of the Company subject to them agreeing to such confidentiality provisions as the Board may reasonably impose.
- 8.7 The Expert Valuer shall deliver their certificate to the Company. As soon as the Company receives the certificate it shall deliver a copy of it to the personal representative or trustee in bankruptcy of the Shareholder or the Shareholder (as applicable). The cost of obtaining the certificate shall be paid by the Company.

## 9. Compulsory transfers

- 9.1 On the death or bankruptcy of an Original Shareholder his personal representatives or trustee in bankruptcy must within five Business Days after the date of the grant of probate, or the making of the bankruptcy order, execute and deliver to the Company a transfer of the Shares held by the Original Shareholder without restriction as to price or otherwise. The transfer shall be to any Permitted Transferee of the Original Shareholder. If the transfer is not executed and delivered within five Business Days of such period, the personal representative or trustee in bankruptcy will be deemed to have granted an irrevocable and unconditional power of attorney authorising any director of the Company to transfer the Original Shareholder's Shares to (a) the Founder or (b) subject to the consent of the Founder and the provisions of the Act, the Company, in each case for Fair Value as determined in accordance with article 8.
- 9.2 If a Share remains registered in the name of a deceased Shareholder for longer than one year after the date of his death the Directors may require the legal personal representatives of that deceased Shareholder either:
- (a) to effect a Permitted Transfer of such Shares (including for this purpose an election to be registered in respect of the Permitted Transfer); or
  - (b) to show to the satisfaction of the Directors that a Permitted Transfer will be effected before or promptly upon the completion of the administration of the estate of the deceased Shareholder.

## 10. Tag Along

- 10.1 Except in the case of Permitted Transfers and transfers pursuant to Articles 9 and 11, the provisions of this Article will apply if one or more Proposed Sellers propose to transfer in one or a series of related transactions any Equity Shares (the "Proposed Transfer") which would, if put into effect, result in any Proposed Purchaser (and its Associates) acquiring a Controlling Interest.
- 10.2 A Proposed Seller must, before making a Proposed Transfer procure the making by the Proposed Purchaser of an offer (the "Offer") to the other Shareholders to acquire all of the Equity Shares for a consideration per share the value of which is equal to the Specified Price (as defined in Article 10.6).
- 10.3 The Offer must be given by written notice (a "Proposed Sale Notice") at least 10 Business Days (the "Offer Period") prior to the proposed sale date ("Proposed Sale Date"). The Proposed Sale Notice must set out, to the extent not described in any accompanying documents, the identity of the Proposed Purchaser, the purchase price and other terms and conditions of payment, the Proposed Sale Date and the number of Shares proposed to be purchased by the Proposed Purchaser (the "Proposed Sale Shares").
- 10.4 If any other holder of Equity Shares is not given the rights accorded him by this Article, the Proposed Sellers will not be entitled to complete their sale and the Company will not register any transfer intended to carry that sale into effect.
- 10.5 If the Offer is accepted by any Shareholder (an "Accepting Shareholder") within the Offer Period, the completion of the Proposed Transfer will be conditional upon the completion of the purchase of all the Shares held by Accepting Shareholders.
- 10.6 For the purpose of this Article the expression "Specified Price" shall mean in respect of each Share a sum (in cash or otherwise) equal to the price per Share offered by the Proposed Purchaser in the Proposed Transfer (excluding any earn out consideration

which may be payable to the Founder based on his and/or the Company's performance after the Proposed Sale Date).

## 11. Drag-along

11.1 If the holder(s) of a Controlling Interest (the "Selling Shareholders") wish to transfer all their interest in Shares (the "Sellers' Shares") to a Proposed Purchaser, the Selling Shareholders shall have the option (the "Drag Along Option") to compel each other holder of Shares (each a "Called Shareholder" and together the "Called Shareholders") to sell and transfer all their Shares to the Proposed Purchaser or as the Proposed Purchaser shall direct (the "Drag Purchaser") in accordance with the provisions of this Article.

