

Company No: 05226457

THE COMPANIES ACT 2006
COMPANY LIMITED BY SHARES
RESOLUTIONS IN WRITING

of

SUSD LIMITED (the "Company")

Passed the 27th day of August 2010

SATURDAY



By a written resolution agreed to in accordance with Chapter 2 of Part 13 of the Companies Act 2006 by or on behalf of the required number of the members of the Company who, at the date of circulating the resolution, were entitled to vote on the resolution the following resolutions of the Company were duly passed:

ORDINARY RESOLUTIONS

6. THAT, the Directors be and are hereby generally and unconditionally authorised in accordance with section 551 of the Companies Act 2006 to exercise all of the powers of the Company to allot 171 A ordinary shares in the Company provided that this authority shall, unless it is (prior to its expiry) duly revoked or varied or is renewed, expire five years after the passing of this resolution save that the Company may, before such expiry, make an offer or agreement which will or may require such shares to be allotted after such expiry and the authority granted by this resolution is in substitution for any authority to allot relevant securities previously granted to the Directors which (to the extent that it remains in force and unexercised) is revoked.
7. THAT, pursuant to the provisions of section 175(5)(a) of the Companies Act 2006, the board of Directors hereby be given the power to authorise matters in which a Director has or may have a direct interest or indirect interest that conflicts, or possibly may conflict, with the interests of the Company.

SPECIAL RESOLUTIONS

8. THAT, subject to and conditional on the passing of the resolution 1 above and pursuant to section 570 of the Companies Act 2006, the Directors are empowered to allot equity securities (as defined in section 560 of that Act), as if section 561(1) of the 2006 Act did not apply to any such allotment and the Company may make an offer or agreement which will or may require equity securities to be allotted after the expiry of the power granted by this resolution.
9. THAT, the Articles of Association of the Company are amended by deleting all the provisions of the Company's Memorandum of Association which, by virtue of section 28 Companies Act 2006, are to be treated as provisions of the Company's Articles of Association.

10. THAT, the Articles of Association set out in the document produced to this meeting and signed by the chairman of the meeting for the purposes of identification be and are hereby approved and adopted as the Articles of the Company in substitution for and to the exclusion of all existing articles of association of the Company.

Signed:

Director

A handwritten signature in black ink, consisting of a large, stylized 'P' followed by a series of loops and a long horizontal stroke ending in a dot.

Dated: 27 August 2010



EVERSHEDS

Company No. 5226457

Articles of Association of SUSL Limited

Incorporated 9 September 2004

Adopted by written resolution passed on 27 August 2010

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CONTENTS

Article	Page
1 PRELIMINARY	1
2 INTERPRETATION.....	1
3 UNANIMOUS DECISIONS OF DIRECTORS	6
4 CALLING A DIRECTOR'S MEETING	6
5 NUMBER OF DIRECTORS AND APPOINTMENT AND REMOVAL	7
6 PARTICIPATION IN DIRECTORS' MEETINGS.....	7
7 QUORUM FOR DIRECTORS' MEETINGS.....	8
8 DIRECTORS' INTERESTS	8
9 TERMINATION OF DIRECTOR'S APPOINTMENT	10
10 DIRECTORS' PENSIONS AND GRATUITIES.....	10
11 CASTING VOTE	10
12 ALTERNATE DIRECTORS	10
13 ALTERNATE DIRECTORS' EXPENSES	12
14 SHARE RIGHTS	13
15 SALE OF THE SHARE CAPITAL OF THE COMPANY	16
16 VARIATION OF RIGHTS.....	16
17 ALLOTMENT OF SHARES	17
18 GENERAL	17
19 PERMITTED TRANSFERS	18
20 VOLUNTARY TRANSFERS.....	19
21 CHANGE OF CONTROL	23
22 COMPULSORY TRANSFERS	26
23 VALUATION OF SHARES.....	28
24 COMPLIANCE.....	28
25 TRANSMITTEES BOUND BY PRIOR NOTICES	29
26 NOTICE OF GENERAL MEETINGS.....	29
27 PROCEEDINGS AT GENERAL MEETINGS	30
28 WRITTEN RESOLUTIONS	30
29 BORROWING POWERS	31
30 AUDITORS	31
31 COMPANY COMMUNICATION PROVISIONS	31
32 INDEMNITIES FOR DIRECTORS.....	32
33 REGISTERED OFFICE	33
Appendices	
A Model Articles	34

THE COMPANIES ACT 2006

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

SUSD LIMITED

(the "Company")

Adopted by written resolution passed on 27 August 2010

1. **PRELIMINARY**

The model articles of association for private companies limited by shares contained in Schedule 1 to The Companies (Model Articles) Regulations 2008 in force on the date when these Articles become binding on the Company ("Model Articles") (a copy of which is annexed) apply to the Company except in so far as they are excluded or varied by these Articles.

2. **INTERPRETATION**

2.1 In these Articles the following expressions have the following meanings unless inconsistent with the context:

"2006 Act"	the Companies Act 2006 (as amended from time to time)
"A Ordinary Shares"	the A ordinary shares of £0.50 each in the capital of the Company having the rights set out in Article 14
"acting in concert"	the meaning set out in the City Code on Takeovers and Mergers for the time being
"these Articles"	these Articles of Association as amended from time to time
"Auditors"	the auditors to the Company for the time being
"B Ordinary Shares"	the B ordinary shares of £0.50 each in the capital of the Company having the rights set out in Article 14

"Bad Leaver"	any Leaver who is not a Good Leaver
"Board"	the board of directors of the Company from time to time
"Business Day"	any day (other than a Saturday or Sunday) on which banks are open in London for normal banking business
"C Ordinary Shares"	the C ordinary shares of £0.50 each in the capital of the Company having the rights set out in Article 14
"Called Shareholders"	has the meaning given to that term at Article 21.5
"Controlling Interest"	an interest (as defined in section 820 to 825 of the 2006 Act) in shares in the Company conferring in aggregate more than 50% of the total voting rights normally exercisable at a general meeting of the Company
"connected person"	the meaning given to that expression in section 993 of the Income Taxes Act 2007 and "connected with" shall be construed accordingly
"Deemed Transfer Notice"	has the meaning given to that term at Article 21.2
"Drag Along Notice"	has the meaning given to that term at Article 21.5
"Drag Along Option"	has the meaning given to that term at Article 21.5
"electronic address"	any address or number used for the purposes of sending or receiving documents or information by electronic means
"Fair Value"	for the purposes of these Articles means the amount agreed between the Board (with Majority Investor Consent) and the Seller or, in the absence of agreement within 15 Business Days of the Transfer Event, as determined by the Auditors in accordance with Article 23

"Family Member"	the wife or husband or civil partner (or widow or widower or surviving civil partner), children and grandchildren (including step and adopted children and grandchildren) of a holder of shares of the Company
"Family Trust"	in relation to a holder of shares of the Company, a trust which does not permit any of the settled property or the income from it to be applied otherwise than for the benefit of that holder or any of his Family Members and under which no power of control over the voting powers conferred by any shares the subject of the trust is capable of being exercised by, or being subject to the consent of, any person other than the trustees or such holder or any of his Family Members
"Financial Year"	an accounting period in respect of which the Company prepares its accounts in accordance with the relevant provisions of the 2006 Act
"FSMA"	the Financial Services and Markets Act 2000 (as amended from time to time)
"Good Leaver"	<p>(a) a person who is a Leaver as a result of:</p> <ul style="list-style-type: none"> (i) death; or (ii) redundancy; or (iii) retirement at 65 years of age or more; or (iv) Serious Ill Health; and <p>(b) any person whom the Board, with Majority Investor Consent, determine is a Good Leaver</p>
"Group"	the Company and its subsidiary undertakings (as defined at section 1162 of the 2006 Act) from time to time and references to "member of the Group" and "Group Company" is to be construed accordingly
"holder"	in respect of any share in the capital of the

Company, the person or persons for the time being registered by the Company as the holders of that share

"Investors"

each of SUSD Asset Management (Holdings) plc, Peter Harris, Richard Pearce and Johannes Muller - Lotze (including any additional or replacement "Investor" who is joined as an "Investor" in a deed of adherence executed in accordance with the Shareholders Agreement)

"Issue Price"

in respect of a share in the capital of the Company, the aggregate of the amount paid up (or credited as paid up) in respect of the nominal value and any share premium

"Joint Election"

a joint election under section 431 of the Income Tax (Earnings and Pensions) Act 2003 in a form approved by the Investors, such approval being evidenced by the delivery of Majority Investor Consent

"Leaver"

a holder who:

- (a) is an individual; and
- (b) is or was previously a director or employee of a member of the Group; and
- (c) ceases to hold such office or employment and as a consequence is no longer a director or employee of any member of the Group

"Listing"

the admission by the Financial Services Authority in its capacity as the UK Listing Authority of any part of the share capital of the Company to the Official List of London Stock Exchange plc or the admission by London Stock Exchange plc of any part of the share capital of the Company to trading on the Alternative Investment Market of London Stock Exchange plc or the admission by any recognised investment exchange of any part of the share capital of the Company, and, in each case, such admission becoming effective

"Majority Investor"	a holder of A Ordinary Shares or, where there is more than one holder of A Ordinary Shares the holder(s) of the majority of the A Ordinary Shares
"Majority Investor Consent"	the consent in writing of the holder of the A Ordinary Shares or, where there is more than one holder of A Ordinary Shares, the consent in writing of the holder(s) of the majority of the A Ordinary Shares
"Majority Investor Director"	a director appointed by the holder(s) of a majority of the A Ordinary Shares pursuant to Article 5
"Minority Investor Director"	a director appointed by the holder(s) of a majority of the A Ordinary Shares not owned by the Majority Investor pursuant to Article 5
"recognised investment exchange"	has the meaning given to the expression in section 285(1) FSMA
"Sale"	the transfer (other than a transfer permitted under Articles 19.1.1 and 19.1.2) of any interest in shares to any person (whether by one transaction or by a series of transactions) resulting in that person alone or together with persons acting in concert with such person having the right to exercise a Controlling Interest
"Sale Price"	has the meaning given to that term at Article 22.3.2.
"Seller"	a holder of shares who wishes, or is required, to transfer shares or any beneficial interest therein to a person to whom Article 19 (Permitted Transfers) does not apply
"Serious Ill Health"	for the purpose of these Articles means an illness or disability certified by a general medical practitioner (nominated or approved by the A Investor) as rendering the departing person permanently incapable of carrying out his role as an employee and/or director save where such incapacity has arisen as a result of the abuse of drugs or alcohol
"Shareholders"	the shareholders agreement dated on or around

"Agreement"	the date of adoption of these Articles and made between the Company and each of the Investors as may be supplemented, varied or amended or replaced from time to time
"shares"	issued shares in the capital of the Company
"the Statutes"	the Companies Act as defined in section 2 of the 2006 Act and every other statute, order, regulation, instrument or other subordinate legislation for the time being in force relating to companies and affecting the Company
"Transfer Event"	has the meaning given to that term at Article 22
"Transfer Price"	in relation to a Transfer Notice given under a voluntary transfer pursuant to Article 20 , the Transfer Price (as stated in the Transfer Notice), or in the case of a Deemed Transfer Notice as determined in accordance with Article 22.4

- 2.2 Unless the context otherwise requires, words and expressions contained in these Articles bear the same meaning as in the Statutes (but excluding any statutory modification not in force when these Articles become binding on the Company).
- 2.3 References to any statute or statutory provision include, unless the context otherwise requires, a reference to that statute or statutory provision as modified, replaced, re-enacted or consolidated and in force from time to time and any subordinate legislation made under the relevant statute or statutory provision.
- 2.4 Where the word **"address"** appears in these Articles it is deemed to include postal address and, where applicable, electronic address.

