

THE COMPANIES ACT 2006

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

of

VISUAL TALENT LIMITED

Company No: 05087944

(adopted by special resolution passed on 14 009 2023)

H/G
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Company number: 05087944

The Companies Act 2006

Private company limited by shares

Articles of Association

of

VISUAL TALENT LIMITED

(the "Company")

(as adopted by special resolution passed on 14 JUNE 2023)

1. Interpretation

- 1.1 In these Articles, unless the context otherwise requires, the following words and expressions shall have the following meanings:

"**ACL**" means Alda Capital Limited (England and Wales CRN: 05015437) being a Shareholder on the date of adoption of these Articles.

"**Act**" the Companies Act 2006 including any statutory modification, amendment, variation or re-enactment thereof for the time being in force.

"**Approved Offer Price**" as defined in Article 8.10.

"**Articles**" means these articles of association.

"**Bad Leaver**" means:

- (i) an Employee Shareholder who ceases to be employed/appointed by the Company by reason of:
 - (a) the termination of the employment of that Employee Shareholder for gross misconduct where: (a) no claim that such dismissal was unfair or wrongful is brought by that Employee Shareholder within 4 (four) months of the date of dismissal; or (b) such a claim is brought by that Employee Shareholder within 4 (four) months of dismissal but subsequently held by a court of competent jurisdiction, or employment tribunal, not to be unfair or wrongful and the time period for appealing such ruling has elapsed; or (c) a claim is brought within 4 (four) months of dismissal but subsequently withdrawn by that Employee Shareholder without being settled by the Company; and/or
 - (b) they have committed a material breach of any written restrictive covenants to which they are subject in any investment, shareholders', subscription, employment/service/consultancy or other agreement in force in respect of the Company from time to time, in circumstances where, to the extent it can be remedied, they have not remedied such breach to the reasonable satisfaction of the Investor(s) within 20 (twenty) Business Days of such material breach being notified to the Employee Shareholder;

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- (c) they have committed an act of fraud, dishonesty, theft, becoming bankrupt, being disqualified from acting as a director of a company in England and Wales or being convicted of any criminal offence which results in the imposition of a custodial sentence; and/or
 - (d) having committed an act of serious misconduct or harassment which the Investor (acting reasonably and in good faith) determines is reasonably likely to result in material financial loss or material reputational damage to the Company or the Investor or any member of the Corporate Group, or ultimate beneficial owner of such member, of the Investor; and/or
- (ii) if a Bad Leaver Event occurs, HG upon the first occurrence of a Bad Leaver Event.

"Bad Leaver Event" shall have the meaning ascribed to that term in clause 8.4 of a deed to be entered into on or around the date of the adoption of these Articles between (i) HG, (ii) the Company; (iii) ACL; and (iv) John Alexander Gwyther-Sandover (being HG's civil partner).

"Bad Leaver's Shares" means all of the Shares registered in the name of that Bad Leaver or in respect of which that Bad Leaver has any beneficial interest together with any Shares transferred by or issued to that Bad Leaver (including any Shares issued to the Bad Leaver after that Bad Leaver's Cessation Date whether by virtue of the exercise of any right or option granted or arising by virtue of the holding of the Bad Leaver's Shares or otherwise).

"Board" means the board of Directors of the Company for the time being.

"B Shareholder" means a registered holder of one or more B Shares for the time being.

"B Shares" means the B ordinary shares of £1.00 each in the issued capital of the Company for the relevant time being.

"Business Day" means a day (other than a Saturday or a Sunday) on which clearing banks are open for business in the City of London.

"Called Shareholders" means as defined in Article 11.7.

"Called Shares" means as defined in Article 11.8.1.

"Cessation Date" means as defined in Article 11.1.

"Chairman" means the chairman of the Board from time to time.

"communication" includes a communication comprising sounds or images or both.

"Controlling Interest" means an interest in shares giving to the holder or holders control of the Company within the meaning of Section 1124 of the Corporation Taxes Act 2010.

"Corporate Group" means the group of companies comprising a corporate member, any holding company from time to time of that corporate member and any subsidiary or subsidiary undertaking of that corporate member or any such holding company and a company or other entity shall be a **"holding company"** or a **"subsidiary"** for the purposes of these Articles if it falls within the meaning attributed to that term in Sections 1159 of the Act and any company or other entity shall be a **"subsidiary undertaking"** for the purposes of these Articles if it falls within the meaning attributed to that term in Section 1162 of the Act.

"Deed of Adherence" means a deed of adherence in the form stipulated in any shareholders'/subscription agreement in force in respect of the Company from time to time.

"Directors" means the directors for the time being of the Company including any Investor Directors and **"Director"** shall mean any one of the Directors.

"Drag Along Notice" means as defined in Article 11.8.

"Drag Along Option" means as defined in Article 11.7.

"Due Proportion" means in the same proportion, as nearly as may be, as the amount of a Shareholder's existing holding of Shares bears to the total amount of Shares in issue at that time.

"electronic communication" means a communication transmitted (whether from one person to another, from one device to another or from a person to a device or vice versa):

- (a) by means of a telecommunication system (within the meaning of the Communications Act 2003); or
- (b) by any other means but while in electronic form.

"Employee Shareholder" means a Shareholder (excluding any Investor(s) and excluding HG) who at the date of adoption of these Articles or subsequently is employed by, or is a consultant or otherwise provides services to, the Company and/or holds the office of Director.

"Exit" means the occurrence of a Listing or the completion of a Sale.

"Exiting Shareholder(s)" means as defined in Article 11.7.

"Expert" means an independent chartered accountant to be nominated by the Company and the relevant Shareholder and in default of agreement between them within five (5) Business Days of the obligation to appoint arising, on the request of either the Company or the relevant Shareholder, by the President for the time being of the Institute of Chartered Accountants in England and Wales.

"Fair Price" means the price which the Expert states in writing to be in his opinion the fair value of the Shares concerned on a sale as between a willing seller and a willing purchaser. In determining such fair value the Expert shall be instructed in particular:

- (a) to have regard to the rights and restrictions attached to those Shares in respect of income and capital;
- (b) to disregard whether or not those Shares represent a minority interest;
- (c) to take no account of whether those Shares do or do not carry control of the Company; and
- (d) if the Company is then carrying on business as a going concern, to assume that it will continue to do so,

and in stating such fair value the Expert (whose charges shall be borne equally between the relevant Shareholder and the Company) shall be considered to be acting as expert and not as arbitrator and his decision shall be final and binding on the Company and the relevant Shareholder.

"Family Trust" means in relation to an individual Shareholder, a trust or settlement (whether contingent, discretionary or otherwise) set up wholly for the benefit of that individual Shareholder and/or any one or more of that Shareholder's Privileged Relations.