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

- (a) the Called Shareholders are required to transfer all their Shares (the "Called Shares") under this Article;
- (b) the person to whom they are to be transferred;
- (c) the specified price for which the Called Shares are to be transferred (calculated in accordance with Article 11.4);
- (d) the proposed date of transfer, and
- (e) the form of any sale agreement or form of acceptance or any other document of similar effect that the Called Shareholders are required to sign in connection with such sale (the "Sale Agreement"),

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

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

11.4 For the purposes of this article the specified price shall mean in respect of each Share a sum (in cash or otherwise) equal to the price per Share offered by the Drag Purchaser to the Selling Shareholders (excluding any earn out consideration which may be payable to the Founder based on his and/or the Company's performance after execution of the Sale Agreement) on the basis that the price payable for the entire Company (less sales expenses, costs of sale, etc.) was split in accordance with Article 3.2.7, so that the price payable for each class of share would vary in accordance with the proceeds shares of that class would each receive (the "Drag Consideration").

11.5 In respect of a transaction that is the subject of a Drag-Along Notice and with respect to any Drag Document, a Called Shareholder shall only be obliged to undertake to transfer his Shares with full title guarantee (and provide an indemnity for lost certificate in a form acceptable to the Board if so necessary) in receipt of the Drag Consideration when due and shall not be obliged to give warranties or indemnities except a warranty as to

capacity to enter into a Drag Document and the full title guarantee of the Shares held by such Called Shareholder.

- 11.6 Within three Business Days of the Company copying the Drag Along Notice to the Called Shareholders (or such later date as may be specified in the Drag Along Notice) (the "Drag Completion Date"), each Called Shareholder shall deliver:
- (a) duly executed stock transfer form(s) for its Shares in favour of the Drag Purchaser;
  - (b) the relevant share certificate(s) (or a duly executed indemnity for lost certificate in a form acceptable to the Board) to the Company; and
  - (c) duly executed Sale Agreement, if applicable, in the form specified in the Drag Along Notice or as otherwise specified by the Company,
- (together the "Drag Documents").
- 11.7 On the Drag Completion Date, the Company shall pay each Called Shareholder, on behalf of the Drag Purchaser, the Drag Consideration that is due to the extent the Drag Purchaser has paid such consideration to the Company. The Company's receipt of the Drag Consideration shall be a good discharge to the Drag Purchaser. The Company shall hold the Drag Consideration in trust for each of the Called Shareholders without any obligation to pay interest.
- 11.8 To the extent that the Drag Purchaser has not, on the Drag Completion Date, paid the Drag Consideration that is due to the Company, the Called Shareholders shall be entitled to the immediate return of the Drag Documents for the relevant Shares and the Called Shareholders shall have no further rights or obligations under this Article in respect of their Shares.
- 11.9 If a Called Shareholder fails to deliver the Drag Documents for its Shares to the Company by the Drag Completion Date, the Company and each Director shall be constituted the agent of such defaulting Called Shareholder to take such actions and enter into any Drag Document or such other agreements or documents as are necessary to effect the transfer of the Called Shareholder's Shares pursuant to this Article and the Directors shall, if requested by the Drag Purchaser, authorise any Director to transfer the Called Shareholder's Shares on the Called Shareholder's behalf to the Drag Purchaser to the extent the Drag Purchaser has, by the Drag Completion Date, paid the Drag Consideration to the Company for the Called Shareholder's Shares offered to him. The Board shall then authorise registration of the transfer once appropriate stamp duty has been paid. The defaulting Called Shareholder shall surrender his share certificate for his Shares (or suitable executed indemnity) to the Company. On surrender, he shall be entitled to the Drag Consideration due to him.
- 11.10 Any transfer of Shares to a Drag Purchaser pursuant to a sale in respect of which a Drag Along Notice has been duly served shall not be subject to the provisions of Article 8.
- 11.11 On any person, following the issue of a Drag Along Notice, becoming a Shareholder pursuant to the exercise of a pre-existing option or warrant to acquire shares in the Company or pursuant to the conversion of any convertible security of the Company (a "New Shareholder"), a Drag Along Notice shall be deemed to have been served on the New Shareholder on the same terms as the previous Drag Along Notice who shall then be bound to sell and transfer all Shares so acquired to the Drag Purchaser and the provisions of this Article shall apply with the necessary changes to the New Shareholder except that completion of the sale of the Shares shall take place immediately on the Drag Along Notice being deemed served on the New Shareholder.