PROCEEDINGS OF DIRECTORS

3. UNANIMOUS DECISIONS OF DIRECTORS

A decision of the directors may take the form of a resolution in writing, where each eligible director has signed one or more copies of it, or to which each eligible director has otherwise indicated agreement in writing. Model Article 8(2) shall not apply to the Company.

4. CALLING A DIRECTOR'S MEETING

- 4.1 Any director may call a directors' meeting by giving not less than 10 Business Days notice of the meeting (or such lesser notice as all the directors may agree)

to the directors or by authorising the company secretary (if any) to give such notice. Model Article 9(1) shall not apply to the Company.

- 4.2 Notice of a directors' meeting shall be given to each director in writing. Model Article 9(3) shall not apply to the Company.

5. NUMBER OF DIRECTORS AND APPOINTMENT AND REMOVAL

- 5.1 The number of directors shall not be less than two nor more than eight. Unless otherwise agreed, up to two of the directors shall be appointed and removed by the holders of a majority of the A Ordinary Shares and up to three of the directors shall be appointed and removed by the holders of a majority of the A Ordinary Shares not owned by the Majority Investor. Model Article 17 shall not apply to the Company.

- 5.2 Each such appointment and removal as referred to in **Article 5.1**, shall be made by notice in writing to the Company by the holders of a majority or a minority of the A Ordinary Shares (as the case may be). A notice which is not in electronic form shall take effect when it is deposited at the registered office for the time being of the Company or when delivered to a meeting of the directors. A notice which is in electronic form shall take effect when it is received at the address specified by the Company for the purpose of receiving such communications in electronic form.

6. PARTICIPATION IN DIRECTORS' MEETINGS

- 6.1 Subject to these Articles, directors participate in a directors' meeting, or part of a directors' meeting, when:-

6.1.1 the meeting has been called and takes place in accordance with these Articles; and

6.1.2 they can each simultaneously communicate with and to the others participating in the meeting any information or opinions they have on any particular item of the business of the meeting.

- 6.2 In determining whether directors are participating in a directors' meeting, it is irrelevant where any director is or, subject to **Article 6.1.2**, how they communicate with each other.

- 6.3 If all the directors participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is.

- 6.4 Model Article 10 shall not apply to the Company.

- 6.5 Model Article 9(2)(c) shall be amended by the insertion of the word "simultaneously" after the words "how it is proposed that they should" and before the words "communicate with each other during the meeting".

7. QUORUM FOR DIRECTORS' MEETINGS

- 7.1 The quorum for directors' meetings shall throughout each meeting be two comprising at least one Majority Investor Director and at least one Minority Investor Director (or their respective alternates,) but if at any time there shall be no Majority Investor Directors or no Minority Investor Directors in office, the quorum at that time shall not require the presence of that class of director of which there are no directors in office at that time. Model Articles 11(2) and 11(3) shall not apply to the Company.
- 7.2 If there is no quorum participating in any meeting of the directors within one hour after the time fixed for the meeting, the meeting shall be adjourned to such time (not being earlier than five Business Days after the date of the original meeting) as the director or directors participating in the meeting shall determine. If there is no quorum participating within one hour after the time fixed for the adjourned meeting, the director or directors participating, whatever their number and their designations, shall constitute a quorum.
- 7.3 Any decision of the directors shall either be a unanimous decision taken in accordance with Model Article 8 or shall be determined by a majority of votes.
- 7.4 If, as a consequence of section 175(6) of the 2006 Act, a director cannot vote or be counted in the quorum at a meeting of the directors the following shall apply:
- 7.4.1 if the eligible directors participating in the meeting do not constitute a quorum, then the quorum for the purposes of the meeting shall be one which must be, other than a meeting to consider whether to authorise a conflict of interest of a Majority Investor Director, a Majority Investor Director (if appointed) and, in the case of a meeting to consider whether to authorise a conflict of interest of a Minority Investor Director, a Majority Investor Director (if appointed). Model Article 11(2) is varied accordingly; and
- 7.4.2 if, notwithstanding **Article 7.4.1**, the eligible directors participating in the meeting still do not constitute a quorum, then the meeting must be adjourned to enable the holders of the A Ordinary Shares to authorise any situation in which a director has a conflict of interest.

8. DIRECTORS' INTERESTS

- 8.1 Subject to these Articles and the 2006 Act, and provided that he has disclosed to the directors the nature and extent of any interest of his, a director (including a

Majority Investor Director) notwithstanding his office, but, in the case of directors other than a Majority Investor Director, subject always to obtaining Majority Investor Consent:

- 8.1.1 may be a party to or otherwise interested in any transaction or arrangement with the Company or in which the Company is in any way interested;
 - 8.1.2 may hold any other office or employment with the Company (other than the office of auditor);
 - 8.1.3 may be a director or other officer of, or employed by, or be a party to any transaction or arrangement with or otherwise interested in any body corporate in which the Company is in any way interested;
 - 8.1.4 may, or any firm or company of which he is a member or director may, act in a professional capacity for the Company or any body corporate in which the Company is in any way interested (other than as auditor); and
 - 8.1.5 shall not be accountable to the Company for any benefit which he receives or profits made as a result of anything permitted by **Articles 8.1.1 to 8.1.4** and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit.
- 8.2 Except for a vote under section 175(4) of the 2006 Act authorising any conflict of interest which the director or any other interested director may have or where the terms of authorisation of such conflict of interest provide that the director may not vote in situations prescribed by the Board when granting such authorisation, a director will be entitled to participate in the decision making process for voting and quorum purposes on any of the matters referred to in **Articles 8.1.1 to 8.1.4** (inclusive) and in any of the circumstances set out in Model Articles 14(3) and 14(4).
- 8.3 For the purposes of **Article 8.1**:
- 8.3.1 a general notice to the Board that a director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the director has an interest in any such transaction of the nature and extent so specified;
 - 8.3.2 an interest of which a director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his; and

8.3.3 an interest of a person who is for any purpose of the Statutes (excluding any statutory modification not in force at the date of adoption of these Articles) connected with a director shall be treated as an interest of the director and in relation to an alternate director an interest of his appointor shall be treated as an interest of the alternate director without prejudice to any interest which the alternate director has otherwise.

8.4 Model Articles 14(1), 14(2) and 14(5) shall not apply to the Company.

9. **TERMINATION OF DIRECTOR'S APPOINTMENT**

In addition to the circumstances set out in Model Article 18 (a) to (f) (inclusive) a person ceases to be a director as soon as that person is removed from office as a director pursuant to **Article 5.1**

10. **DIRECTORS' PENSIONS AND GRATUITIES**

In addition to the provisions of Model Article 19(3)(b), the directors may exercise all the powers of the Company to give and provide pensions, annuities, gratuities or any other benefits whatsoever to or for present or former directors or employees (or their dependants) of the Company or any subsidiary undertaking (as defined in section 1162 of the 2006 Act) or associated undertaking (as defined in section 497(4) of the 2006 Act) of the Company and the directors shall be entitled to retain any benefits received by them or any of them by reason of the exercise of any such powers.

11. **CASTING VOTE**

11.1 The Majority Investor may from time to time appoint any person who is a Majority Investor Director to be chairman of the Board and remove from the office of chairman a person so appointed.

11.2 Reference in Model Article 13(1) to "chairman or other director chairing the meeting" shall be construed as a reference to the chairman appointed in accordance with **Article 11.1** for so long as one is appointed.

11.3 Reference in Model Article 13(2) to "chairman or other director" shall be construed as a reference to the chairman appointed in accordance with **Article 11.1** for so long as one is appointed.

12. **ALTERNATE DIRECTORS**

12.1 **Appointment and removal of alternates**

12.1.1 Any director (the "appointor") may appoint as an alternate any other director, or, with Majority Investor Consent, any other person, to

12.1.1.1 exercise that director's powers, and

12.1.1.2 carry out that director's responsibilities,

in relation to participation in directors' meetings and the taking of decisions by the directors in the absence of the alternate's appointor.

12.1.2 Any appointment or removal of an alternate must be effected by notice in writing to the Company signed by the appointor, or in any other manner approved by the directors.

12.1.3 The notice must:

12.1.3.1 identify the proposed alternate; and

12.1.3.2 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.

12.2 Rights and responsibilities of alternate directors

12.2.1 An alternate director has the same rights, in relation to participation in directors' meetings and the taking of decisions by the directors and in relation to directors' written resolutions, as the alternate's appointor.

12.2.2 An alternate director may act as an alternate director for more than one appointor.

12.2.3 Except as these Articles specify otherwise, alternate directors:-

12.2.3.1 are deemed for all purposes to be directors;

12.2.3.2 are liable for their own acts and omissions;

12.2.3.3 are subject to the same restrictions as their appointors; and

12.2.3.4 are not deemed to be agents of or for their appointors.

and, 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.

12.2.4 A person who is an alternate director but not a director:-

12.2.4.1 may be counted as participating for the purposes of determining whether a quorum is participating (but only if that person's appointor is not participating), and

12.2.4.2 may participate in a unanimous decision of the directors (but only if his appointor is an eligible director in relation to that decision, but does not participate).

No alternate may be counted as more than one director for such purposes.

12.2.5 A director who is also an alternate director is entitled, in his absence of his appointor, to a separate vote on behalf of his appointor, in addition to his own vote on any decision of the directors (provided that his appointor is an eligible director in relation to that decision), but shall not count as more than one director for the purposes of determining whether a quorum is present.

12.2.6 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.