"Fifteen Business Days Period" as defined in Article 8.3.

"HG" means Huw Gwyther (a Shareholder on the date of adoption of these Articles).

"Investor" means ACL or any other person or persons who may acquire Shares from ACL or is otherwise designated as an 'Investor' in a Deed of Adherence to which they are party.

"Investor Consent" means the prior consent in writing of all of the Investor(s) for the relevant time being.

"Investor Directors" shall be as defined in Article 15.1 and **"Investor Director"** shall mean any of them as the context requires.

"Listing" means the admission of any part of the equity share capital of the Company to the Official List of the UK Listing Authority or the grant of permission by the London Stock Exchange Plc to deal in any of the Company's shares on the Alternative Investment Market of the London Stock Exchange or on any other recognised investment exchange (recognised in accordance with the Financial Services and Markets Act 2000 and as defined by Section 285, Financial Services and Markets Act 2000) and such permission becoming effective.

"Maximum" means as defined in Article 8.3.

"Model Articles" means the model articles for private companies limited by shares contained in Schedule 1 of the Companies (Model Articles) Regulations 2008 (*SI 2008/3229*) as amended prior to the date of adoption of these Articles and reference to a numbered "Model Article" is a reference to that article of the Model Articles.

"Offered Shares" means as defined in Article 8.2.

"Ordinary Shareholder" means a registered holder of one or more Ordinary Shares for the time being.

"Ordinary Shares" means the ordinary shares of £1.00 each in the issued capital of the Company for the relevant time being.

"Permitted Transferee" means a person who is transferred Shares pursuant to and upon compliance with and in accordance with the terms and conditions of these Articles generally and in particular Articles 7, 8, 9 or 11.

"Privileged Relation" means any civil partner (under the UK Civil Partnership Act 2004 or equivalent legislation in any other part of the world), any spouse, widow or widower, child or grandchild (including adopted or step child or grandchild or the child of an adopted or step child)) of any Shareholder or any parent of a child or children of that relevant Shareholder.

"Proposed Buyer" means as defined in Article 11.7.

"Purchaser" means a person who expresses a willingness to purchase Offered Shares.

"Sale" means the sale of 75% or more of the Shares.

"Sale Shares" means as defined in Article 11.7.

"Selling Shareholder" means as defined in Article 8.7.

"Specified Price" means as defined in Article 8.2.

"Shareholder" means a registered holder of Shares for the time being.

"Shares" means (as applicable) the Ordinary Shares, B Shares and any other shares in the issued capital of the Company for the relevant time being (and **"Share"** shall mean any one of the Shares).

"Transfer Notice" means as defined in Article 8.1.

1.2 The headings to these Articles do not affect the construction of these Articles.

- 1.3 A person shall be deemed to be connected with another if that person is connected with another within the meaning of Section 1122, Corporation Taxes Act 2010.
- 1.4 Reference to one gender shall be treated as denoting any gender.
- 1.5 Reference to the singular shall include the plural and vice versa.

2. Adoption of Model Articles

- 2.1 Except as otherwise provided in these Articles, the articles contained or incorporated in the Model Articles (as defined in Article 1.1) shall apply to the Company, save insofar as they are varied or excluded by, or are inconsistent with, the following Articles and, subject to any such variations, exclusions or inconsistencies, shall together with these Articles constitute the articles of association of the Company to the exclusion of any other articles or regulations set out in any statute or in any statutory instrument or other subordinate legislation.
- 2.2 Model Articles 6(2), 7, 8, 9(1), 11 to 14 (inclusive), 16, 17, 22, 26(5), 27 to 29 (inclusive), 30, 36, 38, 39, 43, 44(2) and 50 to 53 (inclusive) shall not apply to the Company.
- 2.3 Model Article 20 shall be amended by the insertion of the words "(including alternate directors and the secretary)" before the words "properly incur".
- 2.4 In Model Article 25(2)(c), the words "evidence, indemnity and the payment of a reasonable fee" shall be deleted and replaced with the words "evidence and indemnity".
- 2.5 Model Articles 31(1)(a) to (c) (inclusive) shall be amended by the deletion, in each case, of the words "either" and "or as the directors may otherwise decide". Model Article 31(d) shall be amended by the deletion of the words "either" and "or by such other means as the directors decide".

2A. Limited Liability

The liability of each Shareholder is limited to the amount, if any, unpaid on the Shares held by him.

3 Rights attaching to the Shares

Income

- 3.1 For so long as a Bad Leaver Event has not occurred, any profits which the Company may determine to distribute shall be distributed amongst the Shareholders of the Ordinary Shares and the B Shares *pari passu* as if they formed one class.
- 3.2 Once a Bad Leaver Event has occurred, any profits which the Company may determine to distribute shall be distributed amongst the Ordinary Shareholders in the same proportion, as nearly as may be, as the amount of an Ordinary Shareholder's then existing holding of Ordinary Shares bears to the total amount of Ordinary Shares at that time. Upon the occurrence of a Bad Leaver Event, the B Shares shall immediately cease to have any right to participate in any profits or other distributions which the Company may determine to distribute.

Capital

- 3.3 On a return of assets on liquidation or capital reduction or otherwise, the assets of the Company remaining after the payment of its liabilities shall be distributed as follows:
 - 3.3.1 firstly, in paying to each Shareholder an amount equal to the amount paid up on the Shares held by him; and
 - 3.3.2 thereafter among the Shareholders according to their Due Proportion.

Voting

- 3.4 Each Ordinary Shareholder shall be entitled to receive notice of and to attend and speak at any general meetings of the Company and such holder (being an individual) is present in person or by proxy or (being a body corporate) is present by duly authorised representative or by proxy shall, on a show of hands, have one vote, and, on a poll have one vote for each Ordinary Share held by him. The B Shares shall not carry any voting rights and shall not be entitled to receive notice of nor to attend nor speak at any general meetings of the Company.

3.5 Further issues of Shares

- 3.5.1 Save in circumstances expressly provided for in any shareholders'/subscription agreement in force in respect of the Company from time to time, all new Shares in the capital of the Company shall first be offered to the holders of Ordinary Shares in the same proportion, as nearly as may be, as the amount of an Ordinary Shareholder's then existing holding of Ordinary Shares bears to the total amount of Ordinary Shares at that time. Any such offer shall specify the number of shares offered and the price offered per share (such price being either the price agreed in writing by the Board with Investor Consent or if there is a third party bona fide arm's length purchaser for such new shares the subscription price per share offered by that third party) and shall be open for acceptance for not less than fifteen (15) Business Days from the date of notification. Any such shares not accepted in that period shall be at the disposal of the Directors who may subject to Investor Consent (within a period of three months from the end of the 15 Business Day period referred to in this article), allot, grant options over or otherwise dispose of the same to such persons at a price per share and on terms no less favourable to the Company than that/those at which the same were offered to the Ordinary Shareholders.

