



## ARTICLES OF ASSOCIATION

### THE COMPANIES ACT 2006

### PRIVATE COMPANY LIMITED BY SHARES

#### ARTICLES OF ASSOCIATION OF CARLAC GROUP LIMITED

#### 1. Defined terms

1 1 In these articles, unless the context requires otherwise

**'A' Director** means any director appointed and holding office from time to time pursuant to article 14 3,

**articles** means the articles of association set out in this document which, together with the Model Articles (as modified or excluded by this document) forming part of the articles, and "article" shall be construed accordingly,

**'A' Shares** means the 'A' Ordinary Shares of £1 each in the share capital of the company from time to time,

**'B' Director** means any director appointed and holding office from time to time pursuant to article 14 4,

**'B' Shares** means the 'B' Ordinary Shares of £1 each in the share capital of the company from time to time,

**'C' Shares** means the 'C' Ordinary Shares of £1 each in the share capital of the company from time to time,

**'D' Shares** means the 'D' Ordinary Shares of £1 each in the share capital of the company from time to time,

**'E' Shares** means the 'E' Ordinary Shares of £1 each in the share capital of the company from time to time,

**'F' Shares** means the 'F' Ordinary Shares of £1 each in the share capital of the company from time to time,

**'G' Shares** means the 'G' Ordinary Shares of £1 each in the share capital of the company from time to time,

**'H' Shares** means the 'H' Ordinary Shares of £1 each in the share capital of the company from time to time,

**'I' Shares** means the 'I' Ordinary Shares of £1 each in the share capital of the company from time to time,

**'J' Shares** means the 'J' Ordinary Shares of £1 each in the share capital of the company from time to time,

**'K' Shares** means the 'K' Ordinary Shares of £1 each in the share capital of the company from time to time,

**clear days** means (in relation to the period of a notice) that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect,

**conflicted director** means a director who has, or could have, a conflict in a situation involving the company and consequentially whose vote is not to be counted in any vote to authorise such conflict and who is not to be counted as participating in the quorum for the meeting (or part of the meeting) at which such matter is to be voted upon,

**Controlling Interest** means an interest in any shares in the capital of the company conferring in the aggregate more than 50 per cent of the total voting rights conferred by all the shares in the capital of the company from time to time in issue and conferring the right to vote at all general meetings of the company,

**Cross Option Agreement** means an agreement entered into on or around the date that these articles were adopted by the company between the then holder of the 'A' Shares, the then holder of the 'B' Shares, the then holder of the 'K' Shares and the company,

**deemed transfer notice** means a transfer notice deemed to be given under any provision of these articles or any Relevant Agreement,

**holder** in relation to shares means the person whose name is entered in the register of members as the holder of the shares or, in the case of a share in respect of which a share warrant has been issued (and not cancelled), the person in possession of that warrant,

**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,

**non-conflicted directors** means any director who is not a conflicted director,

**Ordinary Shares** means the 'A' Shares, the 'B' Shares, the 'C' Shares, the 'D' Shares, the 'E' Shares, the 'F' Shares, the 'G' Shares, the 'H' Shares, the 'I' Shares, the 'J' Shares and the 'K' Shares together,

**partly-paid** in relation to a share means that part of that share's nominal value or any premium at which it was issued has not been paid to the company,

**Relevant Agreement** means any agreement relating (on whole or in part) to the

management and/or affairs of the company which is binding from time to time on the company and the member and which (expressly or by implication) supplements and/or prevails over any provision of these articles and including for the avoidance of doubt the Cross Option Agreement,

**Representatives** means, in relation to a member, any person or persons who have become entitled to his shares in consequence of his death, bankruptcy or mental incapacity,

**Share** means a share in the capital of the company of whatever class,

**United Kingdom** means Great Britain and Northern Ireland, and

1 2 Save as otherwise specifically provided in these articles, words and expressions which have particular meanings in the Model Articles shall have the same meanings in these articles, subject to which and unless the context otherwise requires, words and expressions which have particular meanings in the Companies Act 2006 as in force on the date when these articles become binding on the company shall have the same meanings in these articles

1.3 Headings in these articles are used for convenience only and shall not affect the construction or interpretation of these articles

1 4 Unless expressly provided otherwise, a reference to a statute, statutory provision or subordinate legislation is a reference to it as it is in force from time to time and shall include any orders, regulations or subordinate legislation from time to time made under it and any amendment or re-enactment of it or any such orders, regulations or subordinate legislation for the time being in force

1.5 Any phrase introduced by the terms 'including', 'include', 'in particular' or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding or following those terms

1 6 The Model Articles shall apply to the company, except in so far as they are modified or excluded by these articles

1.7 Articles 7, 8, 11(2) and (3), 13(2), 14(1) to (4) inclusive, 17(2), 19(5), 21, 26(5), 44(4), 45(1), 46(3), 52 and 53 of the Model Articles shall not apply to the company

## 2. **Director's general authority**

Article 3 of the Model Articles shall be amended by the insertion of the words 'and to the applicable provisions for the time being of the Companies Act', after the phrase 'subject to the articles'

## 3. **Change of Company name**

the directors may resolve in accordance with these articles to change the

company's name

#### **4. Committees**

Where a provision of the articles refers to the exercise of a power, authority or discretion by the directors and that power, authority or discretion has been delegated by the directors to a committee, the provision shall be construed as permitting the exercise of power, authority or discretion by the committee

#### **5. Directors to take decisions collectively**

5 1 The general rule about decision-making by directors is that any decision of the directors must be taken as a majority decision at a meeting or as a directors' written resolution in accordance with these articles or otherwise as a unanimous decision taken in accordance with these articles

5 2 If the company only has one director for the time being, and no provision of the articles requires it to have more than one director, the general rule does not apply, and the director may (for so long as he remains the sole director) take decisions without regard to any of the provisions of the articles relating to directors' decision-making

5.3 Subject to the articles, each director participating in a directors' meeting has one vote

#### **6. Directors' written resolutions**

6 1 Any director may propose a directors' written resolution by giving notice in writing of the proposed resolution to each of the other directors (including alternate directors)

6 2 If the company has appointed a company secretary, the company secretary must propose a directors' written resolution if a director so requests by giving notice in writing to each of the other directors (including alternate directors)

6 3 Notice of a proposed directors' written resolution must indicate

6 3 1 the proposed resolution, and

6.3 2 the time by which it is proposed that the directors should adopt it

6 4 A proposed directors' written resolution is adopted when a majority of the non-conflicted directors (or their alternates) have signed one or more copies of it, provided that those directors (or their alternates) would have formed a quorum at a directors' meeting were the resolution to have been proposed at such meeting

6.5 Once a directors' written resolution has been adopted, it must be treated as if it had been a decision taken at a directors' meeting in accordance with the articles

#### **7. Unanimous decisions**

7 1 A decision of the directors is taken in accordance with this article when all non-

- conflicted directors indicate to each other by any means that they share a common view on a matter
- 7 2 A decision may not be taken in accordance with this article if the non-conflicted directors would not have formed a quorum at a directors' meeting had the matter been proposed as a resolution at such a meeting
- 7 3 Once a directors' unanimous decision is taken in accordance with this article it must be treated as if it had been a decision taken at a directors' meeting in accordance with the articles
- 8. Calling a directors' meeting**
- 8 1 Article 9 of the Model Articles shall be amended by
- 8 1 1 inserting the words 'each of' before the words 'the directors'
- 8.1.2 by inserting the phrase '(including alternate directors), whether or not he is absent from the UK,' after the words 'the directors'
- 8.1.3 by inserting the words, 'subject to article 9(4)' at the beginning of article 9(3) of the Model Articles, and
- 8 1 4 by inserting the words 'prior to or up to and including' before the words 'not more than seven days' in article 9(4) of the Model Articles
- 9. Chairman's casting vote at director's meeting**
- Article 13(1) of the Model Articles shall be amended by insertion of the words 'at the meeting of directors' after the word 'proposal' and by the deletion of the word 'has' and the insertion of the words 'shall not have' in its place
- 10. Quorum for directors' meetings**
- 10.1 Subject to article 10 2 and article 15 the quorum for the transaction of business at a meeting of directors may be fixed from time to time by a decision of the directors but it must never be less than two directors, and unless otherwise fixed it is two A person who holds office only as an alternate directors shall, if his appointor is not present, be counted in the quorum If and so long as there is a sole director, he may exercise all the powers and authorities vested in the directors by these articles and accordingly the quorum for the transaction of business in these circumstances shall be one
- 10 2 For the purposes of any meeting (or part of a meeting) held pursuant to these articles to authorise a director's conflict, if there is only one non-conflicted director in office in addition to the conflicted director(s), the quorum for such meeting (or part of a meeting) shall be one non-conflicted director
- 11. Directors' conflicts of interest**
- 11 1 For the purposes of this article, a conflict of interest includes a conflict of duties,

and interest includes both direct and indirect interests

*Situational Conflicts of Interest*

- 11 2 The directors may, in accordance with the requirements set out in this article, authorise any matter proposed to them by any director which would, if not authorised, involve a director breaching his duty under section 175 of the Companies Act 2006 to avoid situations in which he has, or could have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the company (such conflict of interest being hereinafter referred to as a 'Conflict of Interest')
- 11 3 A director seeking authorisation in respect of a Conflict of Interest shall declare to the other directors the nature and extent of his interest in a Conflict of Interest as soon as is reasonably practicable. The director shall provide the other directors with such details of the relevant matter as are necessary for the other directors to decide how to address the Conflict of Interest, together with such other information as may reasonably be requested by the other directors
- 11.4 Any authorisation under this article will be effective only if
- 11.4.1 the matter in question shall have been proposed by any director for consideration at a meeting of directors in the same way that any other matter may be proposed to the directors under the provisions of these articles or in such other manner as the directors may determine,
- 11 4 2 any requirement as to the quorum at any meeting of the directors at which the matter is considered is met without counting the director in question and any other conflicted director(s), and
- 11 4 3 the matter was agreed to without the director and any other conflicted director(s) voting or would have been agreed to if their votes had not been counted
- 11 5 Any authorisation of a Conflict of Interest under this article may (whether at the time of giving the authorisation or subsequently)
- 11.5.1 extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the Conflict of Interest so authorised,
- 11 5 2 be subject to such terms and for such duration, or impose such limits or conditions as the directors may determine, or
- 11 5 3 be terminated or varied by the directors at any time
- Provided that this will not affect anything done by the director prior to such termination or variation in accordance with the terms of the authorisation
- 11.6 In authorising a Conflict of Interest the directors may decide (whether at the time of giving the authorisation or subsequently) that if a director has obtained any