12.3 Termination of alternate directorship

12.3.1 An alternate director's appointment as alternate terminates:-

12.3.1.1 when the alternate's appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate;

12.3.1.2 on the occurrence in relation to the alternate of any event which, if it occurred in relation to the alternate's appointor, would result in the termination of the appointor's appointment as a director;

12.3.1.3 on the death of the alternate's appointor; or

12.3.1.4 when the alternate's appointor's appointment as a director terminates.

13. ALTERNATE DIRECTORS' EXPENSES

Model Article 20 shall be amended by the insertion of the words "(including alternate directors)" before the words "properly incur".

14. SHARE RIGHTS

The rights attached to the A Ordinary Shares are as follows:

14.1 Dividends

Profits which the Company determines to distribute in respect of any Financial Year shall, subject to resolution of the Board, be applied in distributing such profits amongst the holders of the A Ordinary Shares *pari passu* according to the number of A Ordinary Shares held by them respectively as if they constituted one class of share.

14.2 Capital

On a return of capital on liquidation or capital reduction or otherwise the surplus assets of the Company remaining after the payment of its liabilities shall be applied:

14.2.1 in paying to each holder of A Ordinary Shares, firstly, any dividends thereon which have been declared but are unpaid and, secondly, an amount equal to the Issue Price of each A Ordinary Share; and

14.2.2 thereafter, in distributing the balance of such assets amongst the holders of the A Ordinary Shares (*pari passu* as if they constituted one class of share) in proportion to the numbers of the A Ordinary Shares held by them respectively.

14.3 Voting

14.3.1 Subject to **Articles 14.3.4 to 14.3.7** (inclusive), the holders of the A Ordinary Shares shall be entitled to receive notice of and to attend and speak at any general meetings of the Company and the holders of A Ordinary Shares who (being individuals) are present in person or by proxy or (being corporations) are present by duly authorised representative or by proxy shall, on a show of hands, have one vote each, and, on a poll, shall have one vote for each A Ordinary Share of which he is the holder.

14.3.2 Each holder of the A Ordinary Shares shall be entitled to appoint more than one proxy to exercise all or any of his rights to attend and to speak and vote at a meeting of the Company provided that each proxy is appointed to exercise the rights attached to a different share or shares held by the holder of A Ordinary Shares.

14.3.3 If more than one proxy is appointed in respect of a different share or shares by a holder of A Ordinary Shares in accordance with **Article 14.3.2** but the document appointing the proxies does not

specify to which share or shares the appointment relates, then the person whose name appears before the name or names of the other proxy or proxies in the document appointing the proxies shall be the only proxy for such holder entitled to attend and vote at any general meeting of the Company.

14.3.4 The provisions of Article 14.3.5 shall apply:

14.3.4.1 if any holder or any former holder has transferred shares in breach of the provisions of these Articles;

14.3.4.2 if any holder is in persistent or material breach of the provisions of these Articles;

14.3.4.3 if any holder of the shares becomes a Leaver;

14.3.4.4 if a Transfer Notice is served pursuant to **Article 20** (Voluntary Transfers) in respect of any shares; or

14.3.4.5 any dividend payable by the Company on the A Ordinary Shares in accordance with these Articles is not paid within 10 Business Days of the due date (for whatever reason).

14.3.5 If any of the circumstances stated at Articles 14.3.4.1 to 14.3.4.4 have occurred:

14.3.5.1 the shares which such holder holds or to which he is entitled; and

14.3.5.2 any shares formerly held by such holder which have been transferred either in breach of the provisions of these Articles or in accordance with **Article 19** (Permitted Transfers),

shall cease to entitle the holder thereof (or any proxy) to receive notice of or to attend and vote (whether on a show of hands or on a poll) at any general meeting or at any separate class meeting of the Company or to be entitled to receive any further shares issued by way of rights issue (or otherwise) from the date of any breach referred to at **Articles 14.3.4.1** and **14.3.4.2**, the date a Leaver becomes a Leaver in accordance with **Article 22.5** or the date upon which a Transfer Notice is served pursuant to **Article 20** (as the case may be).

14.3.6 If the circumstances stated at Article 14.3.4.5 have occurred, new shares in the Company may be issued to the Majority Investor ranking ahead of or pari passu with the A Ordinary Shares without the consent of any other shareholder of the Company.

14.3.7 The provisions of **Articles 14.3.5** and **14.3.6** shall continue to apply:

14.3.7.1 in the case of **Article 14.3.4.1** or **14.3.4.2** applying, for so long as such breach subsists;

14.3.7.2 in the case of **Article 14.3.4.3** or **14.3.4.4** applying, until such time as the relevant shares have been transferred pursuant to the provisions of **Articles 20** and/or **22** (as the case may be);

14.3.7.3 in the case of **Article 14.3.6** applying, until such time as due payment has been made of all accruals and/or unpaid amounts of any dividend payable on the A Ordinary Shares; and

14.3.7.4 notwithstanding any other provisions in these Articles, if any holder of shares retains any shares after the operation in full of the provisions of **Articles 20** and **22** whilst such holder (or any person who has acquired such shares under a permitted transfer (directly or indirectly) under **Article 19.1**) continues to hold such shares.

The rights attached to the B Ordinary Shares and the C Ordinary Shares are as follows:

14.4 **Dividends**

The Company may, subject to resolution of the Board or the Company in general meeting, pay to the holders of B Ordinary Shares and C Ordinary Shares (or, at the discretion of the Board, to only one class of such holders) a dividend from profits which the Company determines to distribute in respect of any Financial Year in such amount and on such date as the Board at its discretion or the Company in general meeting may determine.

14.5 **Capital**

The holders of B Ordinary Shares and C Ordinary Shares shall not be entitled to any proceeds on a return of capital, on liquidation or capital reduction or otherwise in relation to the Company.

14.6 **Voting**

The holders of B Ordinary Shares and C Ordinary Shares shall be entitled to receive notice of and to attend and speak at any general meeting of the Company, but the B Ordinary Shares and the C Ordinary Shares shall not carry any voting rights except in relation to any matter affecting the rights of those

classes of shares or, for the avoidance of doubt, any rights to appoint a duly authorised representative or a proxy.

15. SALE OF THE SHARE CAPITAL OF THE COMPANY

15.1 In the event of a Sale then, notwithstanding anything to the contrary in the terms and conditions governing such Sale the selling holders (immediately prior to such Sale) shall procure that the consideration (whenever received) shall be paid into a designated trustee account and shall be distributed amongst such selling holders in the following order of priority:

15.1.1 in paying in respect of the shares subject to the Sale an amount equal to the dividends on such shares (if any) and an amount equal to the Issue Price thereof as if the same were a return of capital pursuant to **Article 14.2.1**; and

15.1.2 thereafter distributing the balance as if the same were a return of capital pursuant to **Article 14.2.2**.

15.2 Immediately prior to and conditionally upon a Listing all holders of shares shall enter into such reorganisation of the share capital of the Company as they may agree to ensure that sums referred to in **Article 15.1** are allocated between all holders of shares in the same proportions as the provisions of **Article 15.1** would provide in distributing the proceeds of a Sale to all holders of shares selling shares in connection with such Sale in an equivalent amount.

16. VARIATION OF RIGHTS

16.1 The rights from time to time respectively attached to different classes of share from time to time in issue may from time to time (whether or not the Company is being wound up) be varied or abrogated with the consent in writing of the Majority Investor and the holders of at least three-quarters in nominal value of the issued shares of that class or in respect of the A Ordinary Shares with the sanction of a special resolution passed at a separate general meeting of the holders of that class.

16.2 For each such separate general meeting referred to in this **Article 16**, all the provisions of these Articles relating to general meetings of the Company (and to the proceedings at such general meetings) shall apply mutatis mutandis, but so that the necessary quorum shall be one holder of A Ordinary Shares present in person or by proxy or (being a corporation) by a duly authorised representative and holding or representing not less than one-third in nominal value of the issued A Ordinary Shares, that every holder of A Ordinary Shares of the class shall be entitled on a poll to one vote for every such A Ordinary Share held by him and 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.

For the purpose of this **Article 16** one holder present in person or by proxy or (being a corporation) by a duly authorised representative may constitute a meeting.

17. ALLOTMENT OF SHARES

- 17.1 For the purposes of section 551 of the 2006 Act, the directors are generally and unconditionally authorised to allot shares in the Company or to grant rights to subscribe for, or to convert any security into, shares in the Company up to a maximum nominal value of £85.50, provided that this authority shall expire five years after the adoption of these Articles, unless previously renewed, revoked or varied except that the Company may, before such expiry, make an offer or agreement which will or may require the allotment of shares or the grant of rights to subscribe for, or convert any security, into shares in the Company, after such expiry.
- 17.2 The A Ordinary Shares, B Ordinary Shares and the C Ordinary Shares shall be separate classes of shares but except as expressly provided in these Articles, shall rank *pari passu* in all respects.
- 17.3 Any person to whom any shares in the capital of the Company are allotted shall, in conjunction with such allotment, enter into a Joint Election if required to do so by the Board.
- 17.4 If any share is allotted to a holder holding shares of a different class, such shares shall as on and from the time of registration of the allotment of that share in the register of members of the Company be immediately redesignated as a share of the same class as those already held by that holder prior to such allotment.

TRANSFER OF SHARES

18. GENERAL

- 18.1 No transfer of any share in the capital of the Company shall be made or registered unless such transfer complies with the provisions of these Articles and the transferee has, if so required by the terms of the Shareholders Agreement, first entered into a deed of adherence pursuant to the Shareholders Agreement and, if so required by the Majority Investor, first entered into a Joint Election which has also been signed by the Company. Subject thereto, the Board shall sanction any transfer so made unless (i) the registration thereof would permit the registration of a transfer of shares on which the Company has a lien (ii) the transfer is to a minor or (iii) the Board is otherwise entitled to refuse to register such transfer pursuant to these Articles.

18.2 For the purposes of these Articles the following shall be deemed (but without limitation) to be a transfer by a holder of shares in the Company:

18.2.1 any direction (by way of renunciation or otherwise) by a holder entitled to an allotment or transfer of shares that a share be allotted or issued or transferred to some person other than himself; and

18.2.2 any sale or any other disposition of any legal or equitable interest in a share (including any voting right attached to it), (i) whether or not by the relevant holder, (ii) whether or not for consideration, and (iii) whether or not effected by a written instrument.

19. **PERMITTED TRANSFERS**

Notwithstanding the provisions of any other Article, the transfers set out in this **Article 19** shall be permitted without restriction and the provisions of **Articles 20** (Voluntary Transfers) and **21** (Change of Control) shall have no application.