- 3.5.2 Section 561 of the Act will not apply to the Company.

4. Variation of class rights

- 4.1 The rights attaching to any class of Shares may, whether or not the Company is being wound up, be varied, modified, abrogated or cancelled only with Investor Consent and the consent in writing of the holders of 75% of the issued shares of that class.
- 4.2 Without prejudice to the generality of this Article 4 and subject always to the terms of any shareholders'/subscription agreement in force in respect of the Company from time to time, Investor Consent shall be required for:
- 4.2.1 the creation, allotment or issue of any shares or securities by the Company or the grant of any option or other right to require the allotment or issue of them or the modification, variation, alteration or abrogation of the rights attached to any of the classes of share capital of the Company or the consolidation or sub-division or other re-organisation of the Company's share capital or any part of it;
 - 4.2.2 the passing of any resolution amending the Company's memorandum or articles of association;
 - 4.2.3 the purchase, redemption or any distribution of capital profits or reserves of the Company in respect of any Shares otherwise than in accordance with the provisions of these Articles; or
 - 4.2.4 by the application by way of capitalisation of any sum in or towards paying any debenture or debenture stock (whether secured or unsecured) of the Company.

5 Redemption and purchase of shares

Subject to the provisions of the Act and to the rights of the holders of the respective classes of Shares of the Company, the Company may with Investor Consent:

- 5.1 issue shares which are to be redeemed or are liable to be redeemed at the option of the Company or the Shareholder concerned;
- 5.2 purchase its own Shares (including any redeemable shares); and
- 5.3 make a payment in respect of the redemption or purchase under Section 684 or Section 687 or (as the case may be) Section 690 of the Act and the relevant power under Article 5.1 or Article 5.2, of any of its own Shares otherwise than out of distributable profits of the Company or the proceeds of a fresh issue of shares to the extent permitted by Section 709 and Sections 711-712 of the Act.

6 **Lien**

The Company shall have a first and paramount lien on all Shares, whether fully paid or not, standing registered in the name of any person indebted or under liability to the Company, whether he shall be the sole registered holder thereof or shall be one of two or more joint holders, for all moneys presently payable by him or her estate to the Company.

7 **Permitted transfers**

- 7.1 Notwithstanding any other provision in these Articles, a B Shareholder may only transfer his B Shares: (i) pursuant to Article 11; or (ii) with Investor Consent. For the avoidance of doubt, a B Shareholder may not transfer his B Shares pursuant to Articles 7.4, 8 or 9 without Investor Consent.
- 7.2 A corporate Shareholder may at any time transfer its Shares to another member of its Corporate Group or to any other corporate entity under the same shareholder control as the transferring corporate Shareholder.
- 7.3 A transfer of Shares may be made at any time, with Investor Consent, to any person.
- 7.4 For so long as the relevant transferor is not obligated to transfer his Shares pursuant to Articles 11.1 to 11.5 (inclusive) or Articles 11.7 to 11.16 (inclusive), and subject always to the second sentence of Article 7.1, a holder of Shares may at any time (including on death) transfer any or all of his Shares, subject always to the provisions of Article 7.5 and Article 10, to (i) a Family Trust (or the trustees of such Family Trust) or (ii), any one or more Privileged Relations.
- 7.5 Except as otherwise agreed by the unanimous consent in writing of the Shareholders or where the Shares in question are transmitted on the death of the Shareholder in question, where a Shareholder has transferred Shares (each such transfer being referred to as an **"Original Transfer"**) to a Family Trust or any Privileged Relation pursuant to Article 7.4 and the provisions of these Articles generally, and such Family Trust or Privileged Relation (as the case may be) subsequently ceases to be a Family Trust or Privileged Relation (as the case may be), of the Shareholder (**"Original Shareholder"**) who made such transfer, then that Family Trust or Privileged Relation (as the case may be) shall immediately transfer all of the Shares the subject of the Transfer back to the relevant Shareholder who transferred them who shall, notwithstanding the provisions of Article 10, continue to be bound by the terms of any shareholders'/subscription agreement in force in respect of the Company from time to time as a Shareholder, even if in the interim period he had ceased to be a Shareholder.

8 **Pre-emption procedure and Shareholder tag rights**

- 8.1 Except as provided in Articles 7 or 9 and subject to: (i) the second sentence of Article 7.1; and, separately, (ii) Article 11, (the provisions of which take precedence over Articles 7, 8 and 9), no Shareholder or person entitled to Shares by transmission or otherwise wishing to transfer his Shares, shall be entitled to transfer his Shares without first offering them for transfer to the other Shareholders holding Shares. The offer may be in respect of all or part only of the Shares held by the proposing transferor and shall be made by the proposing transferor by notice in writing to the Company (a **"Transfer Notice"**).

- 8.2 A Transfer Notice shall specify the Shares offered (the "**Offered Shares**") and the price at which they are offered (the "**Specified Price**"). A Transfer Notice shall constitute the Directors as the agent of the proposing transferor for the sale of the Offered Shares to the Shareholders (excluding the proposing transferor) at the Specified Price. A Transfer Notice may (save in the case of a Transfer Notice deemed served in accordance with Article 11 (Compulsory transfers)) contain a provision that, unless all the Offered Shares are sold under this Article, none shall be sold and that provision shall have effect. A Transfer Notice may not be revoked except with Investor Consent.
- 8.3 On receipt by the Company of a Transfer Notice the Directors shall give notice within ten (10) Business Days to all of the Shareholders (other than the proposing transferor) of the number and description of the Offered Shares and the Specified Price. The notice shall invite each of the Shareholders to state in writing to the Company within fifteen (15) Business Days (the "**Fifteen Business Days Period**") whether he is willing to purchase any, and if so what maximum number ("**Maximum**"), of the Offered Shares.
- 8.4 On the expiration of the Fifteen Business Days Period the Directors shall allocate the Offered Shares to or amongst the Purchasers and such allocation shall be made so far as practicable as follows:
- 8.4.1 each allocation between the Purchasers shall be made pro rata in the same proportion as the total amount of Shares owned by a Purchaser bears to the total amount of Shares owned by all of the Purchasers together but shall not exceed the Maximum which a Purchaser shall have expressed a willingness to purchase; and
- 8.4.2 if the Transfer Notice shall state that the proposing transferor is not willing to transfer part only of the Offered Shares, no allocation will be made amongst the Purchasers unless all the Offered Shares are allocated.
- 8.5 On the allocation being made pursuant to Article 8.4, the Directors shall give details of the allocation in writing to the proposing transferor and each Purchaser and, on the fifth Business Day after such details are given, the Purchasers to whom the allocation has been made shall be bound to pay the purchase price for, and to accept a transfer of, the Offered Shares allocated to them respectively and the proposing transferor shall be bound, on payment of the purchase price, to transfer the Offered Shares to the respective Purchasers to whom the allocation has been made.
- 8.6 If the proposing transferor after becoming bound to transfer Offered Shares fails to do so, the Company may receive the purchase price and the Directors may appoint a person as agent or attorney to execute instruments of transfer or any transfer documentation of the Offered Shares in favour of the Purchasers to whom the allocation has been made and shall cause the names of those Purchasers to be entered in the register of members of the Company as the holders of the Offered Shares and shall hold the purchase price in trust for the proposing transferor. The receipt of the Company shall be a good discharge to those Purchasers and, after their names have been entered in the register of members of the Company under this provision, the validity of the transactions shall not be questioned by any person.
- 8.7 If, following the expiry of the Fifteen Business Days Period, any of the Offered Shares have not been allocated under Article 8.4, the proposing transferor ("**Selling Shareholder**") may (subject always to the provisions of Article 11) at any time within a period of forty-five (45) Business Days after the expiry of the Fifteen Business Days Period transfer the Offered Shares not allocated to any person approved by Investor Consent and at any price (being not less than the Specified Price) provided that:
- 8.7.1 if the relevant Transfer Notice contained a provision that, unless all the Offered Shares are sold under this Article, none shall be sold, the Selling Shareholder shall not be entitled to transfer any of the Offered Shares unless in aggregate all the Offered Shares are so transferred; and