- information through his involvement in the Conflict of Interest otherwise than as a director of the company and in respect of which he owes a duty of confidentiality to another person the director is under no obligation to
- 11.6 1 disclose such information to the directors or to any director or other officer or employee of the company, or
  - 11 6 2 use or apply any such information in performing his duties as a director, where such disclosure or application would amount to a breach of that confidence
  - 11 7 Where the directors authorise a Conflict of Interest they may provide, without limitation (whether at the time of giving the authorisation or subsequently) that the director
    - 11 7 1 is excluded from discussions (whether at meetings of directors or otherwise) related to the Conflict of Interest,
    - 11.7 2 is not given any documents or other information relating to the Conflict of Interest,
    - 11 7 3 may or may not vote (or may or may not be counted in the quorum) at any future meeting of directors in relation to any resolution relating to the Conflict of Interest
  - 11 8 Where the directors authorise a Conflict of Interest
    - 11.8.1 the director will be obliged to conduct himself in accordance with any terms, limits and/or conditions imposed by the directors in relation to the Conflict of Interest,
    - 11 8 2 the director will not infringe any duty he owes to the company by virtue of sections 171 to 177 of the Companies Act 2006 provided he acts in accordance with such terms, limits and/or conditions (if any) as the directors impose in respect of its authorisation
- Conflicts of Interest arising in relation to transactions or arrangements with the company*
- 11 9 Subject to the applicable provisions for the time being of the Companies Acts and to any terms, limits and/or conditions imposed by the directors in accordance with this article, and provided that he has disclosed to the directors the nature and extent of any interest of his in accordance with the Companies Acts, a director notwithstanding his office
    - 11.9 1 may be a party to, or otherwise interested in, any contract, transaction or arrangement with the company or in which the company is otherwise interested,
    - 11 9 2 shall be counted as participating for voting and quorum purposes in any decision in connection with any proposed or existing transaction or arrangement with the company, in which he is in any way directly or indirectly interested,
    - 11.9 3 may act by himself or his firm in a professional capacity for the company

- (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a director, and
- 11 9 4 may be a director or other officer of, or employed by, or a party to any contract, transaction or arrangement with, or otherwise interested in, any body corporate promoted by the company or in which the company is otherwise interested
- 11 10 A director is not required, by reason of being a director (or because of the fiduciary relationship established by reason of being a director), to account to the company for any remuneration, profit or other benefit which he receives as director or other officer or employee of the company's subsidiaries or of any other body corporate in which the company is interested or which he (or anyone connected with him (as defined in section 252 of the Companies Act 2006)) derives from or in connection with any such office or employment or from a relationship involving a Conflict of Interest which has been authorised by the directors or by the company in general meeting (subject in each case to any terms, limits or conditions attaching to that authorisation) or from any contract, transaction or arrangement with, or other interest in, the company or in which the company is otherwise interested and no contract, transaction or arrangement shall be liable to be avoided on such grounds nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the Companies Act 2006
- 11.11 For the purposes of this article, references to proposed decisions and decision-making processes include any directors' meeting or part of a directors' meeting
- 11 12 Subject to article 11 3, 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
- 11 13 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

## **12. Records of decisions to be kept**

Where decisions of the directors are taken by electronic means, such decisions shall be recorded by the directors in permanent form, so that they may be read with the naked eye



**13. Numbers of directors**

Unless otherwise determined by ordinary resolution, the number of directors (other than alternate directors) shall not be subject to any maximum but shall not be less than one

**14. Methods of appointing directors**

14 1 In any case where, as a result of death or bankruptcy, the company has no shareholders and no directors, the transmittee(s) of the last shareholder to have died or to have had a bankruptcy order made against him (as the case may be) shall have the right, by notice in writing, to appoint a person (including a transmittee who is a natural person) who is willing to act and is permitted to do so, to be a director

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

14 3 The holders of a majority of the 'A' Shares shall be entitled by notice in writing to the company to appoint not more than two directors and by like notice to remove such directors and at any time and from time to time by like notice to appoint any other person to be a director in the place of a director so removed. Any director so appointed shall be an 'A' Director

14 4 The holders of a majority of the 'B' Shares shall be entitled by notice in writing to the company to appoint not more than two directors and by like notice to remove any of such directors and at any time and from time to time by like notice to appoint any other person to be a director in place of a director so removed Any director so appointed shall be a 'B' Director

14 5 The holders of a majority of the 'A' Shares and the holders of a majority of the 'B' Shares shall be entitled together by notice in writing to the company to appoint one or more additional directors and any such additional director may be removed by notice in writing to that effect being given to the company by either the holders of a majority of the 'A' Shares or the holders of a majority of the 'B' Shares Any director so appointed shall be an Additional Director

14 6 A notice of appointment or removal of a director pursuant to this article 14 shall take effect upon lodgement at the company's registered office or on delivery to a meeting of the directors or on delivery to the secretary

14 7 Every director appointed pursuant to this article 14 shall hold office until he is either removed in manner provided by this article 14 or dies or vacates office and neither the company in general meeting nor the directors shall have power to fill

- any such vacancy
- 14 8 any director appointed pursuant to this article shall be at liberty from time to time to make such disclosure to his appointor(s) as to the business and affairs of the company and its subsidiaries as he shall in his absolute discretion determine
- 14 9 During periods when there are, for whatever reason, no 'A' Directors or, as the case may be, no 'B' Directors
- 14 9 1 Article 15 shall not apply, and
- 14 9 2 any matter which under these articles requires the approval, agreement or consent of the 'A' Directors or, as the case may be, the 'B' Directors (or any of them) shall not require such approval, agreement or consent
- 15. Proceedings of Directors**
- Except during periods when there are, for whatever reason, no 'A' Directors or no 'B' Directors
- 15 1 the quorum for the transaction of the business of the directors shall be two of whom one shall be an 'A' Director and one a 'B' Director, and
- 15 2 any committee of the directors shall include at least one 'A' Director and one 'B' Director and the quorum for the transaction of the business of any such committee shall be two of whom one shall be an 'A' Director and one of whom shall be a 'B' Director
- In the event that at any duly convened meeting of the directors or of any committee of the directors the meeting is not so quorate, or if during the meeting such a quorum ceases to be present, the meeting shall be adjourned to the same day in the next week at the same time and place (or to such other day, and at such other time and place as an 'A' Director and a 'B' Director may agree in writing) and at such adjourned meeting the quorum shall be any two directors
- 15 3 The chairman of any meeting of the directors or of any committee of the directors shall not be entitled to a second or casting vote
- 15 4 Unless otherwise agreed in writing by an 'A' Director and a 'B' Director in any particular case, at least seven clear days' notice in writing shall be given to each director of every meeting of the directors, except any absent from the United Kingdom from time to time who have (a) (in the case of a director) nominated an alternate or (b) failed to furnish the company with an address abroad to which such notices may be forwarded
- 15 5 Each such notice shall
- 15.5.1 be sent to the address notified from time to time by each director to the secretary (or, if there is none at that time, to all the other directors) at the relevant party's

- address for the service of such notices (or if no address has been so supplied, to his last known address),
- 15 5 2 contain an agenda specifying in reasonable detail the matters to be discussed at the relevant meeting,
- 15 5 3 if sent to an address outside the United Kingdom, be sent by courier, telex or facsimile transmission
- 15.6 Save as provided in article 15 5, any such notice may be delivered personally or by first class prepaid letter and shall be deemed to have been served if by delivery when delivered and if by first class letter 48 hours after posting
- 15.7 Except as may be agreed by an 'A' Director and a 'B' Director in any particular case, no business or resolution shall be transacted or passed at any meeting of the directors except as was fairly disclosed in the agenda for such meeting
- 16. Termination of director's appointment**
- Article 18(c) of the Model Articles shall be amended by the addition of the words 'and the company resolves that his office be vacated' at the end of the sub-article
- 17. Directors' expenses**
- Article 20 of the Model Articles shall be amended by insertion of the words '(including alternate directors) and the secretary (if any)' before the words 'properly incur'
- 18. Appointment and removal of alternate directors**
- 18.1 Any director (hereinafter referred to as 'appointor') may appoint as an alternate any other director, or any other person approved by resolution of the directors, to
- 18 2 exercise that director's powers, and
- 18.3 carry out that director's responsibilities,
- in relation to the taking of decisions by the directors in the absence of the alternate's appointor
- 18 4 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
- 18 5 The notice must
- 18.5.1 identify the proposed alternate, and
- 18 5 2 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
- 19. Rights and responsibilities of alternate directors**
- 19.1 An alternate director may act as alternate director to more than one director and