19.1 Subject to **Articles 19.2 to 19.6** inclusive, any holder who is an individual may at any time transfer shares held by him to a person or persons shown to the reasonable satisfaction of the Board to be:

19.1.1 a Family Member of his; or

19.1.2 trustees to be held under a Family Trust in relation to that individual.

19.2 Subject to **Article 19.4**, no shares shall be transferred under **Article 19.1** by an individual who previously acquired those shares by way of transfer under **Article 19.1** save to another individual who is a Family Member of the original holder of such shares or to trustees to be held under a Family Trust in relation to the original holder of such shares.

19.3 No transfer of shares shall be made by a holder under **Article 19.1** if the proposed transfer will result in 50 per cent. or more of the shares originally held by the holder being held by that holder's Family Trust and Family Members.

19.4 Where shares are held by trustees under a Family Trust:

19.4.1 those shares may, on any change of trustees, be transferred by those trustees to any new trustee of that Family Trust whose identity has been approved by the Board;

19.4.2 those shares may at any time be transferred by those trustees to the settlor of that trust or any person to whom that settlor could have transferred them under **Article 19.1** if he had remained the holder of them; and

19.4.3 If any of those shares cease to be held under a Family Trust (other than by virtue of a transfer made under **Articles 19.5.1** or **19.5.2**), the trustees shall be deemed to have given a Transfer Notice in respect of all the shares then held by those trustees pursuant to **Article 22**.

19.5 If:

19.5.1 any person has acquired shares as a Family Member of a holder by way of one or more transfers permitted under this **Article 19.5**; and

19.5.2 that person ceases to be a Family Member of that holder

that person shall forthwith transfer all the shares then held by that person back to that holder, for such consideration as they agree, within 15 Business Days of the cessation, or, failing such transfer within that period, shall be deemed to have given a Transfer Notice in respect of all the shares then held by that person pursuant to **Article 22**.

19.6 Subject to the provisions of **Article 22**, if the personal representatives of a deceased holder are permitted under these Articles to become registered as the holders of any of the deceased holder's shares and elect to do so, those shares may at any time be transferred by those personal representatives under **Article 19.1** to any person to whom the deceased holder could have transferred such shares under this Article if he had remained the holder of them. No other transfer of such shares by personal representatives shall be permitted under this **Article 19**.

19.7 Any holder may at any time transfer any shares, in accordance with the provisions of the Statutes, to the Company.

19.8 Any holder may at any time transfer all or any of his shares to any other person with the prior written consent of the Board and Majority Investor Consent.

19.9 Any shares may be transferred pursuant to **Articles 21.5** and **21.6** (Drag Along).

20. **VOLUNTARY TRANSFERS**

20.1 Except as permitted under **Article 20** any Seller who wishes to transfer shares shall give notice in writing (the "**Transfer Notice**") to the Company of his wish specifying:

20.1.1 the number and class of shares (the "**Sale Shares**") which he wishes to transfer;

20.1.2 the name of any third party to whom he proposes to sell or transfer the Sale Shares; and

- 20.1.3 the price at which he wishes to transfer the Sale Shares (the **"Transfer Price"**).
- 20.2 The Seller may state in the Transfer Notice that he is only willing to transfer all the Sale Shares in which case no Sale Shares can be sold unless offers are received for all of them.
- 20.3 Where any Transfer Notice is deemed to have been given in accordance with these Articles all the shares registered in the name of the Seller shall be included for transfer, and the provisions of **Article 20.2** shall not apply.
- 20.4 No Transfer Notice or Deemed Transfer Notice (as defined in **Article 22.2**) once given or deemed to be given in accordance with these Articles shall be withdrawn unless the Seller is obliged to procure the making of an offer under **Articles 21.1 to 21.4** and is unable to procure the making of such an offer.
- 20.5 The Transfer Notice shall constitute the Company the agent of the Seller for the sale of the Sale Shares at the Transfer Price upon the following terms:
- 20.5.1 the price for each Sale Share is the Transfer Price, (save in the case of a Deemed Transfer Notice where the Transfer Price will be as determined in accordance with either **Article 22.3.2** or **Article 22.4**);
- 20.5.2 the Sale Shares are to be sold free from all liens, charges and encumbrances together with all rights attaching to them.
- 20.6 Each holder of shares shall state, in writing within 20 Business Days from the date of such Transfer Notice (which date shall be specified therein), whether he is willing to purchase any and, if so, how many of the Sale Shares which shall, if he so wishes, include an amount in excess of his Proportionate Entitlement as defined in **Article 20.8**.
- 20.7 For the purposes of allocation of the Sale Shares, the Sale Shares shall be treated as offered:
- 20.7.1 in the first instance to all persons in the category set out in the corresponding line in column (2) in the table below; and
- 20.7.2 to the extent not accepted by persons in column (2), to all persons in the category set out in the corresponding line in column (3) in the table below:

(1) Class of Sale Shares	(2) First Offer to	(3) Second Offer to	(4) Third Offer to
A Ordinary Shares	Holders of A Ordinary Shares	Holders of B Ordinary Shares	Holders of C Ordinary Shares
B Ordinary Shares	Holders of B Ordinary Shares	Holders of A Ordinary Shares	Holders of C Ordinary Shares
C Ordinary Shares	Holders of C Ordinary Shares	Holders of A Ordinary Shares	Holders of B Ordinary Shares

20.8 Subject always to the order of priorities set out in **Articles 20.7.1** and **20.7.2** the Sale Shares shall be treated as offered on terms that, in the event of competition, the Sale Shares offered shall be sold to the holders accepting the offer in proportion (as nearly as may be) to their existing holdings of shares of the class or classes to which the offer is made (the "**Proportionate Entitlement**"). It shall be open to each such holder to specify if he is willing to purchase Sale Shares in excess of his Proportionate Entitlement ("**Excess Sale Shares**") and, if the holder does so specify, he shall state the number of Excess Sale Shares.

20.9 Within three Business Days of the expiry of the invitation made pursuant to **Article 20.1** or pursuant to any Transfer Notice deemed to be given (or sooner if all holders of shares have responded to the invitation and all the Sale Shares shall have been accepted in the manner provided in **Article 20.6**), the Board shall allocate the Sale Shares in the following manner:

20.9.1 if the total number of Sale Shares applied for is equal to or less than the available number of Sale Shares the Company shall allocate the number applied for in accordance with the applications; or

20.9.2 if the total number of Sale Shares applied for is more than the available number of Sale Shares, each holder shall be allocated his Proportionate Entitlement (or such lesser number of Sale Shares for which he may have applied) in the order of priorities set out in **Article 20.7.1**; applications for Excess Sale Shares shall be allocated in accordance with such applications or, in the event of competition, (as nearly as may be) to each holder applying for Excess Shares in the proportion which shares held by such holder bears to the total number of shares held by all such holders applying for Excess Sale Shares **PROVIDED THAT** such holder shall not be allocated more Excess Sale Shares than he shall have stated himself willing to take,

and in either case the Company shall forthwith give notice of each such allocation (an "**Allocation Notice**") to the Seller and each of the persons to whom Sale Shares have been allocated (a "**Member Applicant**") and shall specify in the Allocation Notice the place and time (being not later than 10 Business Days after the date of the Allocation Notice) at which the sale of the Sale Shares shall be completed.

- 20.10 Subject to **Article 20.11**, upon such allocations being made as set out in **Article 20.7**, the Seller shall be bound, on payment of the Transfer Price, to transfer the Sale Shares comprised in the Allocation Notice to the Member Applicants named therein at the time and place therein specified free from any lien, charge or encumbrance. If he makes default in so doing, one of the Directors, or some other person duly nominated by a resolution of the Board for that purpose, shall forthwith be deemed to be the duly appointed attorney of the Seller with full power to execute, complete and deliver in the name and on behalf of the Seller a transfer of the relevant Sale Shares to the Member Applicant and all such consents written resolutions and proxies as the appointed attorney shall consider to be necessary or desirable for the purposes of any general meeting of the Company relating to or associated with or required to enable the sale of the Sale Shares to proceed and any director may receive and give a good discharge for the purchase money on behalf of the Seller and (subject to the transfer being duly stamped) enter the name of the Member Applicant in the register of members as the holder or holders by transfer of the Sale Shares so purchased by him or them. The Board shall forthwith pay the purchase money into a separate bank account in the Company's name and shall hold such money on trust (but without interest) for the Seller until he shall deliver up his certificate or certificates for the relevant shares (or an indemnity, in a form reasonably satisfactory to the Board, in respect of any lost certificate) to the Company when he shall thereupon be paid the purchase money.
- 20.11 If the provisions of **Article 20.2** apply and if the total number of shares applied for by Member Applicants is less than the number of Sale Shares then the Allocation Notice shall refer to such provision and shall contain a further invitation, open for 10 Business Days, to those persons to whom Sale Shares have been allocated to apply for further Sale Shares and completion of the sales in accordance with the preceding paragraphs of this **Article 20** shall be conditional upon all Sale Shares being sold.
- 20.12 In the event of all the Sale Shares not being sold under the preceding paragraphs of this **Article 20** the Seller may, at any time within three calendar months after receiving confirmation from the Company that the pre-emption provisions herein contained have been exhausted, transfer all the Sale Shares (if **Article 20.2** does apply) or any Sale Shares which have not been sold (if

Article 20.2 does not apply) to any person or persons at any price not less than the Transfer Price **PROVIDED THAT:**

- 20.12.1 the Board shall refuse registration of the proposed transferee unless the Company has Majority Investor Consent to transfer the Sale Shares
- 20.12.2 if the provisions of **Article 20.2** applied to the Transfer Notice, the Seller shall not be entitled, save with the written consent of all the other holders of shares of the Company, to sell hereunder only some of the Sale Shares comprised in the Transfer Notice to such person or persons;
- 20.12.3 any such sale shall be a bona fide sale and the Board may request such information as it reasonably deems necessary to satisfy itself that the Sale Shares are being sold in pursuance of a bona fide sale for not less than the Transfer Price without any deduction, rebate or allowance whatsoever to the buyer and, if not so satisfied, may refuse to register the instrument of transfer; and
- 20.12.4 the Board shall refuse registration of the proposed transferee if such transfer obliges the Seller to procure the making of an offer in accordance with **Articles 21.1 to 21.4**, until such time as such offer has been made and, if accepted, completed.