## 12. Leavers

12.1 Where a shareholder holding C Ordinary Shares is a Leaver, the Company (or its nominee) shall be entitled (in perpetuity) to purchase any C Ordinary Shares from the Leaver (and/or any other person who has received shares directly or indirectly from them pursuant to Article 7) (the "Outgoing Shareholder") at the price set out below, depending on what sort of Leaver the Outgoing Shareholder is.

12.2 The price payable to any Outgoing Shareholder for their C Ordinary Shares at Article 12.1 shall be determined on the date they become a Leaver and shall:

- (a) in the case of a Leaver who is a Good Leaver, be Fair Value;
- (b) in the case of an Intermediate Leaver, be determined as follows:
  - (i) for any C Ordinary Shares which were issued (or, in the case of C Ordinary Shares which were initially unvested C Ordinary Shares, the date upon which they became vested C Ordinary Shares in accordance with the terms of the Share Plan) within three years prior to the date the Leaver handed in their notice, those C Ordinary Shares will be priced at nominal value (£0.01 per C Ordinary Share);
  - (ii) for any C Ordinary Shares which were issued (or, in the case of C Ordinary Shares which were initially unvested C Ordinary Shares, the date upon which they became vested C Ordinary Shares in accordance with the terms of the Share Plan) between three years and five years prior to the date the Leaver handed in their notice, those C Ordinary Shares will be priced at fifty percent (50%) of Fair Value; and
  - (iii) for any C Ordinary Shares which were issued (or, in the case of C Ordinary Shares which were initially unvested C Ordinary Shares, the date upon which they became vested C Ordinary Shares in accordance with the terms of the Share Plan) more than five years prior to the date the Leaver handed in their notice, those C Ordinary Shares will be priced at one hundred percent (100%) of Fair Value;
- (c) in the case of a Leaver who is a Bad Leaver, be priced at nominal value (£0.01 per C Ordinary Share),

and for the avoidance of doubt the amount to be paid for any unvested C Ordinary Shares shall be the nominal value of those shares (£0.01 per unvested C Ordinary Share),

provided always that the Company may, at its absolute discretion, agree a higher price to be paid than any sum specified in this Article 12.2.

12.3 Where the Company (or its nominee) (the "Purchaser") intends to exercise its right pursuant to Article 12.1 it shall give a notice (the "Purchase Notice") in writing to the Outgoing Shareholder setting out the number of C Ordinary Shares it intends to acquire, the identity of the acquiring party if a nominee is to acquire the shares, the proposed date of acquisition and the price payable for those shares to be acquired (to include the Fair Value certificate under Article 8.7 where applicable).

12.4 Within 20 Business Days of receipt of the Purchase Notice, the Outgoing Shareholder shall deliver to the Purchaser their original share certificate in respect of the C Ordinary Shares being acquired (or a suitable indemnity in lieu thereof) and the Purchaser shall pay the Outgoing Shareholder the price for the C Ordinary Shares being purchased in accordance with Article 12.2.