- has the same rights in relation to any decision of the directors as the alternate appointor
- 19 2 Except as the articles specify otherwise, alternate directors
- 19 2 1 are deemed for all purposes to be directors,
- 19.2 2 are liable for their own acts and omissions,
- 19 2 3 are subject to the same restrictions as their appointors (including those set out in sections 172 to 177 CA 2006 inclusive and these articles), and
- 19.2 4 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
- 19 3 A person who is an alternate director but not a director
- 19 3 1 may be counted as participating for the purposes of determining whether a quorum is present (but only if that person's appointor is not participating and provided that no alternate may be counted as more than one director for these purposes),
- 19 3.2 may participate in a unanimous decision of the directors (but only if his appointor does not participate), and
- 19 3 3 may sign a written resolution (but only if it is not signed or to be signed by that person's appointor)
- 19.4 A director who is also an alternate director is entitled, in the absence of any of his appointors, to a separate vote on behalf of that appointor, in addition to his own vote on any decision of the directors but he shall count as only one for the purpose of determining whether a quorum is present
- 19.5 An alternate director is not entitled to receive any remuneration from the company for serving as an alternate director except such part of the alternate's appointor's remuneration as the appointor may direct by notice in writing made to the company
- 20. Termination of an alternate directorship**
- 20 1 An alternate director's appointment as an alternate for any appointor terminates
- 20.2 when that appointor revokes the appointment by notice to the company in writing specifying when it is to terminate,
- 20.3 when notification is received by the company from the alternate that the alternate is resigning as alternate for that appointor and such resignation has taken effect in accordance with its terms,
- 20 4 on the occurrence, in relation to the alternate, of any event which, if it occurred in

- relation to that appointor, would result in the termination of that appointor's appointment as a director,
- 20 5 on the death of that appointor, or
- 20.6 when the alternate's appointor's appointment as a director terminates

**21. Appointment and removal of secretary**

The directors may appoint any person who is willing to act as the secretary for such term, at such remuneration, and upon such conditions as they may think fit and from time to time remove such person and, if the directors so decide, appoint a replacement, in each case by a decision of the directors

**22. Share Capital and variation of class rights**

- 22.1 The share capital of the company shall be divided into 'A' Ordinary shares of £1 each, 'B' Ordinary shares of £1 each, 'C' Ordinary shares of £1 each, 'D' Ordinary shares of £1 each, 'E' Ordinary shares of £1 each, 'F' Ordinary shares of £1 each, 'G' Ordinary shares of £1 each, 'H' Ordinary shares of £1 each, 'I' Ordinary shares of £1 each, 'J' Ordinary shares of £1 each and 'K' Ordinary shares of £1 each and all classes of shares shall rank pari passu except

**Dividends**

The holders of the 'K' Shares shall be entitled to receive out of the profits of the company available for distribution and from time to time determined by the Directors to be distributed by way of dividend an annual fixed non-cumulative dividend of 1 5% per cent per annum over the Bank of England base rate up to a maximum of 6% (i.e. a maximum of 4 5% with 1 5% above the base rate). The dividends payable on the 'K' Shares are at the discretion of the directors and dependent on distributable reserves and the payment is not guaranteed All other shares shall rank pari passu for dividends except to the extent determined by the directors

**As regards voting**

The 'K' Shares shall not entitle the holders thereof to receive notice of or to attend and vote (either in person or by proxy) at any General Meeting of the company unless the business of the General Meeting includes the consideration of a Resolution for winding up the company or a Resolution altering or abrogating any of the rights, privileges, limitations and restrictions attached to the 'K' Shares as appropriate but so that in the event of the 'K' Shares entitling the holders thereof to attend at a Meeting by virtue only of this sub-paragraph such holders shall have the right to vote at such Meeting in respect of the 'K' Shares held by them only on a resolution of the nature hereinbefore described, in which event holders

of the 'K' Shares as appropriate shall have one vote on a show of hands and on a poll one vote in respect of every 'K' Share held by them respectively

**As regards capital**

The value attributable to the 'K' Shares shall at all times and for all purposes be equal to their nominal value

22 2 Whenever the capital of the company is divided into different classes of shares, the special rights attached to any 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 of the holders of the issued shares of that class given in accordance with the following article

22 3 The consent of the holders of a class of shares may be given by

22 3 1 a special resolution passed at a separate general meeting of the holders of the issued shares of that class, or

22 3 2 a written resolution in any form signed by or on behalf of the holders of three-quarters in nominal value of the issued shares of that class, but not otherwise

22.4 To every such meeting, all the provisions of these articles and the Companies Act 2006 relating to general meetings of the company shall apply (with such amendments as may be necessary to give such provisions efficacy) but so that the necessary quorum shall be two holders of shares of the relevant class or one holder if there is only one holder present in person or by proxy and holding or representing not less than one third in nominal value of the issued shares of the relevant class, so that every holder of shares of the class shall be entitled on a poll to one vote for every such share held by him, and so that any holder of shares of the class, present in person or by proxy or (being a corporation) by a duly authorised representative, may demand a poll. If at any adjourned meeting of such holders such a quorum as aforesaid is not present, not less than one holder who is present in person or by proxy or (being a corporation) by a duly authorised representative shall be a quorum

22 5 For the purposes of sub-articles 22 3 and 22.4 only the 'C' Shares, 'D' Shares, 'E' Shares, 'F' Shares, 'G' Shares, 'H' Shares, 'I' Shares and 'J' Shares shall be treated as one class of shares

**23. Further issues of shares: authority**

23 1 The following paragraphs of this article shall not apply to a private company with only one class of shares

23.2 Subject to the preceding paragraph and save to the extent authorised by these articles, or authorised from time to time by an ordinary resolution of the

- shareholders, the directors shall not exercise any power to allot shares or to grant rights to subscribe for, or to convert any security into, any shares in the company
- 23 3 Subject to the remaining provisions of this article and to the following article (Further issues of shares pre-emption rights) and to any directions which may be given by the company in general meeting, the directors are generally and unconditionally authorised, for the purposes of section 551 of the Companies Act 2006 to exercise any power of the company to
- 23 3 1 offer or allot,
- 23.3.2 grant rights to subscribe for or to convert any security into,
- 23 3 3 otherwise create, deal in, or dispose of, any shares in the company to any person, at any time and subject to any terms and conditions as the directors think proper
- 23 4 The authority referred to in this article
- 23 4 1 shall only apply insofar as the company has not renewed, waived or revoked it by ordinary resolution, and
- 23 4 2 may only be exercised for a period of five years commencing on the date on which the company is incorporated or these articles are adopted whichever is the later, save that the directors may make an offer or agreement which would, or might, require shares to be allotted after the expiry of such authority (and the directors may allot shares in pursuance of an offer of agreement as if such authority had not expired)
- 24. Further issues of shares: pre-emption rights**
- 24 1 In accordance with section 567(1) of the Companies Act 2006, sections 561 and 562 of the Companies Act 2006 shall not apply to an allotment of equity securities (as defined in section 560(1) of the Companies Act 2006) made by the company
- 24.2 After a period of one month from the date of incorporation has elapsed, unless otherwise agreed by special resolution, if the company proposes to allot any equity securities, those equity securities shall not be allotted to any person unless the company has first offered them to all shareholders on the date of the offer on the same terms, and at the same price, as those equity securities are being offered to such other person on a pari passu basis and pro rata to the nominal value of shares held by those shareholders (as nearly as possible without involving factions)
- 24 3 The offer
- 24 3 1 shall be in writing, shall be open for acceptance for a period of fifteen working days from the date of the offer and shall give details of the number and subscription price of the relevant equity securities, and

24 3.2 may stipulate that any shareholder who wishes to subscribe for a number of equity securities in excess of proportion to which he is entitled shall, in his acceptance, state the number of excess equity securities (hereinafter referred to as 'Excess Securities') for which he wishes to subscribe

24 4 Any equity securities not accepted by shareholders pursuant to the offer made to them in accordance with these articles shall be used for satisfying any requests for Excess Securities made pursuant to the preceding article. If there are insufficient Excess Securities to satisfy such requests, the Excess Securities shall be allotted to the applicants as nearly as practicable in the proportion that the number of Excess Securities each shareholder indicated he would accept bears to the total number of Excess Securities applied for (as nearly as possible without involving fractions or increasing the number of Excess Securities allotted to any shareholder beyond that applied for by him). After that allotment, any Excess Securities remaining shall be offered to any person as the directors may determine, at the same price and on the same terms as the offer to the shareholders.

## **25. Company's lien over shares**

25 1 The company has a lien (hereinafter referred to as the "company's lien") over every share, whether or not fully paid, which is registered in the name of any person indebted or under any liability to the company, whether he is the sole registered holder of the share or one of several joint holders, for all monies payable by him (either alone or jointly with any other person) to the company, whether payable immediately or at some time in the future and whether or not a call notice has been sent in respect of it.

25 2 The company's lien over a share

25 2.1 takes priority over any third party's interest in that share, and

25.2 2 extends to any dividend or other money payable by the company in respect of that share and (if the lien is enforced and the share is sold by the company) the proceeds of sale of that share.