21. CHANGE OF CONTROL

Tag along

- 21.1 Subject to **Article 21.2** if the effect of any transfer of shares by a Seller would, if completed, result in the transferee together with persons acting in concert or connected with that transferee obtaining a Controlling Interest, the Seller shall procure the making, by the proposed transferee of the Seller's Shares, of a Come Along Offer (as defined in **Article 21.3**) to all of the other holders of shares of the Company. Every holder or recipient of such offer, on receipt of a Come Along Offer, shall be bound within 20 Business Days of the date of such offer (which date shall be specified therein) either to accept or reject such offer in writing (and in default of so doing shall be deemed to have rejected the offer). Until such Come Along Offer has been made and completed the Board shall not sanction the making and registration of the relevant transfer or transfers.
- 21.2 The provisions of **Article 21.1** and **21.5** shall not apply to any transfer of shares pursuant to **Article 19** (other than **Article 19.8**).
- 21.3 "**Come Along Offer**" means an unconditional offer, open for acceptance for not less than 20 Business Days, to purchase shares held by the recipients of a Come

Along Offer or shares which recipients may subscribe free from all liens, charges and encumbrances (without any recipient providing any warranty (other than as to title and capacity to sell their shares) relating to the Company to the transferee) at a price per share equal to the highest price per share (exclusive of stamp duty, stamp duty reserve tax and commission) paid or to be paid by any transferee referred to in **Article 21.1** (or any person with whom such transferee is connected with or with whom such transferee is acting in concert) for shares (inclusive of the shares giving rise to the obligation to make the Come Along Offer) within the period of one year ending on the proposed date of completion of such transfer of shares.

- 21.4 In the event of disagreement, the calculation of the relevant Come Along Offer price shall be referred to the Auditors and **Articles 30.1** and **30.2** shall apply.

Drag along

- 21.5 If the Majority Investor (in **Articles 21.5** and **21.6**, the "**Investor Sellers**") wishes to transfer its shares (and such transfer would constitute the transfer of a Controlling Interest) to any person (the "**Buyer**"), pursuant to the terms of a bona fide arms length transaction then provided that:

21.5.1 each holder is offered the same consideration in all material respects (including, without limitation, value and form) for each share;

21.5.2 there is no provision that any holder will receive other consideration, (whether in cash or otherwise) which, having regard to the substance of the transaction as a whole, can reasonably be regarded as an addition to the price paid or payable for the shares to be sold by such holder, and that neither the Buyer nor any person acting by agreement or understanding with it has otherwise entered into or has agreed or proposed terms with any holder for the purchase of shares which are more favourable than those entered into, agreed or proposed with or to any other holder; and

21.5.3 the terms are such that the sale and purchase of shares will be completed at the same time,

the Investor Sellers shall also have the option (the "**Drag Along Option**") to require all other holders and any persons who would become holders upon the exercise of any options, warrants or other rights to subscribe for shares which exist at the date the Drag Along Notice is given (the "**Called Shareholders**"), to transfer with full title guarantee all their shares (including any shares issued pursuant to any options, warrants or rights to subscribe existing at the date the Drag Along Option is exercised) in the Company to the Buyer, or as the Buyer directs. The Investor Sellers may exercise the Drag Along Option by giving

written notice to that effect (a "**Drag Along Notice**") to each Called Shareholder. A Drag Along Notice shall specify:

- 21.5.4 that the Called Shareholders are, or will, in accordance with this **Article 21.5** and **Articles 21.6** and **21.7**, be required to transfer with full title guarantee all their shares (including any shares issued pursuant to any options, warrants or rights to subscribe existing at the date a Drag Along Notice is given) free from all liens, charges and encumbrances (without any recipient providing any warranty (other than title and capacity to sell their shares) relating to the Company to the transferee); and
 - 21.5.5 the price at which such shares are to be transferred (which shall be a price which provides for consideration to be paid for each share as provided at **Article 21.5.1** and that the aggregate proceeds of sale shall be subject to distribution in accordance with **Article 15**) and the form in which the price shall be satisfied; and
 - 21.5.6 the documents required to be executed by the Called Shareholder, the time period within which those documents should be delivered to the Company; and the proposed date of completion of the sale of the shares the subject of the Drag Along Notice.
- 21.6 Upon any person, following the issue of a Drag Along Notice becoming a holder of shares pursuant to the exercise of any option, warrant or other right to subscribe for or acquire shares ("**a New Member**"), a Drag Along Notice, on the same terms as the previous Drag Along Notice, shall be deemed to have been served upon the New Member who shall thereupon be bound to sell and transfer all such shares acquired by him to the Buyer or as the Buyer may direct and the provisions of this **Article 21.6** shall apply mutatis mutandis to the New Member save that completion of the sale of such shares shall take place forthwith upon the Drag Along Notice being deemed served on the New Member or, if later, upon the date of completion under the previous Drag Along Notice.
- 21.7 If the Called Shareholders (or any of them which shall include any New Member) shall make default in transferring their shares within any time period specified in the Drag Along Notice (including any shares issued pursuant to any options, warrants or rights to subscribe existing at the date of the Drag Along Notice once exercised) in accordance with the provisions of any Drag Along Notice and pursuant to **Articles 21.5** and **21.6**, the provisions of **Article 20.10** (references therein to the Seller, Sale Shares, Allocation Notice and Member Applicant being read as references to the holder making such default, the shares in respect of which such default is made, the Drag Along Notice and the Buyer respectively) shall apply to the transfer of such shares mutatis mutandis but the Transfer Price

shall be the price offered for such shares as set out in **Article 21.5** and the provisions of **Article 20.7** shall not apply.

21.8 A Drag Along Notice shall be served in accordance with **Article 21**.

21.9 A Drag Along Notice may be revoked at any time prior to the completion of the sale of the shares of the Called Shareholder by the service of a written notice by the holder(s) who initiated the Drag Along Notice.

22. **COMPULSORY TRANSFERS**

22.1 In this **Article 22**, a "**Transfer Event**" means, in relation to any holder of shares:

22.1.1 a holder who is an individual becoming bankrupt;

22.1.2 a holder making any arrangement or composition with his creditors generally;

22.1.3 a holder becoming a Leaver;

22.1.4 a holder attempting to deal with or dispose of any share or any interest in it otherwise than in accordance with these Articles; and

22.1.5 a holder failing to make a transfer of shares required by **Article 19.5**.

22.2 Upon the happening of any Transfer Event, the holder in question and any other holder who has acquired shares from him under a permitted transfer (directly or by means of a series of two or more permitted transfers) under **Article 19.7** shall be deemed to have immediately given a Transfer Notice in respect of all the shares then held by him and which in the case of a transferee of shares were the shares received directly or indirectly from the holder who is the immediate subject of the Transfer Event (a "**Deemed Transfer Notice**"). A Deemed Transfer Notice shall supersede and cancel any then current Transfer Notice insofar as it relates to the same shares except for shares which have then been validly transferred pursuant to that Transfer Notice.

22.3 The shares the subject of any Deemed Transfer Notice shall be offered for sale in accordance with **Article 20** as if they were Sale Shares in respect of which a Transfer Notice had been given save that:

22.3.1 a Deemed Transfer Notice shall be deemed to have been given on the date of the Transfer Event or, if later, the date upon which the Board becomes aware of the relevant event;

22.3.2 subject to **Article 22.4**, the price at which the Sale Shares shall be transferred (the "**Sale Price**") shall be the Fair Value;

- 22.3.3 the provisions of **Article 20.2** shall not apply to a Deemed Transfer Notice;
- 22.3.4 **Article 20.12** will not apply to a Deemed Transfer Notice and either the Seller may retain any Sale Shares for which Buyers are not found or the Seller may sell all or any of those Sale Shares to any person (including any holder) at any price per Sale Share which is not less than the Sale Price; and
- 22.3.5 the Sale Shares shall be sold together with all rights attaching thereto as at the date of the Transfer Event.
- 22.4 The Sale Price for any Sale Shares which are the subject of a Deemed Transfer Notice given as a consequence of a Transfer Event arising due to a holder being a Leaver shall:
 - 22.4.1 in the case of a Good Leaver be their Fair Value; and
 - 22.4.2 in the case of a Bad Leaver be their Fair Value or, if less, their Issue Price.
- 22.5 For the purpose of **Article 22.1.3** the date upon which a holder becomes a Leaver shall be:
 - 22.5.1 where a contract of employment or directorship is terminated by the employer by giving notice to the employee of the termination of the employment or directorship, the date of that notice (whether or not a payment is made by the employer in lieu of all or part of the notice period required to be given by the employer in respect of such termination);
 - 22.5.2 where a contract of employment or directorship is terminated by the employee by giving notice to the employer of the termination of the employment or directorship, the date of that notice;
 - 22.5.3 save as provided in **Article 22.5.1** where an employer or employee wrongfully repudiates the contract of employment and the other accepts that the contract of employment has been terminated, the date of such acceptance;
 - 22.5.4 where a contract of employment is terminated under the doctrine of frustration, the date of the frustrating event; and
 - 22.5.5 where a contract of employment or directorship is terminated for any reason other than in the circumstances set out in **Articles 22.5.1** to **22.5.4** above, the date on which the action or event giving rise to the termination occurs.

23. VALUATION OF SHARES

- 23.1 In the event that the Auditors are required to determine the price at which shares are to be transferred pursuant to these Articles, the Company shall engage and instruct the Auditors (which instructions shall be made as soon as practicable following the time it becomes apparent that a valuation pursuant to this **Article 23** is required), to give their written opinion as to the price which represents a fair value for such shares on the basis set out in **Article 23.2** as at the date the Transfer Notice or Deemed Transfer Notice is given.
- 23.2 In determining and confirming the Fair Value of each share comprised in any transfer notice the auditors shall value each share on the basis of their valuation of the Company as a going concern at the date of the transfer notice (after taking into account any contingent liability of the Company for taxation on unrealised capital gains and any other contingent taxation) and multiplying such valuation of the Company by the fraction the numerator of which shall be the nominal value of each share comprised in the transfer notice and the denominator of which shall be the nominal value of all the shares of the Company in issue at such date.
- 23.3 In making such determination, the Auditors shall not take any account of whether the Sale Shares comprise a majority or a minority interest in the Company nor the fact that transferability is restricted by these Articles (and shall assume that the entire issued share capital of the Company is being sold) and comprises only of ordinary shares.