- 12.5 If the Outgoing Shareholder shall fail to deliver the share certificates (or suitable indemnity) for the C Ordinary Shares to the Purchaser upon the expiration of the relevant 20 Business Day period, the board shall authorise any director to transfer the C Ordinary Shares on the Outgoing Shareholders' behalf to the Purchaser to the extent the Purchaser has, at the expiration of that 20 Business Day period, the funds to pay the consideration for the C Ordinary Shares. The board shall then authorise registration of the transfer once appropriate stamp duty (if any) has been paid. The Outgoing Shareholder shall surrender the share certificate(s) for the shares (or provide a suitable indemnity) to the Purchaser and on surrender, the Outgoing Shareholder shall be entitled to and shall receive the amount due to them under this Article. Any funds held by the Company to purchase the C Ordinary Shares shall be held by the Company at all times on trust for the Outgoing Shareholder, and shall constitute full payment for them on behalf of the Purchaser when made to the Company.
13. General meetings
- 13.1 If the Directors are required by the Shareholders under section 303 of the Act to call a general meeting, the Directors shall convene the meeting for a date not later than 28 days after the date on which the Directors became subject to the requirement under section 303 of the Act.
- 13.2 The provisions of section 318 of the Act shall apply to the Company, save that if a quorum is not present at any meeting adjourned for the reason referred to in article 41 of the Model Articles, then, provided that the Qualifying Person present holds or represents a Controlling Interest, any resolution agreed to by such Qualifying Person shall be as valid and effectual as if it had been passed unanimously at a general meeting of the Company duly convened and held.
- 13.3 If any two or more Shareholders (or Qualifying Persons representing two or more Shareholders) attend the meeting in different locations, the meeting shall be treated as being held at the location specified in the notice of the meeting, save that if no one is present at that location so specified, the meeting shall be deemed to take place where the largest number of Qualifying Persons is assembled or, if no such group can be identified, at the location of the chairman.
- 13.4 If a demand for a poll is withdrawn under article 44(3) of the Model Articles, the demand shall not be taken to have invalidated the result of a show of hands declared before the demand was made and the meeting shall continue as if the demand had not been made.
- 13.5 Polls must be taken in such manner as the chairman directs. A poll demanded on the election of a chairman or on a question of adjournment must be held immediately. A poll demanded on any other question must be held either immediately or at such time and place as the chairman directs not being more than 14 days after the poll is demanded. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll was demanded.
- 13.6 No notice need be given of a poll not held immediately if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case at least seven clear days' notice shall be given specifying the time and place at which the poll is to be taken.
- 13.7 If the poll is to be held more than 48 hours after it was demanded the Shareholders shall be entitled to deliver Proxy Notices in respect of the poll at any time up to 24 hours before the time appointed for taking that poll. In calculating that period, no account shall be taken of any part of a day that is not a working day.

14. Proxies

14.1 Paragraph (c) of article 45(1) of the Model Articles shall be deleted and replaced by the words: "is signed by or on behalf of the shareholder appointing the proxy and accompanied by any the authority under which it is signed (or a certified copy of such authority or a copy of such authority in some other way approved by the directors)".

14.2 The instrument appointing a proxy and any authority under which it is signed or a certified copy of such authority or a copy in some other way approved by the Directors may:

- (a) be sent or supplied in hard copy form, or (subject to any conditions and limitations which the Board may specify) in electronic form, to the registered office of the Company or to such other address (including electronic address) as may be specified for this purpose in the notice convening the meeting or in any instrument of proxy or any invitation to appoint a proxy sent or supplied by the Company in relation to the meeting at any time before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote;
- (b) be delivered at the meeting or adjourned meeting at which the person named in the instrument proposes to vote to the chairman or to the company secretary or to any Director; or
- (c) in the case of a poll, be delivered at the meeting at which the poll was demanded to the chairman or to the company secretary or to any Director, or at the time and place at which the poll is held to the Chairman or to the company secretary or to any Director or scrutineer,

and an instrument of proxy which is not deposited or delivered in a manner so permitted shall be invalid.

15. **Directors' borrowing powers**

The Directors may, with Investor Director Consent or Investor Majority Consent where required, exercise all the powers of the Company to borrow or raise money and to mortgage or charge its undertaking, property and uncalled capital and to issue debentures, debenture stock and other securities as security for any debt, liability of obligation of the Company or of any third party.

16. Alternate Directors

16.1 Notwithstanding any provision of these Articles to the contrary, any person appointed as a Director (the "Appointor") may appoint any director or any other person as he thinks fit to be his alternate Director 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.

The appointment of an alternate Director shall not require approval by a resolution of the Directors.

16.2 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.

- 16.3 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.
- 16.4 An alternate Director may act as an alternate to more than one Director and has the same rights, in relation to any Directors' meeting (including as to notice) or Directors' written resolution, as the alternate's Appointor.
- 16.5 Except as these 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.
- 16.6 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); and
  - (b) may sign a Directors' written resolution (but only if his Appointor is an Eligible Director in relation to that decision, but does not participate).
- No alternate may be counted as more than one Director for such purposes.
- 16.7 A Director who is also an alternate Director is entitled, in the absence of his Appointor, to a separate vote on behalf of each 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).
- 16.8 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.
- 16.9 An alternate Director's appointment as an alternate shall terminate:
- (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.

17. Number of Directors

Unless and until the Company shall otherwise determine by ordinary resolution, the number of Directors shall be not less than two.