25 3 The directors may at any time decide that a share which is or would otherwise be subject to the company's lien shall not be subject to it, either wholly or in part.

## **26. Enforcement of the company's lien**

26.1 Subject to the provisions of this article, if

26 1.1 a lien enforcement notice has been given in respect of a share, and

26 1 2 the person to whom the notice was given has failed to comply with it, the company may sell that share.



- 26 2 A lien enforcement notice
- 26 2 1 may only be given in respect of a share which is subject to the company's lien, in respect of which a sum is payable and the due date for payment of that sum has passed,
- 26 2 2 must specify the share concerned,
- 26 2 3 must be in writing and require payment of the sum payable within fourteen days of the notice,
- 26 2 4 must be addressed either to the holder of the share or to a transmittee or that holder, and
- 26 2 5 must state the company's intention to sell the share if the notice is not complied with
- 26 3 Where shares are sold under this article
- 26 3 1 the directors may authorise any person to execute an instrument of transfer of the shares to the purchaser or a person nominated by the purchaser, and
- 26 3.2 the transferee is not bound to see the application of the consideration, and the transferee's title is not affected by any irregularity in or invalidity of the process leading to the sale
- 26 4 The net proceeds of any such sale (after payment of the costs of sale and any other costs of enforcing the lien) must be applied
- 26.4.1 first, in payment of so much of the sum for which the lien exists as was payable at the date of the lien enforcement notice
- 26 4 2 second, to the person entitled to the shares at the date of the sale, but only after the certificate for the shares sold has been surrendered to the company for cancellation or an indemnity in a form reasonably satisfactory to the directors has been given for any lost certificates, and subject to a lien equivalent to the company's lien for any money payable (whether payable immediately or at some time in the future) as existed over the shares before the sale in respect of all shares registered in the name of such person (whether as the sole registered holder or as one of several joint holders) after the date of the lien enforcement notice
- 26 4 3 a statutory declaration by a director or the company secretary (if any) that the declarant is a director or the company secretary (as the case may be) and that a share has been sold to satisfy the company's lien on a specified date is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share, and subject to compliance with any other formalities of transfer required by articles or by law, constitutes a good title to the share

## **27. Call notices**

- 27 1 Subject to the articles and the terms on which shares are allotted, the directors may send a notice (hereinafter referred to as a 'call notice') to a shareholder requiring the shareholder to pay the company a specified sum of money (hereinafter referred to as a 'call') which is payable by that member to the company at the date when the directors decide to send the call notice
- 27.2 A call notice
  - 27.2.1 must be in writing,
  - 27 2 2 may not require a shareholder to pay a call which exceeds the total amount of his indebtedness or liability to the company,
  - 27.2.3 must state when and how any call to which it relates it is to be paid, and
  - 27 2.4 may permit or require the call to be paid by instalments
- 27 3 A shareholder must comply with the requirements of a call notice, but no shareholder is obliged to pay any call before fourteen days have passed since the notice was sent
- 27 4 Before the company has received any call due under a call notice the directors may
  - 27 4 1 revoke it wholly or in part, or
  - 27.4 2 specify a later time for payment than is specified in the notice, by a further notice in writing to the shareholder in respect of whose shares the call is made

## **28. Liability to pay calls**

- 28 1 Liability to pay a call is not extinguished or transferred by transferring the shares in respect of which it is required to be paid
- 28 2 Joint holders of a share are jointly and severally liable to pay all calls in respect of that share
- 28.3 Subject to the terms on which shares are allotted, the directors may, when issuing shares, provide that call notices sent to the holders of those shares may require them
  - 28 3 1 to pay calls which are not the same, or
  - 28 3 2 to pay calls at different times

## **29. When call notice need not be issued**

- 29 1 A call notice need not be issued in respect of sums which are specified, in the terms on which a share is issued, as being payable to the company in respect of that share
  - 29 1 1 on allotment,

29 1 3 on the occurrence of a particular event, or  
29.1.4 on a date fixed by or in accordance with the terms of issue  
29 2 But if the due date for payment of such a sum has passed and it has not been paid, the holder of the share concerned is treated in all respects as having failed to comply with a call notice in respect of that sum, and is liable to the same consequences as regards the payment of interest and forfeiture

**30. Failure to comply with call notice: automatic consequences**

30 1 If a person is liable to pay a call and fails to do so by the call payment date  
30 1.1 the directors may issue a notice of intended forfeiture to that person, and  
30 1 2 until the call is paid, that person must pay the company interest on the call from the payment date at the relevant rate  
30.2 For the purposes of this article  
30 2 1 the 'call payment date' is the time when the call notice states that a call is payable, unless the directors give a notice in writing specifying a later date, in which case the call payment date is that later date,  
30 2 2 the 'relevant rate' is  
30 2 3 the rate fixed by the terms on which the share in respect of which the call is due was allotted,  
30.2 4 such other rate as was fixed in the call notice which required payment of the call, or has otherwise been determined by the directors, or  
30.2 5 if no rate is fixed in either of these ways, five per cent (5%) per annum  
30 3 The relevant rate must not exceed by more than five percentage points the base lending rate most recently set by the Monetary Policy Committee of the Bank of England in connection with its responsibilities under Part 2 of the Bank of England Act 1998  
30.4 The directors may waive any obligation to pay interest on a call wholly or in part

**31. Notice of intended forfeiture**

31 1 A notice of intended forfeiture  
31 1 1 must be in writing,  
31 1 2 may be sent in respect of any share in respect of which a call has not been paid as required by a call notice,  
31 1 3 must be sent to the holder of that share (or, in the case of joint holders of a share to any joint owner) or to a transmittee of that holder in accordance with these articles  
31 1 4 must require payment of the call and any accrued interest and all expenses that may have been incurred by the company by reason of such non-payment by a

- date which is not less than fourteen days after the date of the notice
- 31 1 5 must state how the payment is to be made, and
- 31 1 6 must state that if the notice is not complied with, the shares in respect of which the call is payable will be liable to be forfeited

**32. Directors' power to forfeit shares**

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

**33. Effect of forfeiture**

- 33 1 Subject to the articles, the forfeiture of a share extinguishes,
- 33 1.1 all interests in that share, and all claims and demands against the company in respect of it, and
- 33.1 2 all other rights and liabilities incidental to the share as between the person whose share it was prior to the forfeiture and the company
- 33.2 Any share which is forfeited in accordance with the articles
- 33.2 1 is deemed to have been forfeited when the directors decide that it is forfeited,
- 33 2 2 is deemed to be the property of the company, and
- 33 2 3 may be sold, re-allotted or otherwise disposed of as the directors think fit
- 33 3 If a person's shares have been forfeited
- 33.3 1 the company must send that person written notice that forfeiture has occurred and record it in the register of members,
- 33 3 2 that person ceases to be a shareholder in respect of those shares,
- 33 3.3 that person must surrender the certificate for the shares forfeited to the company for cancellation,
- 33.3 4 that person remains liable to the company for all sums payable by that person under the articles at the date of forfeiture in respect of those shares, including any interest (whether accrued before or after the date of forfeiture), and
- 33 3 5 the directors may waive payment of such sums wholly or in part or enforce payment without any allowance for the value of the shares at the time of forfeiture or for any consideration received on their disposal
- 33 4 At any time before the company disposes of a forfeited share, the directors may decide to cancel the forfeiture on payments of all calls and interest due in respect of it and on such other terms as they may think fit

**34. Procedure following forfeiture**

- 34 1 If a forfeited share is to be disposed of by being transferred, the company may receive the consideration for the transfer and the directors may authorise any person to execute the instrument of transfer
- 34 2 A statutory declaration by a director or the company secretary (if any) that the declarant is a director or the company secretary (as the case may be) and that a share has been forfeited on a specified date
- 34 2.1 is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share, and
- 34 2.2 subject to compliance with any other formalities of transfer required by the articles or by law, constitutes a good title to the share
- 34 3 A person to whom a forfeited share is transferred is not bound to see to the application of the consideration (if any) nor is that person's title to the share affected by any irregularity in or invalidity of the process leading to the forfeiture or transfer of the share
- 34.4 If the company sells a forfeited share, the person who held it prior to its forfeiture is entitled to receive from the company the proceeds of such sale, net of any commission, and excluding any amount which
- 34 4.1 was, or would have become, payable, and
- 34 4.2 had not, when that share was forfeited, been paid by that person in respect of that share,
- 34 4 3 but no interest is payable to such a person in respect of such proceeds and the company is not required to account for any money earned on them
- 35. Surrender of shares**
- 35.1 A shareholder may surrender any share
- 35 1 1 in respect of which the directors may issue a notice of intended forfeiture,
- 35.1.2 which the directors may forfeit, or
- 35.1 3 which has been forfeited
- 35 2 The directors may accept the surrender of any share
- 35.3 The effect of surrender on a share is the same as the effect of forfeiture on that share
- 35 4 A share which has been surrendered may be dealt with in the same way as a share which has been forfeited
- 36. Payment of commission on subscription for shares**
- 36 1 The company may pay any person a commission in consideration for that person
- 36 1.1 subscribing, or agreeing to subscribe, for shares, or
- 36 1 2 procuring, or agreeing to procure, subscriptions for shares