24. COMPLIANCE

- 24.1 For the purpose of ensuring (i) that a transfer of shares is duly authorised under these Articles or (ii) that no circumstances have arisen whereby a Transfer Notice is required to be or ought to have been given under these Articles or (iii) whether an offer is required to be or ought to have been made under **Article 21.1**, the Board may from time to time require any shareholder or past shareholder or the personal representatives, trustee in bankruptcy, receiver, administrative receiver, liquidator, administrator or similar officer of any shareholder or any person named as transferee in any transfer lodged for registration or such other person as the Board may reasonably believe to have information relevant to such purpose, to furnish to the Company such information and evidence as the Board may reasonably think fit regarding any matter which they deem relevant to such purpose; including (but not limited to) the names, addresses and interests of all persons respectively having interests in the shares from time to time registered in the holder's name.
- 24.2 Failing such information or evidence being furnished to enable the Board to determine to its reasonable satisfaction that no such Transfer Notice is required

to be or ought to have been given, or that no offer is required to be or ought to have been made under **Article 21.1**, or that as a result of such information and evidence the Board is reasonably satisfied that such Transfer Notice is required to be or ought to have been given, or that an offer is required to be or ought to have been made under **Article 21**:

24.2.1 where the purpose of the enquiry by the Board was to establish whether a Transfer Notice is required to be or ought to have been given, then a Transfer Notice shall be deemed to have been given by the holder of the relevant shares in respect of such shares; or

24.2.2 where the purpose of the enquiry by the Board was to establish whether an offer is required to be or ought to have been made under **Article 21.1**, then the shares held by or on behalf of the person or persons connected with each other or acting in concert with each other who has or have (as the case may be) obtained a Controlling Interest as is referred to in **Article 21.1**, such shares shall cease to entitle the relevant holder or holders (or any proxy) to receive notice of any meeting or of any voting rights (whether on a show of hands or on a poll and whether exercisable at a general meeting of the Company or at a separate meeting of the class in question) otherwise attaching to such shares or to any further shares issued in right of such shares or in pursuance of an offer made to the relevant holders to the extent that will result in such person or persons only being able to control that percentage of the voting rights attaching to the shares that such person or persons were in a position to control prior to the obligation to procure the making of an offer arising.

25. **TRANSMITTEES BOUND BY PRIOR NOTICES**

Model Article 29 shall be amended by the insertion of the words ", or the name of any person nominated under Model Article 27(2), "after the words "the transmittee's name".

GENERAL MEETINGS

26. **NOTICE OF GENERAL MEETINGS**

26.1 Every notice convening a general meeting shall:

26.1.1 comply with section 325(1) of the 2006 Act as to giving information to shareholders relating to their right to appoint proxies; and

26.1.2 be given in accordance with section 308 of the 2006 Act, that is in hard copy form, electronic form or by means of a website.

- 26.2 A notice convening a general meeting (other than an adjourned meeting) must be called by at least 14 days notice but a general meeting can be called by shorter notice if it is so agreed by a majority in number of the members having a right to attend and vote at the meeting being a majority who together hold not less than 90% in nominal value of the shares giving that right. The notice must state the time, date and place of the meeting and the general nature of the business to be dealt with at the meeting.

27. **PROCEEDINGS AT GENERAL MEETINGS**

- 27.1 No resolution shall be voted on and no other business shall be transacted at any general meeting of the Company unless a quorum is present when such vote is taken or other business is transacted and no resolution or transaction shall be effective unless a quorum is so present. Two persons, being holders of shares present in person, by proxy or by duly authorised representative (if a corporation), shall be the quorum at any general meeting.
- 27.2 If a quorum is not present within half an hour from the time appointed for a general meeting or if, during any general meeting, a quorum ceases to be present, the general meeting shall stand adjourned to the same day in the next week at the same time and place or to such other day and at such other place as the directors (with Majority Investor Consent) may determine; and if at the adjourned general meeting a quorum is not present within half an hour from the time appointed for the same the shareholders present shall form a quorum. Model Article 41(1) to (5) inclusive shall not apply to the Company.
- 27.3 Subject to any rights or restrictions for the time being attached to any class or classes of shares, on a written resolution every shareholder has one vote in respect of each share held by him, on a show of hands every shareholder entitled to vote who (being an individual) is present in person or by proxy (not being himself a shareholder entitled to vote) or (being a corporation) is present by a representative or proxy (not being himself a shareholder entitled to vote) has one vote and, on a poll, each shareholder has one vote for each share held by him.

28. **WRITTEN RESOLUTIONS**

- 28.1 A written resolution, proposed in accordance with section 288(3) of the 2006 Act, will lapse if it is not passed before the end of the period of 28 days beginning with the circulation date.
- 28.2 For the purposes of this **Article 28 "circulation date"** is the date on which copies of the written resolution are sent or submitted to members or, if copies are sent or submitted on different days, to the first of those days.

ADMINISTRATIVE ARRANGEMENTS

29. BORROWING POWERS

Subject to the terms of the Shareholders Agreement, the Board may exercise all the powers of the Company to borrow money and to mortgage or charge its undertaking, property and uncalled capital, or any part thereof, and, subject to the provisions of the 2006 Act, to issue debentures, debenture stock, and other securities whether outright or as security for any debt, liability or obligation of the Company or of any third party.

30. AUDITORS

Auditors' determination

30.1 If any matter under these Articles is referred to the Auditors for determination then the Auditors shall act as experts and not as arbitrators or arbiters and their decision shall be final and binding on the Company and all the holders of shares (in the absence of fraud or manifest error).

30.2 The Auditors' costs in making any such determination referred to in **Article 30.1** shall be borne by the Company unless the Auditors shall otherwise determine.

Auditors' appointment and re-appointment

30.3 Auditors must be appointed for each financial year of the Company. Other than the Company's first financial year, the appointment must be made in the period for appointing auditors as defined in section 485 of the 2006 Act.

30.4 Auditors cease to hold office at the end of next period for appointing auditors unless and until they are re-appointed.

31. COMPANY COMMUNICATION PROVISIONS

31.1 Where:

31.1.1 a document or information is sent by post (whether in hard copy or electronic form) to an address in the United Kingdom and

31.1.2 the Company is able to show that it was properly addressed, prepaid and posted.

It is deemed to have been received by the intended recipient 24 hours after it was posted.

31.2 Where:

31.2.1 a document or information is sent or supplied by electronic means, and

31.2.2 the Company is able to show that it was properly addressed,

it is deemed to have been received by the intended recipient immediately after it was sent.

31.3 Where a document or information is sent or supplied by means of a website, it is deemed to have been received by the intended recipient -

31.3.1 when the material was first made available on the website, or

31.3.2 if later, when the recipient received (or is deemed to have received) notice of the fact that the material was available on the website.

31.4 Pursuant to section 1147(6) of the 2006 Act, subsections (2) (3) and (4) of that section shall be deemed modified by **Articles 31.1, 31.2 and 31.3.**

32. INDEMNITIES FOR DIRECTORS

32.1 Subject to, and so far as may be permitted by, the 2006 Act and without prejudice to any indemnity to which the person concerned may be otherwise entitled, the Company may indemnify every director, former director, alternate director, secretary or other officer of the Company or of any associated company (as defined in section 256 of the 2006 Act) against any liabilities incurred by him in the execution and discharge of his duties or the exercise of his powers or otherwise in relation to or in connection with his duties, powers or office, including any liability which may attach to him in respect of any negligence, default, breach of duty or breach of trust in relation to anything done or omitted to be done or alleged to have been done or omitted to be done by him as a director, former director, alternate director, secretary or other officer of the Company or of any associated company.

32.2 Subject to the 2006 Act, the directors may purchase and maintain at the cost of the Company insurance cover for or for the benefit of every director, former director, alternate director, auditor, secretary or other officer of the Company or of any associated company (as defined in section 256 of the 2006 Act) against any liability which may attach to him in respect of any negligence, default, breach of duty or breach of trust by him in relation to the Company (or such associated company), including anything done or omitted to be done or alleged to have been done or omitted to be done by him as a director, former director, alternate director, auditor, secretary or other officer of the Company or of any associated company.

32.3 Subject to, and so far as may be permitted by, the 2006 Act, the Company shall be entitled to fund the expenditure of every director, alternate director or other officer of the Company incurred or to be incurred:

32.3.1 in defending any criminal or civil proceedings; or

32.3.2 in connection with any application under sections 661(3) or 661(4) or under section 1157 of the 2006 Act.

32.4 Model Articles 52 and 53 shall not apply to the Company.

33. **REGISTERED OFFICE**

The Company's registered office is to be situated in England and Wales.

APPENDIX A

Model Articles

MODEL ARTICLES FOR PRIVATE COMPANIES LIMITED BY

SHARES

INDEX TO THE ARTICLES

PART 1

INTERPRETATION AND LIMITATION OF LIABILITY

1. Defined terms
2. Liability of members

PART 2

DIRECTORS

DIRECTORS' POWERS AND RESPONSIBILITIES

3. Directors' general authority
4. Shareholders' reserve power
5. Directors may delegate
6. Committees

DECISION-MAKING BY DIRECTORS

7. Directors to take decisions collectively
8. Unanimous decisions
9. Calling a directors' meeting
10. Participation in directors' meetings
11. Quorum for directors' meetings
12. Chairing of directors' meetings
13. Casting vote
14. Conflicts of interest
15. Records of decisions to be kept
16. Directors' discretion to make further rules

APPOINTMENT OF DIRECTORS

- 17. Methods of appointing directors
- 18. Termination of director's appointment
- 19. Directors' remuneration
- 20. Directors' expenses

PART 3

SHARES AND DISTRIBUTIONS

SHARES

- 21. All shares to be fully paid up
- 22. Powers to issue different classes of share
- 23. Company not bound by less than absolute interests
- 24. Share certificates
- 25. Replacement share certificates
- 26. Share transfers
- 27. Transmission of shares
- 28. Exercise of transmitters' rights
- 29. Transmitters bound by prior notices

DIVIDENDS AND OTHER DISTRIBUTIONS

- 30. Procedure for declaring dividends
- 31. Payment of dividends and other distributions
- 32. No interest on distributions
- 33. Unclaimed distributions
- 34. Non-cash distributions
- 35. Waiver of distributions

CAPITALISATION OF PROFITS

- 36. Authority to capitalise and appropriation of capitalised sums

PART 4

DECISION-MAKING BY SHAREHOLDERS

ORGANISATION OF GENERAL MEETINGS

- 37. Attendance and speaking at general meetings
- 38. Quorum for general meetings
- 39. Chairing general meetings
- 40. Attendance and speaking by directors and non-shareholders
- 41. Adjournment

VOTING AT GENERAL MEETINGS

- 42. Voting: general
- 43. Errors and disputes
- 44. Poll votes
- 45. Content of proxy notices
- 46. Delivery of proxy notices
- 47. Amendments to resolutions

PART 5

ADMINISTRATIVE ARRANGEMENTS

- 48. Means of communication to be used
- 49. Company seals
- 50. No right to inspect accounts and other records
- 51. Provision for employees on cessation of business