18. Proceedings of Directors

- 18.1 The quorum for Directors' meetings shall be two Directors who must include the Founder (or his alternate director). If such a quorum is not present within half an hour from the time appointed for the meeting, or if during a meeting such quorum ceases to be present, the meeting shall stand adjourned to the same day in the next week at the same time and place or at such time and place as determined by the Directors present at such meeting and the Founder. If a quorum is not present at any such adjourned meeting within half an hour from the time appointed, then the meeting shall proceed.
- 18.2 In the event that a meeting of the Directors is attended by a Director who is acting as alternate for one or more other Directors, the Director or Directors for whom he is the alternate shall be counted in the quorum despite their absence, and if on that basis there is a quorum the meeting may be held despite the fact (if it is the case) that only one Director is physically present.
- 18.3 If all the Directors participating in a meeting of the Directors are not physically in the same place, the meeting shall be deemed to take place where the largest group of participators in number is assembled. In the absence of a majority the location of the chairman shall be deemed to be the place of the meeting.
- 18.4 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 at any time before or 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.
- 18.5 Provided (if these Articles so require) that he has declared to the Directors, in accordance with the provisions of these Articles, the nature and extent of his interest (and subject to any restrictions on voting or counting in a quorum imposed by the Directors in authorising a Relevant Interest), a Director may vote at a meeting of the Directors or of a committee of the Directors on any resolution concerning a matter in which he has an interest, whether a direct or an indirect interest, or in relation to which he has a duty and shall also be counted in reckoning whether a quorum is present at such a meeting.
- 18.6 Questions arising at any meeting of the Directors shall be decided by a majority of votes. In the case of any equality of votes, the Founder (or his alternate director) shall have a second or casting vote provided that the Founder shall not have a not have a casting vote on a vote on a particular matter upon which he is restricted from voting.
- 18.7 A decision of the Directors 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 (including confirmation given by electronic means). Reference in article 7(1) of the Model Articles to article 8 of the Model Articles shall be deemed to include a reference to this article also.

## 19. **Directors' interests**

### Specific interests of a Director

19.1 Subject to the provisions of the Act and provided (if these Articles so require) that he has declared to the Directors in accordance with the provisions of these Articles, the nature and extent of his interest, a Director may (save as to the extent not permitted by law from time to time), notwithstanding his office, have an interest of the following kind:

- (a) where a Director (or a person connected with him) is party to or in any way directly or indirectly interested in, or has any duty in respect of, any existing or proposed contract, arrangement or transaction with the Company or any other undertaking in which the Company is in any way interested;
- (b) where a Director (or a person connected with him) is a director, employee or other officer of, or a party to any contract, arrangement or transaction with, or in any way interested in, any body corporate promoted by the Company or in which the Company is in any way interested;
- (c) where a Director (or a person connected with him) is a shareholder in the Company or a shareholder in, employee, director, member or other officer of, or consultant to, a Parent Undertaking of, or a Subsidiary Undertaking of a Parent Undertaking of, the Company;
- (d) where a Director (or a person connected with him) holds and is remunerated in respect of any office or place of profit (other than the office of Auditor) in respect of the Company or body corporate in which the Company is in any way interested;
- (e) where a Director is given a guarantee, or is to be given a guarantee, in respect of an obligation incurred by or on behalf of the Company or any body corporate in which the Company is in any way interested;
- (f) where a Director (or a person connected with him or of which he is a member or employee) acts (or any body corporate promoted by the Company or in which the Company is in any way interested of which he is a director, employee or other officer may act) in a professional capacity for the Company or any body corporate promoted by the Company or in which the Company is in any way interested (other than as auditor) whether or not he or it is remunerated for this;
- (g) an interest which cannot reasonably be regarded as likely to give rise to a conflict of interest; or
- (h) any other interest authorised by ordinary resolution.

### Interests of which a Director is not aware

19.2 For the purposes of this, an interest of which a Director is not aware and of which it is unreasonable to expect him to be aware shall not be treated as an interest of his.

### Accountability of any benefit and validity of a contract

19.3 In any situation permitted by this (save as otherwise agreed by him) a Director shall not by reason of his office be accountable to the Company for any benefit which he derives from that situation and no such contract, arrangement or transaction shall be avoided on the grounds of any such interest or benefit.