- 36 2 Any such commission may be paid
- 36 2.1 in cash, or in fully paid or partly paid shares or other securities or partly in one way and partly in the other, and
- 36.2.2 in respect of a conditional or an absolute subscription
- 37. Share certificates**
- 37 1 Article 24(2)(c) of the Model Articles shall be amended by
- 37.2 the deletion of the word 'that' and the word 'fully' and the insertion of the words 'extent to which the' before the word 'shares', and
- 37 3 the insertion of the word 'up' before the semi colon at the end of this Model Article 24(2)(c)
- 38. Transfer of shares**
- 38 1 No member shall dispose of any interest in, or right attaching to, or renounce or assign any right to receive or subscribe for any share (save as may be required in pursuance of his obligations under these articles or any Relevant Agreement) or create or permit to exist any charge, lien, encumbrance or trust over any share or agree (whether subject to any condition precedent, condition subsequent or otherwise) to do any of such things except (but subject always to paragraph 38 6 and article 41)
- 38.1.1 as permitted by article 39,
- 38.1 2 pursuant to the acceptance of a written offer as mentioned in article 40.16,
- 38.2 If a member at any time attempts to deal with or dispose of a share or any interest therein or right attaching thereto otherwise than as permitted by these articles he shall be deemed immediately prior to such attempt to have given a transfer notice in respect of such share
- 38.3 For the purpose of ensuring that a particular transfer of shares is permitted hereunder the directors may require the transferor or the person named as transferee in any transfer lodged for registration to furnish the company with such information and evidence as the directors may think necessary or relevant. Failing such information or evidence being furnished to the satisfaction of the directors within a period of 28 days after such request the directors shall be entitled to refuse to register the transfer in question
- 38 4 Where a transfer notice in respect of any share is deemed to have been given under any provision of these articles or under any Relevant Agreement and the circumstances are such that the directors (as a whole) are unaware of the facts giving rise to the same such transfer notice shall be deemed to have been received by the directors on the date on which the directors (as a whole) actually

- become aware of such facts and the provisions of article 40 shall apply accordingly
- 38.5 A deemed transfer notice shall be deemed not to contain a Total Transfer Condition (as defined in article 40) and shall not be revocable
- 38 6 The directors shall not refuse to register any transfer of a share which is permitted under these articles but may in their absolute discretion and without assigning any reason therefor, decline to register any transfer of any share which would otherwise be permitted hereunder if it is a transfer
- 38 6 1 of a share on which the company has a lien,
- 38 6.2 of a share (not being a fully paid share) to a person of whom they shall not approve and shall in any event decline to register the transfer of a share which is prohibited by any Relevant Agreement
- 38 7 If a member or any of his Representatives becomes aware of any event which is deemed to give rise to an obligation to serve a transfer notice he shall forthwith give notice thereof to the directors
- 38 8 The election by the Representatives of a member to become the registered holders of any share shall be permitted by the directors and shall not give rise to any obligation to serve a transfer notice in respect of such share
- 38.9 Whenever a share is transferred to a member holding shares only of another class such first mentioned share shall Ipso facto and forthwith be converted into and re-designated as a share of such other class
- 39. Permitted Transfers**
- 39.1 A member may at any time transfer all or any of his shares
- 39 1 1 to any other member holding shares of the same class, or
- 39 1 2 in the case of a member being a nominee, to the person who is the beneficial owner or to a person to whom the beneficial owner, if he were registered as the holder, would have been entitled to transfer his shares in accordance with this article, provided that the provision of this paragraph shall not apply in circumstances where the beneficial owner is in contravention of any of the provisions of these articles or any Relevant Agreement
- 39.1.3 to any person with the prior written consent of the holders of not less than 98% by value of the Ordinary Shares in the company but excluding the holders of the 'K' shares
- 39 1 4 pursuant to the exercise of any option contained in the Cross Option Agreement
- 39 2 The Representatives of a member may at any time transfer all or any of the shares to which they are entitled to any person to whom the registered holder

- would be permitted to transfer the same under these articles
- 39 3 If the Representatives of a member are permitted under these articles to become registered as the holders of any such member's shares and elect so to do then such shares may at any time be transferred by those Representatives to any person to whom under this article the same could have been transferred by such member if he had remained the holder thereof, but no other transfer of such shares by the Representative shall be permitted under this article
- 39 4 Unless all the members otherwise agree, no transfer of any share permitted by this article shall be made during the active period of any transfer notice or deemed transfer notice in respect of such share (and for this purpose 'active period' in respect of a given notice means the period from time to time of its service until the time when no member has any further rights or obligations, directly or indirectly, pursuant to that notice)
- 40. Pre-emption Rights**
- 40.1 Except for a transfer of shares which is permitted under these articles as mentioned in article 38.1, no share shall be transferred until the following conditions of this article are complied with
- 40 1 1 Any member proposing to transfer a share ('the proposing transferor') shall give notice in writing ('transfer notice') to the directors that the proposing transferor desires to transfer such share. In the transfer notice the proposing transferor shall specify the number and class of shares which the proposing transferor wishes to transfer ('the Transfer Shares') (which may be all or part only of the shares then held by the proposing transferor)
- 40.1 2 A transfer notice shall also state whether the proposing transferor wishes to impose a Total Transfer Condition (meaning a condition that unless all of the Transfer Shares are sold pursuant to the following provisions of this article none shall be so sold), but in the absence of such a statement the transfer notice shall be deemed not to contain a Total Transfer Condition. Any two or more members shall be entitled to serve a joint transfer notice (meaning a notice signed by each of them specifying the shares which they wish together to transfer) containing a Total Transfer Condition and such notice shall for all the purposes of this article take effect as if it were a single transfer notice and the Total Transfer Condition related to all the shares the subject of the joint transfer notice, but the obligations of those members thereunder or in respect thereof shall be several only in proportion to the number of Transfer Shares which they hold respectively
- 40 1 3 The transfer notice shall constitute the company (by its board of directors) as the



agent of the proposing transferor empowered to sell the Transfer Shares (together with all rights attaching thereto at the date of the transfer notice or at any time thereafter) at the Transfer Price (as hereinafter defined) on the terms of this article. Once given a transfer notice may not be revoked save with the prior written consent of all the other members.

40.2 Where a transfer notice is given in respect of more than one class of share it shall be deemed for the purposes of this article to comprise a number of separate transfer notices, one in respect of each such class. However, where the proposing transferor simultaneously serves transfer notices in respect of more than one class of shares he may stipulate in such notices by reference to this paragraph of this article that any Total Transfer Condition shall apply to all of such shares and not merely to one class only.

40.3 Within seven days after the receipt of any transfer notice the directors shall serve a copy of that transfer notice on all the members other than the proposing transferor. In the case of a deemed transfer notice the directors shall similarly serve notice on all the members (including the proposing transferor), notifying them that the same has been deemed to have been given, within 3 months after

40.3.1 the date of the event giving rise to the deemed transfer notice, or

40.3.2 (if later) the date on which the directors (as a whole) actually become aware of such event.

40.4 Subject as provided otherwise in these articles or in any Relevant Agreement the Transfer Shares shall be offered for purchase (as herein provided) at a price per Transfer Share ('the Transfer Price') determined in accordance with paragraph 40.5.

40.5 The Transfer Price for 'K' Shares shall be their nominal value. The Transfer Price of all other shares shall be such price as shall be agreed in writing between the holders of not less than 98% by value of the Ordinary Shares in the company but excluding the holders of the 'K' Shares or in the absence of such agreement (whether by reason of disagreement, absence, death or otherwise) within 21 days after the service of notices pursuant to paragraph 40.3 the Transfer Price will be determined by an Independent Chartered Accountant of not less than ten years' standing ('the Expert') who shall be nominated by agreement between the holders of not less than 98% by value of the Ordinary Shares in the company but excluding the holders of the 'K' Shares or failing such nomination/agreement within 14 days after the request of any member to the others therefor nominated at the request of any member the President from time to time of the Institute of

Chartered Accountants in England and Wales. The Expert shall act as an expert and not as an arbitrator and his written determination shall be final and binding on the members

The Expert will certify

- (i) the net asset value of the company and its subsidiaries (if any) ('the Group') as at the date of the transfer notice and
- (ii) the Transfer Price

The Expert will certify the net asset value as aforesaid on the following assumptions and bases

- 40 5.2 valuing the net assets of the Group as on an arm's length sale between a willing vendor and a willing purchaser,
- 40 5 3 if any company in the Group is then carrying on business as a going concern, the continuing in business as a going concern of that company with assets being valued accordingly,
- 40 5 4 including provisions and adjustments for bad and doubtful debts and otherwise as the Expert may (on the same bases as those customarily applied in the previous audited accounts of the Group) consider appropriate but excluding any allowance or provision for deferred taxation,
- 40.5 5 the application in all other respects of principles and practices consistent with those customarily applied in the previous audited accounts of the Group unless inconsistent with any statement of Standard Accounting Practice published by the Consultative Committee of Accounting Bodies of England and Wales or applicable legislation, in which case the latter shall prevail

If any difficulty shall arise in applying any of the foregoing assumptions or bases then such difficulty shall be resolved by the Expert in such manner as he shall in his absolute discretion think fit

The Transfer Price per share for all Shares except 'K' Shares shall be a sum calculated in accordance with the following formula

$$((A/B) \times C) / D$$

where

A = the total nominal value of all the Transfer Shares

B = the total nominal value of all the Ordinary Shares excluding the 'K' Shares in the capital of the company in issue at the date of the transfer notice