DIRECTORS' INDEMNITY AND INSURANCE

- 52. Indemnity
- 53. Insurance

PART 1

INTERPRETATION AND LIMITATION OF LIABILITY

Defined terms

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

"articles" means the company's articles of association;

"bankruptcy" includes individual insolvency proceedings in a jurisdiction other than England and Wales or Northern Ireland which have an effect similar to that of bankruptcy;

"chairman" has the meaning given in article 12;

"chairman of the meeting" has the meaning given in article 39;

"Companies Acts" means the Companies Acts (as defined in section 2 of the Companies Act 2006), in so far as they apply to the company;

"director" means a director of the company, and includes any person occupying the position of director, by whatever name called;

"distribution recipient" has the meaning given in article 31;

"document" includes, unless otherwise specified, any document sent or supplied in electronic form;

"electronic form" has the meaning given in section 1168 of the Companies Act 2006;

"fully paid" in relation to a share, means that the nominal value and any premium to be paid to the company in respect of that share have been paid to the company;

"hard copy form" has the meaning given in section 1168 of the Companies Act 2006;

"holder" in relation to shares means the person whose name is entered in the register of members as the holder of the shares;

"instrument" means a document in hard copy form;

"ordinary resolution" has the meaning given in section 282 of the Companies Act 2006;

"paid" means paid or credited as paid;

"participate", in relation to a directors' meeting, has the meaning given in article 10;

"proxy notice" has the meaning given in article 45;

"shareholder" means a person who is the holder of a share;

"shares" means shares in the company;

"special resolution" has the meaning given in section 283 of the Companies Act 2006;

"subsidiary" has the meaning given in section 1159 of the Companies Act 2006;

"transmittee" means a person entitled to a share by reason of the death or bankruptcy of a shareholder or otherwise by operation of law; and

"writing" means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise.

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

Liability of members

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

PART 2

DIRECTORS

DIRECTORS' POWERS AND RESPONSIBILITIES

Directors' general authority

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

Shareholders' reserve power

4.
 - (1) The shareholders may, by special resolution, direct the directors to take, or refrain from taking specified action.
 - (2) No such special resolution invalidates anything which the directors have done before the passing of the resolution.

Directors may delegate

5.
 - (1) Subject to the articles, the directors may delegate any of the powers which are conferred on them under the articles:
 - (a) to such person or committee;
 - (b) by such means (including by power of attorney);
 - (c) to such an extent;
 - (d) in relation to such matters or territories; and
 - (e) on such terms and conditions;
- as they think fit.

- (2) If the directors so specify, any such delegation may authorise further delegation of the directors' powers by any person to whom they are delegated.
- (3) The directors may revoke any delegation in whole or part, or alter its terms and conditions.

Committees

- 6. (1) Committees to which the directors delegate any of their powers must follow procedures which are based as far as they are applicable on those provisions of the articles which govern the taking of decisions by directors.
- (2) The directors may make rules of procedure for all or any committees, which prevail over rules derived from the articles if they are not consistent with them.

DECISION-MAKING BY DIRECTORS

Directors to take decisions collectively

- 7. (1) The general rule about decision-making by directors is that any decision of the directors must be either a majority decision at a meeting or a decision taken in accordance with article 8.
- (2) If:
 - (a) the company only has one director, and
 - (b) no provision of the articles requires it to have more than one director,the general rule does not apply, and the director may take decisions without regard to any of the provisions of the articles relating to directors' decision-making.

Unanimous decisions

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

Calling a directors' meeting

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

Participation in directors' meeting

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

Quorum for directors' meetings

11. (1) At a directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.
- (2) The quorum for directors' meetings may be fixed from time to time by a decision of the directors, but it must never be less than two, and unless otherwise fixed it is two.

- (3) If the total number of directors for the time being is less than the quorum required, the directors must not take any decision other than a decision:
- (a) to appoint further directors, or
 - (b) to call a general meeting so as to enable the shareholders to appoint further directors.

Chairing of directors' meetings

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

Casting vote

13. (1) If the numbers of votes for and against a proposal are equal, the chairman or other director chairing the meeting has a casting vote.
- (2) But this does not apply if, in accordance with the articles, the chairman or other director is not to be counted as participating in the decision-making process for quorum or voting purposes.

Conflicts of interest

14. (1) If a proposed decision of the directors is concerned with an actual or proposed transaction or arrangement with the company in which a director is interested, that director is not to be counted as participating in the decision-making process for quorum or voting purposes.
- (2) But if paragraph (3) applies, a director who is interested in an actual or proposed transaction or arrangement with the company is to be counted as participating in the decision-making process for quorum and voting purposes.
- (3) This paragraph applies when:
- (a) the company by ordinary resolution disapplies the provision of the articles which would otherwise prevent a director from being counted as participating in the decision-making process;
 - (b) the director's interest cannot reasonably be regarded as likely to give rise to a conflict of interest; or
 - (c) the director's conflict of interest arises from a permitted cause.

- (4) For the purposes of this article, the following are permitted causes:
- (a) a guarantee given, or to be given, by or to a director in respect of an obligation incurred by or on behalf of the company or any of its subsidiaries;
 - (b) subscription, or an agreement to subscribe, for shares or other securities of the company or any of its subsidiaries, or to underwrite, sub-underwrite, or guarantee subscription for any such shares or securities; and
 - (c) arrangements pursuant to which benefits are made available to employees and directors or former employees and directors of the company or any of its subsidiaries which do not provide special benefits for directors or former directors.
- (5) For the purposes of this article, references to proposed decisions and decision-making processes include any directors' meeting or part of a directors' meeting.
- (6) Subject to paragraph (7), 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.
- (7) 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.

Records of decisions to be kept

15. The directors must ensure that the company keeps a record, in writing, for at least 10 years from the date of the decision recorded, of every unanimous or majority decision taken by the directors.

Directors' discretion to make further rules

16. Subject to the articles, the directors may make any rule which they think fit about how they take decisions, and about how such rules are to be recorded or communicated to directors.

APPOINTMENT OF DIRECTORS

Methods of appointing directors

17. (1) Any person who is willing to act as a director, and is permitted by law to do so, may be appointed to be a director:
- (a) by ordinary resolution, or
 - (b) by a decision of the directors.

- (2) In any case where, as a result of death, the company has no shareholders and no directors, the personal representatives of the last shareholder to have died have the right, by notice in writing, to appoint a person to be a director.
- (3) For the purposes of paragraph (2), where two or more shareholders die in circumstances rendering it uncertain who was the last to die, a younger shareholder is deemed to have survived an older shareholder.

Termination of director's appointment

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

- (a) that person ceases to be a director by virtue of any provision of the Companies Act 2006 or is prohibited from being a director by law;
- (b) a bankruptcy order is made against that person;
- (c) a composition is made with that person's creditors generally in satisfaction of that person's debts;
- (d) a registered medical practitioner who is treating that person gives a written opinion to the company stating that that person has become physically or mentally incapable of acting as a director and may remain so for more than three months;
- (e) by reason of that person's mental health, a court makes an order which wholly or partly prevents that person from personally exercising any powers or rights which that person would otherwise have;
- (f) notification is received by the company from the director that the director is resigning from office, and such resignation has taken effect in accordance with its terms.

Directors' remuneration

19. (1) Directors may undertake any services for the company that the directors decide.
- (2) Directors are entitled to such remuneration as the directors determine:
- (a) for their services to the company as directors, and
 - (b) for any other service which they undertake for the company.
- (3) Subject to the articles, a director's remuneration may:
- (a) take any form, and
 - (b) include any arrangements in connection with the payment of a pension, allowance or gratuity, or any death, sickness or disability benefits, to or in respect of that director.

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

Directors' expenses

20. The company may pay any reasonable expenses which the directors properly incur in connection with their attendance at:
- (a) meetings of directors or committees of directors,
 - (b) general meetings, or
 - (c) separate meetings of the holders of any class of shares or of debentures of the company,

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

PART 3

SHARES AND DISTRIBUTIONS

SHARES

All shares to be fully paid up

21. (1) No share is to be issued for less than the aggregate of its nominal value and any premium to be paid to the company in consideration for its issue.
- (2) This does not apply to shares taken on the formation of the company by the subscribers to the company's memorandum.

Powers to issue different classes of share

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

Company not bound by less than absolute interests

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

Share certificates

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

Replacement share certificates

25. (1) If a certificate issued in respect of a shareholder's shares is:
- (a) damaged or defaced, or
 - (b) said to be lost, stolen or destroyed,
- that shareholder is entitled to be issued with a replacement certificate in respect of the same shares.
- (2) A shareholder exercising the right to be issued with such a replacement certificate:
- (a) may at the same time exercise the right to be issued with a single certificate or separate certificates;
 - (b) must return the certificate which is to be replaced to the company if it is damaged or defaced; and
 - (c) must comply with such conditions as to evidence, indemnity and the payment of a reasonable fee as the directors decide.

Share transfers

26. (1) Shares may be transferred by means of an instrument of transfer in any usual form or any other form approved by the directors, which is executed by or on behalf of the transferor.

- (2) No fee may be charged for registering any instrument of transfer or other document relating to or affecting the title to any share.
- (3) The company may retain any instrument of transfer which is registered.
- (4) The transferor remains the holder of a share until the transferee's name is entered in the register of members as holder of it.
- (5) The directors may refuse to register the transfer of a share, and if they do so, the instrument of transfer must be returned to the transferee with the notice of refusal unless they suspect that the proposed transfer may be fraudulent.

Transmission of shares

- 27. (1) If title to a share passes to a transmittee, the company may only recognise the transmittee as having any title to that share.
- (2) A transmittee who produces such evidence of entitlement to shares as the directors may properly require:
 - (a) may, subject to the articles, choose either to become the holder of those shares or to have them transferred to another person, and
 - (b) subject to the articles, and pending any transfer of the shares to another person, has the same rights as the holder had.
- (3) But transmittees do not have the right to attend or vote at a general meeting, or agree to a proposed written resolution, in respect of shares to which they are entitled, by reason of the holder's death or bankruptcy or otherwise, unless they become the holders of those shares.

Exercise of transmittees' rights

- 28. (1) Transmittees who wish to become the holders of shares to which they have become entitled must notify the company in writing of that wish.
- (2) If the transmittee wishes to have a share transferred to another person, the transmittee must execute an instrument of transfer in respect of it.
- (3) Any transfer made or executed under this article is to be treated as if it were made or executed by the person from whom the transmittee has derived rights in respect of the share, and as if the event which gave rise to the transmission had not occurred.