#### Terms and conditions of Board authorisation

19.4 Subject to Article 19.6, any authority given in accordance with section 175(5)(a) of the Act in respect of a Director ("Interested Director") who has proposed that the Directors authorise his interest ("Relevant Interest") pursuant to that section may, for the avoidance of doubt:

- (a) be given on such terms and subject to such conditions or limitations as may be imposed by the authorising Directors as they see fit from time to time, including, without limitation:
  - (a) restricting the Interested Director from voting on any resolution put to a meeting of the Directors or of a committee of the Directors in relation to the Relevant Interest;
  - (b) restricting the Interested Director from being counted in the quorum at a meeting of the Directors or of a committee of the Directors where such Relevant Interest is to be discussed; or
  - (c) restricting the application of the provisions in Articles 19.7 and 19.8, so far as is permitted by law, in respect of such Interested Director;
- (b) be withdrawn, or varied at any time by the Directors entitled to authorise the Relevant Interest as they see fit from time to time; and

subject to Article 19.6, an Interested Director must act in accordance with any such terms, conditions or limitations imposed by the authorising Directors pursuant to section 175(5)(a) of the Act and this Article 19.

#### *Director's duty of confidentiality to a person other than the Company*

19.5 Subject to Article 19.8 (and without prejudice to any equitable principle or rule of law which may excuse or release the Director from disclosing information, in circumstances where disclosure may otherwise be required under this Article), if a Director, otherwise than by virtue of his position as director, receives information in respect of which he owes a duty of confidentiality to a person other than the Company, he shall not be required:

- (a) to disclose such information to the Company or to any Director, or to any officer or employee of the Company; or
- (b) otherwise to use or apply such confidential information for the purpose of or in connection with the performance of his duties as a Director.

19.6 Where such duty of confidentiality arises out of a situation in which a Director has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company, Article 19.7 shall apply only if the conflict arises out of a matter which falls within Article 19.1 or Article 19.2 or has been authorised under section 175(5)(a) of the Act.

#### Additional steps to be taken by a Director to manage a conflict of interest

19.7 Where a Director has an interest which can reasonably be regarded as likely to give rise to a conflict of interest, the Director shall take such additional steps as may be necessary or desirable for the purpose of managing such conflict of interest, including compliance with any procedures laid down from time to time by the Directors for the purpose of managing conflicts of interest generally and/or any specific procedures approved by the Directors for the purpose of or in connection with the situation or matter in question, including without limitation:

- (a) absenting himself from any discussions, whether in meetings of the Directors or otherwise, at which the relevant situation or matter falls to be considered; and
- (b) excluding himself from documents or information made available to the Directors generally in relation to such situation or matter and/or arranging for such documents or information to be reviewed by a professional adviser to ascertain the extent to which it might be appropriate for him to have access to such documents or information.

Requirement of a Director is to declare an interest

19.8 Subject to section 182 of the Act, a Director shall declare the nature and extent of any interest permitted by Article 19.1 or Article 19.2 at a meeting of the Directors, or by general notice in accordance with section 184 (notice in writing) or section 185 (general notice) of the Act or in such other manner as the Directors may determine, except that no declaration of interest shall be required by a Director in relation to an interest:

- (a) falling under Article 19.1(g);
- (b) if, or to the extent that, the other Directors are already aware of such interest (and for this purpose the other Directors are treated as aware of anything of which they ought reasonably to be aware); or
- (c) if, or to the extent that, it concerns the terms of his service contract (as defined by section 227 of the Act) that have been or are to be considered by a meeting of the Directors, or by a committee of Directors appointed for the purpose under these Articles.

Shareholder approval

19.9 Subject to section 239 of the Act, the Company may by ordinary resolution ratify any contract, transaction or arrangement, or other proposal, not properly authorised by reason of a contravention of any provisions of this Article 19.

19.10 For the purposes of this Article:

- (a) a conflict of interest includes a conflict of interest and duty and a conflict of duties;
- (b) the provisions of section 252 of the Act shall determine whether a person is connected with a Director;
- (c) a general notice to the Directors that a Director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the Director has an interest in any such transaction of the nature and extent so specified.

20. Notices

20.1 Subject to the requirements set out in the Act, any notice given or document sent or supplied to or by any person under these Articles, or otherwise sent by the Company under the Act, may be given, sent or supplied:

- (a) in hard copy form;
- (b) in electronic form; or

or partly by one of these means and partly by another of these means.

Notices shall be given and documents supplied in accordance with the procedures set out in the Act, except to the extent that a contrary provision is set out in this Article 19.

Notices in hard copy form

20.2 Any notice or other document in hard copy form given or supplied under these Articles may be delivered or sent by first class post (airmail if overseas):

- (a) to the Company or any other company at its registered office; or
- (b) to the address notified to or by the Company for that purpose; or
- (c) in the case of an intended recipient who is a member or his legal personal representative or trustee in bankruptcy, to such member's address as shown in the Company's register of members; or
- (d) in the case of an intended recipient who is a Director or alternate, to his address as shown in the register of Directors; or
- (e) to any other address to which any provision of the Companies Acts (as defined in the Act) authorises the document or information to be sent or supplied; or
- (f) where the Company is the sender, if the Company is unable to obtain an address falling within one of the addresses referred to in (a) to (e) above, to the intended recipient's last address known to the Company.

20.3 Any notice or other document in hard copy form given or supplied under these Articles shall be deemed to have been served and be effective:

- (a) if delivered, at the time of delivery;
- (b) if posted, on receipt or 48 hours after the time it was posted, whichever occurs first; or
- (c) if sent by airmail, on receipt of 60 hours after the time it was sent, whichever occurs first.

Notices in electronic form

20.4 Subject to the provisions of the Act, any notice or other document in electronic form given or supplied under these Articles may:

- (a) if sent by email (provided that an address for email has been notified to or by the Company for that purpose), be sent by e-mail to that address; or
- (b) if delivered or sent by first class post (airmail if overseas) in an electronic form (such as sending a disk by post), be so delivered or sent as if in hard copy form under Article 20.2.

20.5 Any notice or other document in electronic form given or supplied under these Articles shall be deemed to have been served and be effective:

- (a) if sent by email (where an address for email has been notified to or by the Company for that purpose), at the time it was sent; or



- (b) if posted in an electronic form, on receipt or 48 hours after the time it was posted, whichever occurs first.

20.6 Where the Company is able to show that any notice or other document given or sent under these Articles by electronic means was properly addressed with the electronic address supplied by the intended recipient, the giving or sending of that notice or other document shall be effective notwithstanding any receipt by the Company at any time of notice either that such method of communication has failed or of the intended recipient's non-receipt.

## 21. Indemnities and insurance

21.1 Subject to the provisions of and so far as may be permitted by, the Act every Director or other officer of the Company (excluding the Auditors) shall be entitled to be indemnified by the Company (and the Company shall also be able to indemnify directors of any associated company (as defined in section 256 of the Act)) out of the Company's assets against all liabilities incurred by him in the actual or purported execution or discharge of his duties or the exercise or purported exercise of his powers or otherwise in relation to or in connection with his duties, powers or office, provided that no Director or any associated company is indemnified by the Company against:

- (a) any liability incurred by the director to the Company or any Group Company; or
- (b) any liability incurred by the director to pay a fine imposed in criminal proceedings or a sum payable to a regulatory authority by way of a penalty in respect of non-compliance with any requirements of a regulatory nature; or
- (c) any liability incurred by the director:
  - (i) in defending any criminal proceedings in which he is convicted;
  - (ii) in defending civil proceedings brought by the Company or any associated company in which final judgment (within the meaning set out in section 234 of the Act) is given against him; or
  - (iii) in connection with any application under sections 661(3) or 661(4) or 1157 of the Act (as the case may be) for which the court refuses to grant him relief,

21.2 The Company may effect and maintain for each Director policies of insurance insuring each Director against risks in relation to his office as each director may reasonably specify including without limitation, any liability which by virtue of any rule of law may attach to him in respect of any negligence, default of duty or breach of trust of which he may be guilty in relation to the Company.

## 22. Secretary

Subject to the provisions of the Act, the Directors may appoint a secretary for such term, at such remuneration and upon such conditions as they may think fit; and any secretary so appointed may be removed by them.