C = the net asset value of the Group determined as aforesaid

D = the number of Transfer Shares

Where shares are to be transferred as a result of a deemed transfer notice

- pursuant to article 40.18 (unless the Relevant Event which triggers the deemed transfer notice was the death of the member pursuant to article 40.17.1.2) the Expert shall ignore the value of goodwill and other intangible assets in assessing the value of net assets and shall apply such discount factor as he deems appropriate to reflect a reduction in value because the relevant shares may constitute a minority interest in the company or may have limited voting rights. In all other cases the Expert shall include the value of goodwill and other intangible assets in assessing the value of net assets and shall not apply any discount factor to reflect the fact that the relevant shares may constitute a minority interest in the company
- The company will use its best endeavours to procure that the Expert determines the Transfer Price within 21 days of being requested so to do
- 40.6 If the determination of the Transfer Price is referred to the Expert the date of determination of the Transfer Price ('the Determination Date') shall be the date on which the directors receive the Expert's determination of the Transfer Price in writing. If the Transfer Price is determined by written agreement between all the members as aforesaid then the Determination Date shall be the date on which such agreement is made
- 40.7 The costs and expenses of the Expert in determining the Transfer Price and of his appointment shall be borne as to one half by the proposing transferor and as to the other half by the purchasers (as hereinafter defined) pro rata according to the number of Transfer Shares purchased by them unless none of the Transfer Shares are purchased pursuant to paragraphs 40.8, 40.9 or 40.11, in which event the proposing transferor shall pay all of such costs and expenses. In the case of default by a person in paying his due proportion of such costs and expenses any of the other contributors or (if the proposing transferor is solely responsible for such costs and expenses) the company may pay such sum in his stead and any payment made in so doing shall be recoverable from the defaulter as a debt payable on demand
- 40.8 Within 7 days after the Determination Date the Transfer Shares shall be offered for purchase at the Transfer Price by the directors to those members who at the date of the offer are registered as the respective holders of shares of the same class as the Transfer Shares (other than (a) the proposing transferor and (b) any member to whom under article 41 shares may not be transferred) in proportion to the number of shares of that class then held by them respectively. Every such offer shall be made in writing and shall specify

- (i) the total number of Transfer Shares,
  - (ii) the number of Transfer Shares offered to the member ('Pro Rata Entitlement')
  - (iii) whether or not the transfer notice contained a Total Transfer Condition and
  - (iv) a period (being not less than 14 days and not more than 21 days) within which the offer must be accepted or shall lapse, and shall be accompanied by a form of application for use by the member in applying for his Pro Rata Entitlement and for any shares in excess of such entitlement which he wishes to purchase
- Upon the expiry of the said offer period, the directors shall allocate the Transfer Shares in the following manner,
- 40.8.2 to each member who has agreed to purchase shares, his Pro Rata Entitlement or such lesser number of Transfer Shares for which he may have applied
  - 40 8 3 if any member has applied for less than his Pro Rata Entitlement, the excess shall be allocated to the members who have applied for any part of such excess in proportion to the number of shares of the class then held by them respectively (but without allocating to any member a greater number of Transfer Shares than the maximum number applied for by him) and any remaining excess shall be apportioned by applying this paragraph 40 8 3 without taking account of any member whose application has already been satisfied in full
  - 40.9 If and to the extent that the Transfer Shares are not accepted by a member or members holding shares of the same class as the Transfer Shares within the time limited for acceptance or if there are no other holders of shares of that class the directors shall (in the former case) within 7 days after the expiration of such time as aforesaid (and in the latter case) immediately, offer the Transfer Shares or so many thereof as have not been accepted as aforesaid (as the case may be) to members holding shares of any other class or classes (other than any member to whom under article 41 shares may not be transferred) and the provisions of paragraph 40 8 shall apply mutatis mutandis to such offer (save that in the case of competition the Transfer Shares shall be sold to the acceptors in proportion to the aggregate nominal value of the shares then held by each of them respectively)
  - 40.10 If any of the Transfer Shares shall not be capable of being offered or allocated as aforesaid without involving fractions, the same shall be offered to or allocated amongst the members, or some of them, in such proportions as may be determined by lots drawn in respect thereof, and the lots shall be drawn in such manner as the directors shall think fit
  - 40 11 1 if by the foregoing procedure the directors shall not receive acceptances from

- members in respect of all of the Transfer Shares within the period(s) of the aforesaid offer(s) they shall forthwith give notice in writing of that fact to all the members, whereupon the holders of at least three-quarters in nominal value of the issued share of the company (excluding the shares held by the proposing transferor and excluding the K Shares) shall be entitled within 14 days of the date of service of that notice to nominate (by giving notice in writing to the directors signed by each such holder or on his behalf and which may consist of several notices in the like form) any person or persons (whether or not a member) who has expressed his willingness in writing to purchase all or any of those Transfer Shares in respect of which acceptance have not been received at the Transfer Price as the purchaser(s) of such Transfer Shares (and the directors shall be deemed to have made an offer of such shares accordingly), Provided that if any such nominated purchaser shall fail to complete any such purchase in accordance with this article or to perform or discharge any of his other obligations hereunder the members (other than those who did not sign the aforesaid notice(s)) shall be jointly and severally liable to complete such purchase in place of that nominated purchaser and to perform and discharge all such other obligations
- 40.11.2 if the transfer notice in question contained a Total Transfer Condition then no offer of Transfer Shares made by the directors pursuant to this article shall be capable of acceptance until all of the Transfer Shares shall have been accepted by the members (or any of them) or any person or persons nominated pursuant to sub-paragraph 40 11 1. If by the foregoing procedure the directors shall not receive acceptances in respect of all the Transfer Shares within the period(s) of the aforesaid offer(s) they shall forthwith give notice in writing of that fact to the proposing transferor and none of the Transfer Shares will be sold to the members or any person or persons nominated as aforesaid (except as mentioned below) pursuant to this article. The proposing transferor may within a period of 3 months after the date of the directors' said notice sell all (but to some only) of the Transfer Shares to any person or persons (including any member) at any price which is not less than the Transfer Price (after deducting, where appropriate, any net dividend or other distribution to be retained by the proposing transferor)
- 40 12 If, by the foregoing procedure, the directors shall receive acceptances (or nominations) in respect of all the Transfer Shares the directors shall forthwith give notice in writing as hereinafter mentioned to the proposing transferor and to the member or members who have agreed to purchase the same (or to the person or persons nominated pursuant to paragraph 40 11 1 ('purchaser' or

- 'purchasers') and the proposing transferor shall thereupon become bound upon payment of the Transfer Price to the proposing transferor (whose receipt shall be a good discharge to the purchaser, the company and the directors therefor none of whom shall be bound to see to the application thereof) to transfer to each purchaser those Transfer Shares accepted by him. Every such notice shall state the name and address of each purchaser, the number of Transfer Shares agreed to be purchased by him and the place and time appointed by the directors for the completion of the purchase (being not less than 7 days nor more than 28 days after the date of the said notice and not being at a place outside England). Subject to the giving of such notice the purchase shall be completed at the time and place appointed by the directors
- 40.13 If the transfer notice in question did not contain a Total Transfer Condition and if by the foregoing procedure the directors shall receive acceptances in respect of none or part only of the Transfer Shares within the period(s) of the aforesaid offer(s) they shall forthwith give notice in writing of that fact to the proposing transferor, and the proposing transferor
- 40.13.1 shall thereupon become bound upon payment of the Transfer Price to transfer to each purchaser (if any) those Transfer Shares accepted by him and the provisions of paragraph 12 shall apply mutatis mutandis thereto
- 40.13.2 may within a period of 3 months after the date of the directors' said notice sell all or any of those Transfer Shares which have not been accepted as aforesaid to any person or persons (including any member) at any price which is not less than the Transfer Price (after deducting, where appropriate, the amount of any net dividend or other distribution to be retained by the proposing transferor)
- 40.14 If a proposing transferor, having become bound to transfer any Transfer Shares pursuant to this article, makes default in transferring the same the directors may authorise some person (who is (as security for the performance of the proposing transferor's obligations) hereby irrevocably and unconditionally appointed as the attorney of the proposing transferor for the purpose) to execute the necessary instrument of transfer of such Transfer Shares and may deliver it on his behalf and the company may receive the purchase money and shall thereupon (subject to such instrument being duly stamped) cause the transferee to be registered as the holder of such Transfer Shares and shall hold such purchase money on behalf of the proposing transferor. The company shall not be bound to earn or pay interest on any money so held and shall not pay such money to the proposing transferor until he shall have delivered his share certificates (or an appropriate

indemnity in respect of any lost certificates) to the company The receipt of the company for such purchase money shall be a good discharge to the transferee who shall not be bound to see to the application thereof, and after the name of the transferee has been entered in the register of members in purported exercise of the aforesaid power the validity of the proceedings shall to be questioned by any person

40 15 Without prejudice to the generality of article 38.3, the directors may require to be satisfied that any shares being transferred by the proposing transferor pursuant to either paragraph 40 11.2 or paragraph 40 13.2 are being transferred in pursuant of a bone fide sale for the consideration stated in the transfer and if not so satisfied may refuse to register the instrument of transfer

40.16 Notwithstanding the provisions of paragraphs 40 11.2 and 40 13 2, no transfer of any shares shall be made by the proposing transferor pursuant to either of those paragraphs or registered without the previous consent in writing of the holders of a majority of the 'B' Shares if it would result in a person or persons who was or were not a member or members of the company on the date of adopting of these articles (and any person or persons acting in concert (within the meaning of the City Code on Take-overs and Mergers) with him or them) obtaining direct or indirect control of a Controlling Interest unless, before the transfer is made, the proposed transferee(s) ('Buyer') make(s) a written offer (open for acceptance in England for a period of at least 30 days from its delivery, which shall be made personally on each of the members) to all the members to purchase all the shares in the capital of the company then in issue (at the same time and on the same terms and conditions for each member) at a price per share not less than the Transfer Price. Such offer shall not be made conditional upon all or any proportion of the members accepting it and shall be on terms that it may be accepted by each member in respect of the whole or any part of his holding of shares. No member (including the proposing transferor) shall complete any sale of shares to the Buyer unless the Buyer completes the purchase of all the shares agreed to be sold simultaneously

40 17 In this paragraph a 'Relevant Events' means:

40 17 1 in relation to any member being an individual

40.17 1 1 such member being adjudicated bankrupt, or

40 17.1 2 such member dying,

40 17 2 in relation to a member being an individual who is on the date of adoption of these articles or the date upon which he first becomes a member connected with

- the company (except a holder of 'A' Shares or 'B' Shares to which this sub-article 40 17.2 shall not apply) such member ceasing to be connected with the company (otherwise than by reason of death) , and for these purposes an individual shall be treated as connected with the company if but only if and so long as he is a director or employee thereof of the company or of any subsidiary of the company,
- 40 17 3 in relation to a member being a body corporate
- 40 17 3 1 a member making any voluntary arrangement or composition with his creditors,
- 40 17 3 2 a receiver, manager, administrative receiver or administrator being appointed of such member or over all or any part of its undertaking or assets, or
- 40.17.3 3 such member entering into liquidation (other than a voluntary liquidation for the purpose of a bona fide or solvent amalgamation or reconstruction), or
- 40 17 3 4 such member ceasing to be controlled (as defined by Section 840 of the Income and Corporation Taxes Act 1988) by the person(s) who controlled such member on the date on which it became a member of the company or on the date of adoption of these articles (whichever shall be later)
- 40.18 Upon the happening of any Relevant Event the member in question shall be deemed to have immediately given a transfer notice in respect of all the shares as shall then be registered in the name of such member
- 40 19 If the Relevant Event shall be the death or bankruptcy of a member, and if any of the shares which are offered pursuant to the deemed transfer notice shall not be sold to the members or any person or persons nominated pursuant to paragraph 40 11.1 ('the unsold shares') then, after the expiration of the period during which the unsold shares might have been purchased by a member or members or person or persons nominated as aforesaid pursuant thereto the Representatives of the member in question shall be entitled to elect at any time before the shares are disposed of by them to be registered themselves as the holders of the unsold shares (but so that such election shall not give rise to any obligation to serve a transfer notice in respect of the unsold shares)
- 40 20 An obligation to transfer a share under the provisions of this article 40 shall be deemed to be an obligation to transfer the entire legal and beneficial interest in such share free from any lien, charge or other encumbrance
- 40 21 The provisions of this article 40 may be waived in whole or in part in any particular case with the prior written consent of the holders of not less than 98% by value of the Ordinary Shares in the company but excluding the holders of the K Shares
- 40 22 If, under any of the provisions of this article, any members become jointly and



- severally liable to complete the purchase of any Transfer Shares in place of any nominated purchaser then as between such members each of them shall purchase such number thereof as shall bear to the total number of Transfer Shares in question the same proportion as the number of shares held by such member at the date of the relevant nomination bore to the total number of shares then held by all such members
- 40 23 Nothing in this article 40 shall in any way affect the transfer of any share pursuant to the exercise of any option contained in the Cross Option Agreement which shall prevail over the terms of this Article 40 to the extent of any conflict between the two
- 41. Prohibited Transfers**
- Notwithstanding any other provision of these articles, no transfer of any Share shall be registered if it is to any minor, undischarged bankrupt, trustee in bankruptcy or person of unsound mind
- 42. Transmission of shares**
- 42 1 Nothing in these articles releases the estate of a deceased shareholder from any liability in respect of a share solely or jointly held by that shareholder
- 42 2 Article 27(3) of the Model Articles shall be amended by the insertion of the words 'subject to the provisions of the company's articles', after the initial word 'But'
- 43. Transmittes bound by prior notices**
- Article 29 of the Model Articles shall be amended by the insertion of the words 'or the name of any person nominated under Model Article 27(2)' after the words 'transmittee's name'
- 44. Procedure for disposing of fractions of shares**
- 44 1 This article applies where
- there has been a consolidation or division of shares, and
- as a result, shareholders are entitled to fractions of shares
- 44 2 The directors may
- 44.2.1 sell the shares representing the factions to any person including the company for the best price reasonably obtainable,
- 44 2 2 authorise any person to execute an instrument of transfer of the shares to the purchaser or a person nominated by the purchaser, and
- 44.2.3 distribute the net proceeds of sale in due proportion among the holders of the shares
- 44.3 The person to whom the shares are transferred is not obliged to ensure that any purchase money is received by the person entitled to the relevant fractions

44.4 The transferee's title to the shares is not affected by any irregularity in or invalidity of the process leading to their sale

**45. Calculation of dividends**

45 1 Except as otherwise provided by the articles or the rights attaching to shares, all dividends must be

45.1 1 declared and paid according to the amounts or paid up on the shares on which the dividend is paid, and

45 1.2 apportioned and paid proportionately to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid

45 2 If any share is issued on terms providing that it ranks for dividend as from a particular date, that share ranks for dividend accordingly

45.3 If and so long as the share capital is divided into different classes of shares, the directors may, subject to the provisions of the Companies Act 2006, pay interim dividends at variable rates on the different classes of shares, and the company, on the recommendation of the Directors, may declare dividends at variable rates on the different classes of shares

**46. Deductions from distributions in respect of sums owed to the company**

46 1 If

46 1.1 a share is subject to the company's lien, and

46.1.2 the directors are entitled to issue a lien enforcement notice in respect of it,

46 1 3 they may, instead of issuing a lien enforcement notice, deduct from any dividend or other sum payable in respect of the share any sum of money which is payable to the company in respect of that share to the extent that they are entitled to require payment under a lien enforcement notice

46 2 Money so deducted must be used to pay any of the sums payable in respect of that share

46 3 The company must notify the distribution recipient in writing of

46.3 1 the fact and amount of any such deduction,

46.3.2 any non-payment of a dividend or other sum payable in respect of a share resulting from any such deduction, and

46 3 3 how the money deducted has been applied

**47. Authority to capitalise and appropriation of capitalised sums**

Article 36(4) of the Model Articles shall be amended by inserting the phrase 'in or towards paying up any amounts unpaid on existing shares held by the persons entitled, or' after the words 'may be applied'

**48. Convening general meetings**

The directors may call general meetings and, on the requisition of shareholders pursuant to the provisions of the Companies Act 2006, shall forthwith proceed to convene a general meeting in accordance with the Companies Act 2006. If there are not within the United Kingdom sufficient directors to call a general meeting, any director or the shareholders requisitioning the meeting (or any of them representing more than one half of the total voting rights of them all) may call a general meeting. If the company has only a single shareholder, such shareholder shall be entitled at any time to call a general meeting.

**49. Notice of general meetings**

49.1 General meetings (other than an adjourned meeting) shall be called by at least fourteen Clear Days' notice but a general meeting may be called by shorter notice if it is so agreed by a majority in number of the shareholders having a right to attend and vote, being a majority together holding not less than ninety per cent (90%) in nominal value of the shares at the meeting, giving that right.

49.2 The notice shall specify the time, date and place of the meeting, the general nature of the business to be transacted and the terms of any resolution to be proposed at it.

49.3 Subject to the provisions of these articles and to any restrictions imposed on any shares, the notice shall be given to all shareholders, to all persons entitled to a share in consequence of the death or bankruptcy of a shareholder (if the company has been notified of their entitlement) and to the directors, alternate directors and the auditors for the time being of the company.

49.4 The accidental omission to give notice of a meeting to or the non-receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate the proceedings at that meeting.

**50. Resolutions requiring special notice**

50.1 If the Companies Act 2006 requires special notice to be given of a resolution, then the resolution will not be effective unless notice of the intention to propose it has been given to the company at least twenty-eight Clear Days before the general meeting at which it is to be proposed.

50.2 Where practicable, the company must give the shareholders notice of the resolution in the same manner and at the same time as it gives notice of the general meeting at which it is to be proposed. Where that is not practicable, the company must give the shareholders at least fourteen Clear Days before the relevant general meeting by advertisement in a newspaper with an appropriate

- circulation
- 50 3 If, after notice to propose such a resolution has been given to the company, a meeting is called for a date twenty-eight days or less after the notice has been given, the notice shall be deemed to have been properly given, even though it was not given within the required by this article
- 51. Quorum for general meetings**
- No business shall be transacted at any meeting, unless a quorum is present Subject to section 318(2) of the Companies Act 2006, two qualifying persons (as defined in section 318(3) of the Companies Act 2006) entitled to vote upon the business to be transacted shall be a quorum, of which one shall be or represent a holder of any of the 'A' Shares and one shall be the or represent a holder of any 'B' Shares Provided that if the company has only a single shareholder, the quorum shall be one such qualifying person
- 52. Adjournment**
- Article 41(1) of the Model Articles shall be amended by inserting the following sentence at the end of the first sentence of that article 'If, at the adjourned meeting, a quorum is not present within half an hour from the time appointed for the meeting, the meeting shall be dissolved'
- 53. Voting: general**
- 53.1 Subject to any rights or restrictions attached to any shares, on a show of hands, every shareholder who (being an individual) is present in person or (being a corporation) is present by a duly authorised representative (unless the representative is himself a shareholder, in which case he shall have more than one vote) shall have one vote A proxy shall not be entitled to vote on a show of hands
- 53.2 No shareholder shall vote at any general meeting or at any separate meeting of the holders of any class of shares, either in person or by proxy, in respect of any share held by him unless all monies presently payable by him in respect of that share have been paid
- 53.3 In the case of joint holders the vote of the senior who tenders a vote shall be accepted to the exclusion of the votes of the other joint holders, and seniority shall be determined by the order in which the names of the holders stand in the register of members
- 53 4 Unless a poll is duly demanded, a declaration by the chairman that a resolution has been carried or carried unanimously, or by a particular majority, or lost, or not carried by a particular majority and an entry to that effect in the minutes of

the meeting shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution

**54. Poll Votes**

54.1 On a poll every shareholder 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 for every share of which he is the holder. On a poll, a shareholder entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way

54.2 Article 44(2) of the Model Articles shall be amended by the insertion of the following sub-paragraph as article 44(2)(e)

'a person or persons holding shares conferring a right to vote on the resolution on which not less than one tenth of the total sum paid up on all the shares conferring that right'

54.3 Article 44(3) of the Model Articles shall be amended by inserting the following sentence at the end of the article

'A demand so withdrawn shall not invalidate the results of a show of hands declared before the demand was made'

54.4 The result of the poll shall be deemed to be the resolution of the meeting at which the poll was determined

54.5 A poll demanded on the election of a chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken either forthwith or at such time and place as the chairman directs not being more than thirty 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. If a poll is demanded before the declaration of the result of a show of hands and the demand is duly withdrawn, the meeting shall continue as the demand had not been made

54.6 No notice need be given of a poll not taken forthwith 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

**55. Content of proxy notices**

55.1 Subject to the provisions of these articles, a shareholder is entitled to appoint another person as his proxy to exercise all or any of this rights to attend and to speak and vote at a general meeting. A shareholder may appoint more than one

- proxy in relation to a meeting, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder
- 55 2 Proxies may only validly be appointed by a notice in writing (a 'proxy notice') which
- 55 2 1 states the name and address of the shareholder appointing the proxy,
- 55 2 2 identifies the person appointed to be that shareholder's proxy and the general meeting in relation to which that person is appointed,
- 55 2.3 is signed by or on behalf of the shareholder appointing the proxy, or is authenticated in such manner as the directors may determine, and
- 55 2 4 is delivered to the company in accordance with the articles and in accordance with any instructions contained in the notice of the general meeting (or adjourned meeting) to which they relate and received by the company
- 55 2 4 1 subject to the following paragraphs of this article, in the case of a general meeting or adjourned meeting, not less than forty-eight hours before the time for holding the meeting or adjourned meeting at which the right to vote is to be exercised
- 55 2.4.2 in the case of a poll taken more than forty-eight hours after it is demanded, after the poll has been demanded and not less than twenty-four hours before the time appointed for the taking of the poll, or
- 55.2.5 where the poll is not taken forthwith but is taken not more than forty-eight hours after it was demanded, at the time at which the poll was demanded or twenty-four hours before the time appointed for the taking of the poll, whichever is the later,
- 55 2 6 and a proxy notice which is not delivered and received in such manner shall be invalid
- 55 3 Article 45(3) of the Model Articles shall be amended by the addition of the following at the end of the article 'and the proxy is obliged to vote or abstain from voting in accordance with the specified instructions However, the company is not obliged to check whether a proxy votes or abstains from voting as he has been instructed and shall incur no liability for failing to do so Failure by a proxy to vote or abstain form voting as instructed at a meeting shall not invalidate proceedings at that meeting'
- 56. Delivery of proxy notices**
- 56.1 Any notice of a general meeting must specify the address or addresses (hereinafter referred to as a 'proxy notification address') at which the company or its agents will receive proxy notices relating to that meeting, or any adjournment

- of it, delivered in hard copy or electronic form
- 56.2 Article 46(1) of the Model Articles shall be amended by inserting the words 'to a proxy notification address' at the end of that article
- 56.3 A notice revoking a proxy appointment only takes effect if it is received by the company
- 56 3 1 subject to the following paragraphs of this article, in the case of a general or adjourned meeting, not less than forty-eight hours before the time for holding the meeting or adjourned meeting at which the right to vote is to be exercised,
- 56 3 2 in the case of a poll taken more than forty-eight hours after it was demanded, not less than twenty-four hours before the time appointed for the taking of the poll, or
- 56.3.3 in the case of a poll not taken forthwith but not more than forty-eight hours after it was demanded, at the time at which it was demanded or twenty-four hours before the time appointed for the taking of the poll, whichever is later, and a notice which is not delivered and received in such manner shall be invalid
- 56 4 In calculating the periods referred to in the preceding article entitled 'Content of proxy notices' and this article, no account shall be taken of any part of a day that is not a working day
- 57. Representation of corporations at meetings**
- Subject to the Companies Act 2006, a company which is a shareholder may, by resolution of its directors or other governing body, authorise one or more persons to act as its representative or representatives at a meeting of the company or at a separate meeting of the holders of a class of shares of the company (hereinafter referred to as a 'corporate representative') A director, secretary or other person authorised for the purpose by the directors may require a corporate representative to produce a certified copy of the resolution of authorisation before permitting him to exercise his powers
- 58. Means of communication to be used**
- 58 1 Any notice, document or other information shall be deemed served on or delivered to the intended recipient
- 58 1 1 if properly addressed and sent by prepaid United Kingdom first class post to an address in the United Kingdom, forty-eight hours after it was posted,
- 58 1.2 if properly addressed and delivered by hand, when it was given or left at the appropriate address,
- 58 1 3 if properly addressed and sent or supplied by electronic means forty-eight hours after the document or information was sent or supplied, and

- 58 1 4 if sent or supplied by means of a website, when the material is first made available on the website or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on the website
- 58 2 For the purposes of this article, no account shall be taken of any part of a day that is not a working day
- 58 3 In proving that any notice, document or other information was properly addressed, it shall be sufficient to show that the notice, document or other information was delivered to an address permitted for the purpose by the Companies Act 2006
- 58 4 In the case of joint holders of a share, all notices or documents shall be given to the joint holder whose name stands first in the register in respect of the joint holding Notice so given shall be sufficient notice to all of the joint holders Where there are joint holders of a share, anything which needs to be agreed or specified in relation to any notice, document or other information to be sent or supplied to them can be agreed or specified by any one or the joint holders The agreement or specification of the joint holder whose name stands first in the register will be accepted to the exclusion of the agreement or specification of any other joint holder(s) whose name(s) stand later in the register
- 58.5 The company may give notice to the transmittee of a member, by sending or delivering it in any manner authorised by these articles for the giving of notice to a member, addressed to that person by name, or by the title, of representative of the deceased or trustee of the bankrupt or representative by operation of law or by any like description, at the address (if any) within the United Kingdom supplied for the purpose by the person claiming to be so entitled. Until such an address has been so supplied, a notice may be given in any manner in which it might have been given if the death or bankruptcy or operation of law had not occurred
- 59. Company seals**
- Article 49(3) of the Model Articles shall be amended by the insertion of the words 'by either at least two authorised persons or' after the word 'signed'
- 60. Indemnity**
- 60.1 Subject to the provisions of the following article entitled 'Insurance' but without prejudice to any indemnity to which a relevant officer is otherwise entitled
- 60 1 1 each relevant officer shall be indemnified out of the company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a relevant officer
- 60 1 2 in the actual or purported execution and/or discharge of his duties, or in relation



- to them, and
- 60 1 3 in relation to the company's (or any associated company's) activities as trustee of an occupational pension scheme (as defined in section 235(6) of the Companies Act 2006),
- 60 1 4 including (in each case) any liability incurred by him in defending any civil or criminal proceedings in which judgment is given in his favour or in which he is acquitted or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part or in connection with any application in which the court grants him, in his capacity as a relevant officer, relief from liability for negligence, default, breach of duty or breach of trust in relation to the company's (or any associated company's) affairs, and
- 60 1 5 the company may provide any relevant officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings or application referred to in this article and otherwise may take any action to enable such relevant officer to avoid incurring such expenditure
- 60 2 This articles does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law
- 60 3 In this article
- 60 3 1 companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate, and
- 60 3 2 a 'relevant officer' means any director or alternate director or other officer or former director or other former officer of the company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Companies Act 2006) and may, if the shareholders so decide, include any person engaged by the company (or any associated company) as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor)

## **61. Insurance**

- 61 1 The directors may decide to purchase and maintain insurance, at the expense of the company, for the benefit of any relevant officer in respect of any relevant loss
- 61 2 In this article
- 61.2.1 a 'relevant officer' means any director or alternate director or other officer or former director or other officer of the company or an associated company (including any company which is a trustee of an occupational pension scheme as defined by section 235(6) of the Companies Act 2006),

- 61.2 2 a 'relevant loss' means any loss or liability which has been or may be incurred by a relevant officer in connection with that officer's duties or powers in relation to the company, any associated company or any pension fund or employees' share scheme of the company or associated company,
- 61 2 3 and companies are associated if one is a subsidiary of the other or both are subsidiary of the same body corporate