- 8.7.2 the Directors may require to be satisfied that those Offered Shares are being transferred under a bona fide sale for the consideration stated in the transfer without any deduction, rebate or allowance to the proposed transferee and, if not so satisfied, may refuse to register the instrument of transfer (without prejudice, however, to the Directors' absolute discretion to refuse to approve or register any transfer of Shares in the circumstances described in Article 10).
- 8.8 Notwithstanding any other provision in these Articles and excluding any sale or transfer made pursuant to Articles 7.1 to 7.4 (inclusive), no sale or transfer of any interest in any Shares conferring a right to vote at general meetings of the Company which would result, if made and registered, in a person (other than an Investor (or one or more persons as part of a single transaction or otherwise acting by agreement or understanding) or connected persons of that person (excluding always the Investors) obtaining a Controlling Interest in the Company shall be made or registered unless an offer is made to all of the Shareholders at the Approved Offer Price (defined and calculated as set out in Article 8.10) to acquire all of the Shares.
- 8.9 Any Shareholder may, at their sole discretion, elect to accept the offer referred to in Article 8.8, either in relation to all or some only of the Shares then held by them. If any part of the Approved Offer Price is to be paid except by cash then any Shareholder may, at their option, elect to take a price per Share of such cash sum as may be agreed by it and the proposed transferee having regard to the transaction as a whole.
- 8.10 In this Article 8 the "**Approved Offer Price**" means the greater of:
- 8.10.1 the Specified Price; and
- 8.10.2 the aggregate of:
- 8.10.2.1 the consideration (in cash or otherwise) per Share equal to that offered or paid or payable by the proposed transferee or his or their nominees for the Shares being acquired; and
- 8.10.2.2 the relevant proportion of any other consideration (in cash or otherwise) received or receivable by the holders of such other Shares which having regard to the substance of the transaction as a whole can reasonably be regarded as an addition to the price paid or payable; and
- 8.10.2.3 all arrears and accruals of the dividends on such Shares calculated down to the date of the sale or transfer.
- 8.11 In the event of disagreement, the calculation of the Approved Offer Price shall be referred to an Expert whose decision shall be final and binding (save in the case of fraud or manifest error).

9 Bankrupt shareholder provisions

Subject always to Articles 7.1, 7.3 and 11, a person entitled to Shares in consequence of the bankruptcy of a Shareholder shall be bound at any time, if and when required in writing by the Board so to do, to give a Transfer Notice in respect of such Shares, and if such person fails to give a Transfer Notice, he shall be deemed to have served the Company with a Transfer Notice in respect of such Shares. The provisions of Article 8 shall apply to those Shares and the Transfer Notice; the Transfer Notice (if not actually given) shall be deemed to have been received by the Company on the date on which the Directors required the Transfer Notice to be given and the Specified Price shall be the Fair Price as at the date on which the Transfer Notice is either actually given or deemed to have been received by the Company and the Directors shall give notice under Article 8.3 as soon as such Specified Price is ascertained.

10 Registration of transfers

- 10.1 The Directors shall refuse to register a proposed transfer not made to a Permitted Transferee unless otherwise made in accordance with these Articles.

- 10.2 The Directors may also refuse to register a transfer of a Share on which the Company has a lien.
- 10.3 A person executing an instrument of transfer of a Share is deemed to remain the holder of the Share until the name of the transferee is entered in the register of members of the Company in respect of it.
- 10.4 In the event of there being any shareholders'/subscription agreement in force in respect of the Company from time to time, the Directors shall refuse to register an allottee or Permitted Transferee until he has executed a Deed of Adherence under which he undertakes to adhere to and be bound by the provisions of such shareholders'/subscription agreement as if he were an original party to it and an original copy of this Deed of Adherence has been delivered to the Company.
- 10.5 For the purposes of ensuring that a transfer of Shares is duly authorised or that no circumstances have arisen whereby a Transfer Notice is required to be given the Directors or an Investor may, at the Company's expense, request any Shareholder or past Shareholder or the personal representative or trustee in bankruptcy, administrative receiver or liquidator or administrator of any Shareholder or any person named as transferee in any instrument of transfer lodged for registration to furnish to the Company such information and evidence as the Board or the Investor may reasonably think fit regarding any matter which they may deem relevant to such purpose. Failing such information or evidence being furnished to the reasonable satisfaction of the Board or the Investor (as the case may be) within ten (10) Business Days after such request the Board shall be entitled to refuse to register the transfer in question or, if such information or evidence discloses that a Transfer Notice ought to have been given in respect of any Shares the Directors, may by notice in writing require that a Transfer Notice be given forthwith in respect of the Shares concerned.
- 10.6 If in any case where under the provisions of these Articles:
- 10.6.1 the Directors require a Transfer Notice to be given in respect of any Shares; or
- 10.6.2 a person has become bound to give a Transfer Notice in respect of any Shares,
- and such a Transfer Notice is not duly given within a period of two weeks of demand being made or within the period allowed thereafter respectively a Transfer Notice shall be deemed to have been given at the expiration of the said period. In any such case as aforesaid the provisions of this Article shall take effect.
- 10.7 No Share shall be issued or transferred to any bankrupt or person of unsound mind.

11 **Compulsory transfers**

- 11.1 If any Shareholder, who at the date of adoption of these Articles, or subsequently, is a Bad Leaver then, save with Investor Consent, the Board shall, by no later than 12 months of the date of such cessation ("**Cessation Date**"), require that that Bad Leaver shall, in respect of all of his Bad Leaver's Shares:
- 11.1.1 be deemed to have authorised any person so authorised by the Investor to act as agent or attorney, to transfer any such Bad Leaver's Shares to such person(s) as the Board with Investor Consent may nominate (in which case the price payable shall be the price determined in accordance with Article 11.2); and/or
- 11.1.2 be deemed to have served a Transfer Notice in respect of any remaining Bad Leaver's Shares (in which case the Specified Price for the remaining Shares shall be the price determined in accordance with Article 11.2),
- and the Bad Leaver shall comply with such requirement.

- 11.2 On a transfer under Article 11.1 the price per Share shall be an amount per Share equal to the lower of: (i) par value; and, (ii) the Fair Price.
- 11.3 For the purpose of Article 11.2, Fair Price shall be calculated as at the Cessation Date. If, in any particular case, the Board with Investor Consent so decides, there shall be substituted for the price specified in Article 11.2 such higher price as the Board with Investor Consent may agree with the transferor(s) provided always that, in the event that if there has been a Bad Leaver Event, there will be no such discretion to increase the price per Share on a transfer under Article 11.1 beyond the Fair Price.
- 11.4 Save with Investor Consent, all the Bad Leaver's Shares (and any shares issued to the Bad Leaver after the Cessation Date whether by virtue of the exercise of any right or option granted or arising by virtue of the holding of the Bad Leaver's Shares or otherwise) shall cease to confer the right to be entitled to receive notice of or to attend or vote at any general meeting of the Company with effect from the Cessation Date (or, where appropriate, the date of issue of such Shares, if later) and such Shares shall not be counted in determining the total number of votes which may be cast at any such meeting or required for the purposes of a written resolution of any Shareholders or any consent under these Articles or otherwise. Such rights shall be restored (if applicable) immediately upon:
- 11.4.1 the Company registering a transfer of the Bad Leaver's Shares pursuant to this Article 11; or
- 11.4.2 a Sale or Listing.
- 11.5 Save with Investor Consent, any notice relating to the transfer of the Bad Leaver's Shares or any of them in force at the Cessation Date shall immediately be cancelled (unless all the Shares subject to it have already been sold) and no further notice shall be issued or be deemed to be issued in respect of the Bad Leaver's Shares except pursuant to this Article 11.
- 11.6 Not used.
- Drag Along
- 11.7 If the holder(s) of more than 50% of the Ordinary Shares (which must include the Investor for so long as the Investor is a Shareholder) (together, the "**Exiting Shareholder(s)**") wish to transfer all of their interest in their Shares ("**Sale Shares**") to a bona fide arms' length purchaser ("**Proposed Buyer**"), the Exiting Shareholder(s) may require all the other holders of Shares ("**Called Shareholders**") to sell and transfer all their Shares to the Proposed Buyer or as the Proposed Buyer directs in accordance with the provisions of Articles ("**Drag Along Option**") 11.7 to 11.16 (inclusive).
- 11.8 The Exiting Shareholder(s) may exercise the Drag Along Option by giving written notice to that effect ("**Drag Along Notice**") at any time before the transfer of the Sale Shares to the Proposed Buyer. The Drag Along Notice shall specify that:
- 11.8.1 the Called Shareholders are required to transfer all their Shares ("**Called Shares**") pursuant to Articles 11.7 to 11.16 (inclusive);
- 11.8.2 the person to whom the Called Shares are to be transferred;
- 11.8.3 the consideration payable for the Called Shares calculated in accordance with Article 11.10; and
- 11.8.4 the proposed date of the transfer.
- 11.9 Once issued, a Drag Along Notice shall, save with Investor Consent, be irrevocable. However, a Drag Along Notice shall lapse if, for any reason, the Exiting Shareholder(s) have not sold the Sale Shares to the Proposed Buyer within forty five (45) Business Days of serving the Drag

Along Notice. The Exiting Shareholder(s) may serve further Drag Along Notices following the lapse of any particular Drag Along Notice.

- 11.10 The Called Shareholders shall sell each Called Share for a consideration payable in cash on completion that is at least equal to the highest amount per Share that the Exiting Shareholder(s) are entitled to receive on the sale of the Sale Shares.
- 11.11 No Drag Along Notice shall require a Called Shareholder to agree to any terms except those specifically set out in Articles 11.7 to 11.16 (inclusive) (save that each Called Shareholder shall, if required by the Proposed Buyer, give a warranty as to that Called Shareholder's ownership and title to the Shares to be transferred by him).
- 11.12 Completion of the sale of the Called Shares shall take place on the same date as the date of completion of the sale of the Sale Shares provided always that date is less than forty-five (45) Business Days after the Drag Along Notice and more than five (5) Business Days after service of the Drag Along Notice.
- 11.13 The rights of pre-emption set out in these Articles shall not apply to any transfer of shares to a Proposed Buyer (or as it may direct) pursuant to a sale for which a Drag Along Notice has been duly served.
- 11.14 Within forty-five (45) Business Days of the Exiting Shareholder(s) serving a Drag Along Notice on the Called Shareholders, the Called Shareholders shall deliver stock transfer forms for the Called Shares, together with the relevant share certificate (or a suitable indemnity for any lost share certificate) to the Company. On the expiration of that forty five Business Day period, the Company shall pay the Called Shareholders, on behalf of the Proposed Buyer, the amounts they are due pursuant to Article 11.10 to the extent that the Proposed Buyer has put the Company in the requisite funds. The Company's receipt for the price shall be a good discharge to the Proposed Buyer. The Company shall hold the amounts due to the Called Shareholders pursuant to Article 11.10 in trust for the Called Shareholders without any obligation to pay interest.
- 11.15 To the extent that the Proposed Buyer has not, on the expiration of the forty five Business Day period referred to in Article 11.14, put the Company in funds to pay the consideration due pursuant to Article 11.10, the Called Shareholders shall be entitled to the return of the stock transfer form and share certificate (or suitable indemnity) for the relevant Called Shares and the Called Shareholders shall have no further rights or obligations in relation to the relevant Drag Along Notice.
- 11.16 If any Called Shareholder does not, on completion of the sale of the Called Shares execute transfer(s) in respect of all of the Called Shares held by him, the defaulting Called Shareholder shall be deemed to have irrevocably appointed any person nominated for the purpose by the Exiting Shareholder(s) to be their agent and attorney to execute all necessary transfer(s) on his behalf, against receipt by the Company (on trust for such holder) of the consideration payable for the Called Shares, deliver such transfer(s) to the Proposed Buyer (or as they may direct) as the holder thereof. After the Proposed Buyer (or its nominee) has been registered as the holder, the validity of such proceedings shall not be questioned by any such person. It shall be no impediment to the registration of any Shares under this Article even if a share certificate has not been produced.
- 11.17 Subject always to Article 7.3 which takes precedence over this Article 11.17, no Shares to which this Article 11 applies shall be transferred pursuant to Articles 7, 8 or 9 until the relevant Shareholder can no longer be bound to sell them under this Article.
- 11.18 The preceding provisions of this Article may at any time be waived in whole or part by the Board provided Investor Consent is obtained.

12 General meetings

- 12.1 The quorum for general meetings shall be:

12.1.1 each Investor; and

12.1.2 any other Ordinary Shareholder holding 25% or more of the Shares,

provided always that: (i) if the Company has at any time only one Ordinary Shareholder, then that sole Ordinary Shareholder shall constitute a quorum; and (ii) if no quorum shall be present at the proposed time for any general meeting such meeting shall be adjourned for two weeks and shall be held at such time and such place as the Directors with Investor Consent shall agree in writing (and failing agreement shall be held at the Company's registered office for the time being) and those Ordinary Shareholders present at such adjourned meeting shall constitute a quorum provided always that not less than three clear Business Days written notice of such adjourned meeting shall have been given to each Ordinary Shareholder at his last known address.

12.2 At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands (of those members present in person or by proxy) unless a poll is (before, or on the declaration of the result of, the show of hands) demanded by the Chairman or by any Ordinary Shareholder present in person, by duly authorised representative or by proxy. Unless a poll be so demanded a declaration by the Chairman that a resolution has on a show of hands been carried or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the book containing the minutes of the proceedings of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution. The demand for a poll may be withdrawn.

12.3 In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the general meeting at which the show of hands takes place or at which the poll is demanded shall not be entitled to a second or casting vote.

13 **Votes of Shareholders and proxies**

13.1 A proxy appointed by an Ordinary Shareholder of the Company under Section 372 of the Act may vote on a show of hands as well as on a poll.

13.2 Article 45(1)(d) of the Model Articles shall be deleted and replaced with the words "is delivered to the Company in accordance with the Articles not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in accordance with any instructions contained in the notice of general meeting (or adjourned meeting) to which they relate".

13.3 Article 45(1) of the Model Articles shall be amended by the insertion of the words "and a proxy notice which is not delivered in such manner shall be invalid" as a new paragraph at the end of that article.

14 **Directors**

14.1 The maximum number of Directors shall be four (4) until such time as otherwise determined by Investor Consent or the terms of any shareholders'/subscription agreement in force in relation to the Company and there shall be no minimum.

14.2 The quorum for a meeting of the Board shall be:

14.2.1 for so long as any Investor Director(s) have been appointed pursuant to Article 15.1, at least one Investor Director so appointed; and

14.2.2 (at all other times) two Directors,

provided always that if the Company has at any time only one Director then that sole Director shall constitute a quorum.

14.3 If no quorum shall be present at any time scheduled for a Board meeting such meeting shall be adjourned for one week and shall be held at such time and such place as the Directors shall (with Investor Consent) agree in writing (and failing agreement shall be held at the Company's

registered office for the time being at 12.00 noon) and that Director/those Directors present at such adjourned meeting shall constitute a quorum provided always that not less than three clear Business Days written notice of such adjourned meeting shall have been given to each Director at his last known address.

- 14.4 The Chairman of meetings of the Board shall be an Investor Director (for so long as an Investor Director has been appointed) and in all other circumstances shall be chosen by the Investor(s), or if there is no Investor, by simple majority vote of the holders of the Ordinary Shares, who shall, in either case, serve notice on the Company of such choice. In the event that the Chairman is not available at a duly convened meeting of the Board or the person to act as Chairman cannot be agreed by the Directors present, the Chairman for that meeting shall be chosen by the majority vote of the Directors properly present at such duly convened Board.
- 14.5 Any Director able to participate in the proceedings of a meeting by means of a communication device (including, without limitation, telephone, video conference and real time webcasting) which allows all the other Directors present at such meeting (whether in person or by proxy or by means of such type of communication device) to hear at all times such Director and such Director to hear at all times all other Directors present at such meeting (whether in person or by proxy or by means of such type of communication device) shall be deemed to be present at such meeting and shall be counted when reckoning a quorum.
- 14.6 The Directors may meet together for the despatch of business and otherwise regulate their meetings as they think fit provided that all meetings of the Directors shall be held within the United Kingdom. A Director may, and the secretary on the requisition of a Director shall, at any time summon a meeting of the Directors. Unless all of the Directors or their duly appointed alternates shall agree to the holding of a meeting by shorter notice, at least ten (10) Business Days' notice of every meeting of Directors shall be given either in writing or other means of electronic communication to each Director.
- 14.7 A person may be appointed a Director notwithstanding that he shall have attained the age of 70 years and no Director shall be liable to vacate office by reason of his attaining that or any other age.
- 14.8 At any meeting of the Directors each Director (or his alternate director) present at the meeting shall be entitled to one vote.
- 14.9 In the case of an equality of votes at any Board meeting the Chairman of such meeting shall not be entitled to a second or casting vote.
- 14.10 Subject to the provisions of the Act, a Director (including an alternate director) may contract with and participate in the profits of any contract or arrangement with the Company as if he were not a Director. A Director shall also be capable of voting in respect of such contract or arrangement, where he has previously disclosed his interest to the Company, or in respect of his appointment to any office or place of profit under the Company or of the arrangement the terms of it and may be counted in the quorum at any meeting at which any such matters are considered.
- 14.11 A resolution in writing signed by all the Directors shall be as effective for all purposes as a resolution passed at a meeting of the Directors duly convened and held, and may consist of several documents in the like form, each signed by one or more of the Directors, but so that the expression "Director" in this paragraph shall not include an alternate director.
- 14.12 The Directors may by resolution exercise all the powers of the Company to make provision (in connection with the cessation or the transfer to any person of the whole or part of the undertaking of the Company or any Subsidiary) for the benefit of persons employed or formerly employed by the Company or that Subsidiary.
- 14.13 A Director and an alternate director shall not be required to hold any Shares, but nevertheless shall be entitled to attend and speak at any general meeting of the Company.

Authorisation of conflicts of interest

14.14 Subject to and in accordance with the Act:

14.14.1 the Board may authorise any matter or situation in which a Director (the "**conflicted director**") has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company (including, without limitation, in relation to the exploitation of any property, information or opportunity, whether or not the Company could take advantage of it) and for this purpose a conflict of interest includes a conflict of interest and duty and a conflict of duties (the "**conflict situation**");

14.14.2 any authorisation given in accordance with this Article 14.14:

14.14.2.1 may be made on such terms and subject to such conditions and/or limitations as the Directors may, in their absolute discretion, determine (including, without limitation, excluding the conflicted Director and any other interested Director from certain Directors' meetings, withholding from him or them certain Board or other papers and/or denying him or them access to certain confidential Company information) and such terms, conditions and/or limitations may be imposed at the time of or after the authorisation and may be subsequently varied or terminated; and shall be effective only if:

14.14.2.1.1 any requirement as to the quorum at any meeting of the Directors at which the matter is considered is met without counting either the conflicted Director or any other interested director; and

14.14.2.1.2 the matter or situation was agreed to and any relevant resolution was passed without counting the votes of the conflicted Director and without counting the votes of any other interested Director (or such matter or situation would have been so agreed and such relevant resolution would have been so passed if their votes had not been counted); and

14.14.2.2 in considering any request for authorisation in respect of a conflict situation, the Directors shall be entitled to exclude the conflicted Director from any meeting or other discussion (whether oral or written) concerning the authorisation of such conflict situation and they shall also be entitled to withhold from such conflicted Director any Board papers or other papers concerning the authorisation of such conflict situation.

14.15 If any conflict situation is authorised or otherwise permitted under the Articles, the conflicted Director (for as long as he reasonably believes such conflict situation subsists):

14.15.1 shall not be required to disclose to the Company (including the Directors or any committee) any confidential information relating to such conflict situation which he obtains or has obtained otherwise than in his capacity as a Director, if to make such disclosure would give rise to a breach of duty or breach of obligation of confidence owed by him to another person in relation to such matter, office, employment or position;

14.15.2 shall be entitled to attend or absent himself from all or any meetings of the Directors (or any committee) at which anything relating to such conflict situation will or may be discussed; and

14.15.3 shall be entitled to make such arrangements as he thinks fit to receive or not to receive documents or information (including, without limitation, board papers (or those of any

committee of it)) relating to any such conflict situation and/or for such documents or information to be received and read by a professional adviser on his behalf,

and in so doing, such conflicted Director shall not be in breach of any general duty he owes to the Company pursuant to Sections 171 to 177 (inclusive) of the Act and the provisions of Articles 14.14 and 14.15 shall be without prejudice to any equitable principle or rule of law which may excuse the conflicted Director from disclosing information or attending meetings or receiving documents or information, in circumstances where such disclosure, attendance or receipt would otherwise be required under the Articles.

- 14.16 For the purposes of Article 14.14 and 14.15, an interest of a person who is, for any purpose of the Act (excluding any statutory modification thereof not in force when this article becomes binding on the Company), connected with a Director shall be treated as an interest of the Director and, in relation to an alternate director, an interest of his appointor shall be treated as an interest of the alternate director without prejudice to any interest which the alternate director has otherwise.

Directors may have interests and vote and count for quorum

- 14.17 Provided permitted by the Acts, and provided he has disclosed to the other Directors the nature and extent of his interest pursuant to Section 177 or 182 of the Act or otherwise pursuant to these Articles (as the case may be), a Director, notwithstanding his office:

14.17.1 may be a party to, or otherwise directly or indirectly interested in any contract, arrangement, transaction or proposal with the Company or in which the Company is otherwise interested and may hold any other office or position of profit under the Company (except that of auditor or of auditor of a subsidiary of the Company) in addition to the office of director and may act by himself or through his firm in a professional capacity for the Company and in any such case on such terms as to remuneration and otherwise as the Directors may agree either in addition to or in lieu of any remuneration provided for by any other Article;

14.17.2 may be a member, director or other officer of, or employed by, or hold any other office or position with, or be directly or indirectly interested in any contract, arrangement, transaction or proposal with or a party to or otherwise directly or indirectly interested in, any subsidiary and subsidiary undertaking of the Company or any subsidiaries or subsidiary undertakings or any other body corporate promoted by the Company or in which the Company is otherwise interested;

14.17.3 shall not, by reason of his office, be liable to account to the Company for any dividend, profit, remuneration, superannuation payment or other benefit which he derives from:

14.17.3.1 any matter, office, employment or position which relates to a conflict situation authorised in accordance with Articles 14.14 to 14.16 (inclusive);
or

14.17.3.2 any office, employment, contract, arrangement, transaction or proposal or other interest permitted pursuant to Articles 14.17.1 or 14.17.2,

and no contract, arrangement, transaction or proposal shall be avoided on the grounds of any Director having any such interest or receiving any such dividend, profit, remuneration, superannuation, payment or other benefit authorised in accordance with Articles 14.14 to 14.16 (inclusive) or permitted pursuant to Articles 14.17.1 or 14.17.2 and the receipt of any such dividend, profit, remuneration, superannuation, payment or other benefit so authorised or permitted shall not constitute a breach of the duty not to accept benefits from third parties as set out in Section 176 of the Act.

- 14.18 For the avoidance of doubt, a Director may be or become subject to one or more conflict situations as a result of any matter referred to in Article 14.17.2 without requiring authorisation under the provisions of Articles 14.15 to 14.16 (inclusive) provided he has declared, as soon as

reasonably practicable, the nature and extent of his interest in the conflict situation. The provisions of Section 177(2), Section 177(3), Section 177(5), Section 177(6), Section 184 and Section 185 of the Act shall be applied (with any necessary modifications) in respect of any such declaration.

- 14.19 Subject to Section 175(6) of the Act and save as otherwise provided in these Articles, a Director may vote at any meeting of the Directors or any meeting of any committee of which he is a member on any resolution and a Director may participate in the transaction of the business of the Directors and count in the quorum at any such meeting of the Directors or meeting of any committee of which he is a member notwithstanding that it concerns or relates in any way to a matter in which he has directly or indirectly any kind of interest or duty. This Article does not affect any obligation of a Director to disclose any such interest, whether pursuant to Section 177 of the Act, Section 182 of the Act or otherwise.
- 14.20 Subject to Article 14.21, if a question arises at a meeting of Directors or of a committee of Directors as to the right of a Director to participate in the meeting (or part of the meeting) for voting or quorum purposes, the question may, before the conclusion of the meeting, be referred to the Chairman whose ruling in relation to any Director other than the Chairman is to be final and conclusive (except in a case where the nature or extent of any interest of the director has not been fairly disclosed).
- 14.21 If any question as to the right to participate in the meeting (or part of the meeting) should arise in respect of the Chairman, the question is to be decided by a decision of the Directors at that meeting, for which purpose the Chairman is not to be counted as participating in the meeting (or that part of the meeting) for voting or quorum purposes.
- 14.22 For the purposes of Articles 14.17 to 14.21 (inclusive), an interest of a person who is, for any purpose of the Act (excluding any statutory modification thereof not in force when this article becomes binding on the Company), connected with a Director shall be treated as an interest of the Director and, in relation to an alternate director, an interest of his appointor shall be treated as an interest of the alternate director without prejudice to any interest which the alternate director has otherwise.

15 **Appointment and Removal of Directors**

- 15.1 Each Investor shall be entitled for so long as it:
- 15.1.1 is the registered holder of Shares to appoint 1 (one) person to be a Director; plus
- 15.1.2 holds at least 10% of the issued Shares at the time, to appoint up to an additional 2 (two) persons to be a Director (such Directors to be appointed in addition to any appointment made pursuant to Article 15.1.1),
- (any such person appointed as a Director by an Investor being referred to as an “**Investor Director**”) and may similarly require the removal from office of any Investor Director appointed by it and, if the appointing Investor so chooses, nominate another person to be an Investor Director in place of the Investor Director so removed by it.
- 15.2 HG shall not, in any circumstances, be permitted at any time to be re-appointed a Director after the date that he has resigned as a Director on or around the date of adoption of these Articles.
- 15.3 Any appointment or removal of a Director pursuant to Article shall be by signed instrument in writing served on the Company on behalf of the person or the Investor (as applicable) that is appointing/removing the Director in question and shall take effect on and from the date on which such instrument is lodged or deposited at the registered office of the Company.
- 15.4 Subject to Section 168 of the Act on any resolution to remove any Director appointed pursuant to Article 15.1 other than in accordance with Article 15.1, upon election in writing to the Company by the person that appointed that Director, the Shares held by that person may, at that person's option in writing carry at least one vote in excess of the votes cast in favour of such resolution to remove and if any such Director is removed as a Director pursuant to Section 168 of the Act, the person that appointed him may reappoint him, or any other person in his place, as a Director.

- 15.5 Each Director appointed pursuant to Article 15.1 (and any alternate director appointed by it/him) shall be entitled to make such disclosure to the person that appointed him in relation to the business and affairs of the Company and its subsidiaries (if any) as he may in his absolute discretion determine but subject always to his fiduciary duties.

16 Alternate Directors

- 16.1 Each Director shall have the power at any time to appoint as an alternate director either another Director or any other person approved for that purpose by a resolution of the Directors (such approval not to be unreasonably withheld), and, at any time, to terminate such appointment. Every appointment and removal of an alternate director shall be in writing signed by the appointor and (subject to any approval required) shall (unless all the Directors agree otherwise) only take effect upon receipt of such written appointment or removal at the registered office of the Company.
- 16.2 An alternate director so appointed shall not be entitled as such to receive any remuneration from the Company except only such part (if any) of the remuneration otherwise payable to his appointor as such appointor may by notice in writing to the Company from time to time direct but shall otherwise be subject to the provisions of these Articles with respect to Directors. An alternate director shall during his appointment be an officer of the Company and shall not be deemed to be an agent of his appointor.
- 16.3 An alternate director shall (subject to his giving to the Company an address at which notice may be served upon him) be entitled to receive notices of all meetings of the Directors and to attend and to vote as a Director at any such meeting at which his appointor is not personally present and generally in the absence of his appointor to perform and exercise all functions, rights, powers and duties as a Director of his appointor and to receive notice of all general meetings.
- 16.4 The appointment of an alternate director shall automatically determine on the happening of any event which if he were a Director would cause him to vacate such office or if his appointor shall cease for any reason to be a Director otherwise than by retiring and being re-appointed at the same meeting.
- 16.5 A Director or any other person may act as alternate director to represent more than one Director and an alternate director shall be entitled at meetings of the Directors of any committee of the Directors to one vote for every Director whom he represents in addition to his own vote (if any) as a Director, but he shall count as only one for the purpose of determining whether a quorum is present.

17 Borrowing powers

Subject always to the terms of any shareholders'/subscription agreement in force in respect of the Company from time to time, the Directors may exercise all the powers of the Company to borrow money and to mortgage or charge its undertaking, property and uncalled capital, or any part of it, and to issue debentures, debenture stocks and other securities whether outright or as security for any debt, liability or obligation of the Company or of any third party.

18 Notices

- 18.1 Every Director of the Company and every alternate director shall, upon supplying the Company with an address for the giving of notices, be entitled to receive notices of general meetings, provided always that non-receipt of any such notice by any Director or alternate director shall not invalidate the proceedings at the meeting convened by such notice.
- 18.2 A notice may be given:
- 18.2.1 by the Company to any Shareholder or Director either personally or by sending it by first class post (airmail if abroad) or Royal Mail Special Delivery post or other means of electronic communications to him or to his registered address or to the address supplied by him to the Company for the giving of notice to him; or

18.2.2 to the Company for the purpose of these Articles by like method at its registered office for the time being.

(in this Article, "address", in relation to electronic communications includes any number or address used for the purposes of such communication).

18.3 Where a notice is sent by post, service of the notice shall be deemed to be effected by properly addressing, preparing and posting a letter containing the notice, and to have been effected at the expiration of 48 hours after the letter containing the same is posted. A notice contained in an electronic communication shall be deemed to be effected:

18.3.1 if transmitted between the hours of 9.00am and 5.00pm on a Business Day, at the time of transmission; or

18.3.2 if transmitted at any other time, at 9.00am on the next Business Day following transmission.

19 Indemnity

19.1 Every Director or other officer of the Company shall be indemnified out of the assets of the Company against all losses or liabilities which he may sustain or incur in or about the execution of the duties of his office or otherwise in relation to it, 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 1157 of the Act, 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 in relation to it. This Article shall only have effect in so far as its provisions are not avoided by Section 532 of the Act.

19.2 Without prejudice to the provisions of Article 19.1 the Directors shall have power to purchase and maintain insurance for or for the benefit of any persons who are or were at any time directors, officers or employees or auditors of the Company, or of any other company which is its holding company or in which the Company or such holding company or any of the predecessors of the Company has any interest whether direct or indirect or which is in any way allied to or associated with the Company, or of any subsidiary undertaking of the Company or of any such other company, or who are or were at any time trustees of any pension fund in which employees of the Company or of any such other company or subsidiary undertaking are interested, including (without prejudice to the generality of the foregoing) insurance against any liability incurred by such persons in respect of any act or omission in the actual or purported execution and/or discharge of their duties and/or in the exercise or purported exercise of their powers and/or otherwise in relation to their duties, powers or offices in relation to the Company or any such other company, subsidiary undertaking or pension fund.