Transmittees bound by prior notices

- 29. If a notice is given to a shareholder in respect of shares and a transmittee is entitled to those shares, the transmittee is bound by the notice if it was given to the shareholder before the transmittee's name has been entered in the register of members.

DIVIDENDS AND OTHER DISTRIBUTIONS

Procedure for declaring dividends

30. (1) The company may by ordinary resolution declare dividends, and the directors may decide to pay interim dividends.
- (2) A dividend must not be declared unless the directors have made a recommendation as to its amount. Such a dividend must not exceed the amount recommended by the directors.
- (3) No dividend may be declared or paid unless it is in accordance with shareholders' respective rights.
- (4) Unless the shareholders' resolution to declare or directors' decision to pay a dividend, or the terms on which shares are issued, specify otherwise, it must be paid by reference to each shareholders' holding of shares on the date of the resolution or decision to declare or pay it.
- (5) If the company's share capital is divided into different classes, no interim dividend may be paid on shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrear.
- (6) The directors may pay at intervals any dividend payable at a fixed rate if it appears to them that the profits available for distribution justify the payment.
- (7) If the directors act in good faith, they do not incur any liability to the holders of shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on shares with deferred or non-preferred rights.

Payment of dividends and other distributions

31. (1) Where a dividend or other sum which is a distribution is payable in respect of a share, it must be paid by one or more of the following means:
- (a) transfer to a bank or building society account specified by the distribution recipient either in writing or as the directors may otherwise decide;
- (b) sending a cheque made payable to the distribution recipient by post to the distribution recipient at the distribution recipient's registered address (if the distribution recipient is a holder of the share), or (in any other case) to an address specified by the distribution recipient either in writing or as the directors may otherwise decide;
- (c) sending a cheque made payable to such person by post to such person at such address as the distribution recipient has specified either in writing or as the directors may otherwise decide; or

- (d) any other means of payment as the directors agree with the distribution recipient either in writing or by such other means as the directors decide.
- (2) In the articles, "the distribution recipient" means, in respect of a share in respect of which a dividend or other sum is payable:
 - (a) the holder of the share; or
 - (b) if the share has two or more joint holders, whichever of them is named first in the register of members; or
 - (c) if the holder is no longer entitled to the share by reason of death or bankruptcy, or otherwise by operation of law, the transmittee.

No interest on distributions

32. The company may not pay interest on any dividend or other sum payable in respect of a share unless otherwise provided by:
- (a) the terms on which the share was issued, or
 - (b) the provisions of another agreement between the holder of that share and the company.

Unclaimed distributions

33. (1) All dividends or other sums which are:
- (a) payable in respect of shares, and
 - (b) unclaimed after having been declared or become payable,
- may be invested or otherwise made use of by the directors for the benefit of the company until claimed.
- (2) The payment of any such dividend or other sum into a separate account does not make the company a trustee in respect of it.
- (3) If:
- (a) twelve years have passed from the date on which a dividend or other sum became due for payment, and
 - (b) the distribution recipient has not claimed it,
- the distribution recipient is no longer entitled to that dividend or other sum and it ceases to remain owing by the company.

Non-cash distributions

34. (1) Subject to the terms of issue of the share in question, the company may, by ordinary resolution on the recommendation of the directors, decide to pay all or part of a dividend or other distribution payable in respect of a share by transferring non-cash of equivalent value

(including, without limitation, shares or other securities in any company).

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

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

Waiver of distributions

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

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

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

CAPITALISATION OF PROFITS

Authority to capitalise and appropriation of capitalised sums

36. (1) Subject to the articles, the directors may, if they are so authorised by an ordinary resolution:
- (a) decide to capitalise any profits of the company (whether or not they are available for distribution) which are not required for paying a preferential dividend, or any sum standing to the credit of the company's share premium account or capital redemption reserve; and
 - (b) appropriate any sum which they so decide to capitalise (a "capitalised sum") to the persons who would have been entitled to it if it were distributed by way of dividend (the "persons entitled") and in the same proportions.
- (2) Capitalised sums must be applied:
- (a) on behalf of the persons entitled, and
 - (b) in the same proportions as a dividend would have been distributed to them.
- (3) Any capitalised sum may be applied in paying up new shares of a nominal amount equal to the capitalised sum which are then allotted credited as fully paid to the persons entitled or as they may direct.

- (4) A capitalised sum which was appropriated from profits available for distribution may be applied in paying up new debentures of the company which are then allotted credited as fully paid to the persons entitled or as they may direct.
- (5) Subject to the articles the directors may:
 - (a) apply capitalised sums in accordance with paragraphs (3) and (4) partly in one way and partly in another;
 - (b) make such arrangements as they think fit to deal with shares or debentures becoming distributable in fractions under this article (including the issuing of fractional certificates or the making of cash payments); and
 - (c) authorise any person to enter into an agreement with the company on behalf of all the persons entitled which is binding on them in respect of the allotment of shares and debentures to them under this article.

PART 4

DECISION-MAKING BY SHAREHOLDERS

ORGANISATION OF GENERAL MEETINGS

Attendance and speaking at general meetings

- 37. (1) A person is able to exercise the right to speak at a general meeting when that person is in a position to communicate to all those attending the meeting, during the meeting, any information or opinions which that person has on the business of the meeting.
- (2) A person is able to exercise the right to vote at a general meeting when:
 - (a) that person is able to vote, during the meeting, on resolutions put to the vote at the meeting, and
 - (b) that person's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting.
- (3) The directors may make whatever arrangements they consider appropriate to enable those attending a general meeting to exercise their rights to speak or vote at it.
- (4) In determining attendance at a general meeting, it is immaterial whether any two or more members attending it are in the same place as each other.
- (5) Two or more persons who are not in the same place as each other attend a general meeting if their circumstances are such that if they have (or were to have) rights to speak and vote at that meeting, they are (or would be) able to exercise them.

Quorum for general meetings

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

Chairing general meetings

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

Attendance and speaking by directors and non-shareholders

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

Adjournment

41. (1) If the persons attending a general meeting within half an hour of the time at which the meeting was due to start do not constitute a quorum, or if during a meeting a quorum ceases to be present, the chairman of the meeting must adjourn it.
- (2) The chairman of the meeting may adjourn a general meeting at which a quorum is present if:
- (c) the meeting consents to an adjournment, or
 - (d) it appears to the chairman of the meeting that an adjournment is necessary to protect the safety of any person attending the meeting or ensure that the business of the meeting is conducted in an orderly manner.

- (3) The chairman of the meeting must adjourn a general meeting if directed to do so by the meeting.
- (4) When adjourning a general meeting, the chairman of the meeting must:
 - (a) either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the directors; and
 - (b) have regard to any directions as to the time and place of any adjournment which have been given by the meeting.
- (5) If the continuation of an adjourned meeting is to take place more than 14 days after it was adjourned, the company must give at least 7 clear days' notice of it (that is, excluding the day of the adjourned meeting and the day on which the notice is given):
 - (a) to the same persons to whom notice of the company's general meetings is required to be given, and
 - (b) containing the same information which such notice is required to contain.
- (6) No business may be transacted at an adjourned general meeting which could not properly have been transacted at the meeting if the adjournment had not taken place.

VOTING AT GENERAL MEETINGS

Voting: general

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

Errors and disputes

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

Poll Votes

- 44. (1) A poll on a resolution may be demanded:
 - (a) in advance of the general meeting where it is to be put to the vote, or
 - (b) at a general meeting, either before a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared.

- (2) A poll may be demanded by:
 - (a) the chairman of the meeting;
 - (b) the directors;
 - (c) two or more persons having the right to vote on the resolution; or
 - (d) a person or persons representing not less than one tenth of the total voting rights of all the shareholders having the right to vote on the resolution.
- (3) A demand for a poll may be withdrawn if:
 - (a) the poll has not yet been taken, and
 - (b) the chairman of the meeting consents to the withdrawal.
- (4) Polls must be taken immediately and in such manner as the chairman of the meeting directs.

Content of proxy notices

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

- (b) appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself.

Delivery of proxy notices

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

Amendments to resolutions

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

PART 5

ADMINISTRATIVE ARRANGEMENTS

Means of communication to be used

48. (1) Subject to the articles, anything sent or supplied by or to the company under the articles may be sent or supplied in any way in which the Companies Act 2006 provides for documents or information which are authorised or required by any provision of that Act to be sent or supplied by or to the company.
- (2) Subject to the articles, any notice or document to be sent or supplied to a director in connection with the taking of decisions by directors may also be sent or supplied by the means by which that director has asked to be sent or supplied with such notices or documents for the time being.
- (3) A director may agree with the company that notices or documents sent to that director in a particular way are to be deemed to have been received within a specified time of their being sent, and for the specified time to be less than 48 hours.

Company seals

49. (1) Any common seal may only be used by the authority of the directors.
- (2) The directors may decide by what means and in what form any common seal is to be used.
- (3) Unless otherwise decided by the directors, if the company has a common seal and it is affixed to a document, the document must also be signed by at least one authorised person in the presence of a witness who attests the signature.
- (4) For the purposes of this article, an authorised person is:
- (a) any director of the company;
 - (b) the company secretary (if any); or
 - (c) any person authorised by the directors for the purpose of signing documents to which the common seal is applied.

No right to inspect accounts and other records

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

Provision for employees on cessation of business

51. The directors may decide to make provision for the benefit of persons employed or formerly employed by the company or any of its subsidiaries (other than a director or former director or shadow director) in connection with the cessation

or transfer to any person of the whole or part of the undertaking of the company or that subsidiary.

DIRECTORS' INDEMNITY AND INSURANCE

Indemnity

52. (1) Subject to paragraph (2), a relevant director of the company or an associated company may be indemnified out of the company's assets against:
- (a) any liability incurred by that director in connection with any negligence, default, breach of duty or breach of trust in relation to the company or an associated company.
 - (b) any liability incurred by that director in connection with the activities of the company or an associated company in its capacity as a trustee of an occupational pension scheme (as defined in section 235(6) of the Companies Act 2006),
 - (c) any other liability incurred by that director as an officer of the company or an associated company.
- (2) This article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law.
- (3) In this article:
- (a) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate, and
 - (b) a "relevant director" means any director or former director of the company or an associated company.

Insurance

53. (1) The directors may decide to purchase and maintain insurance, at the expense of the company, for the benefit of any relevant director in respect of any relevant loss.
- (2) In this article:
- (a) a "relevant director" means any director or former director of the company or an associated company.
 - (b) a "relevant loss" means any loss or liability which has been or may be incurred by a relevant director in connection with that director's duties or powers in relation to the company, any associated company or any pension fund or employees' share scheme of the company or associated company, and
 - (c) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate.