
THE COMPANIES ACT 2006

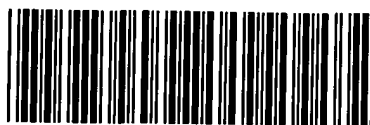
Private company limited by shares

ARTICLES OF ASSOCIATION

of

10ACT LIMITED

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Company number 05617099
THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
OF
10ACT LIMITED
(Adopted by special resolution passed on 29th May 2019 and amended by special resolution passed on 5th December 2023)

Introduction

1 INTERPRETATION

1.1 The following definitions and rules of interpretation apply in these Articles:

Accepting Shareholder	has the meaning given in Article 16.2
Accepting Tag Along Shareholder	has the meaning given in Article 22.5
A Shares	the A ordinary shares of £0.0001 each in the capital of the Company
A Shareholder	a holder of A Shares
Act	the Companies Act 2006
Acting in Concert	has the meaning given to it in the City Code on Takeovers and Mergers published by the Panel on Takeovers and Mergers (as amended from time to time)
appointor	has the meaning given in Article 11.1
Articles	the company's Articles of association for the time being in force
Auditors	the auditors of the Company from time to time
Board	the board of directors of the Company (or any duly authorised committee thereof) from time to time
Business Day	any day other than a Saturday, Sunday or public holiday in England on which banks in London are open for business
Called Shareholders	has the meaning given in Article 21.1
Called Shares	has the meaning given in Article 21.1

Companies Acts	has the meaning given to it in the Act
Company	10ACT Limited, a company incorporated in England and Wales with registration number 05617099
Competitor	a person carrying on any trade or business competing with the trade or business of the Company as carried on at the time
Conflict	has the meaning given in Article 7.1
Controlling Interest	an interest in shares giving to the holder or holders control of the Company within the meaning of section 1124 of the Corporation Tax Act 2010.
Deemed Transfer Notice	has the meaning give in Article 19.2
Disenfranchised Shareholder	has the meaning given in Article 19.5
Drag Along Buyer	has the meaning given in Article 21.1
Drag Along Notice	has the meaning given in Article 21.2
Drag Along Option	has the meaning given in Article 21.1.
eligible director	a director who would be entitled to vote on the matter at a meeting of directors (but excluding any director whose vote is not to be counted in respect of the particular matter)
Exit Value	(a) in the case of a Listing, the proceeds arising from the Shares sold in connection with the Listing, but excluding any ordinary shares issued for the purpose of raising additional capital for the Company as part of the Listing arrangements. (b) in the case of a Sale, the value attributed to the Shares and/or the consideration paid and payable for the Shares in respect of such transaction (including the value of any consideration then satisfied otherwise than in cash and including any future contingent consideration when paid). (c) in the case of a liquidation or other distribution of capital, the aggregate amount in money or money's worth available for distribution to the holders of the Shares after the payment of the Company's liabilities.
Founder Shareholders	Jeremy and Patricia Horwood.

Group	the Company and its subsidiary undertaking(s) (if any) from time to time and references to Group Company and members of the Group shall be construed accordingly
Issue Price	the price at which a share is issued including any share premium
Listing	the admission of any of the Company's shares to trading on the London Stock Exchange Plc's market for listed securities, or Alternative Investment Market, or any other Recognised Investment Exchange becoming effective. "Recognised Investment Exchange" is a recognised investment exchange as defined in Section 285(1) of the Financial Services and Markets Act 2000.
Majority Consent	the consent of a majority of the holders of the Ordinary Shares
Market Value	the price per share reported on by the Valuer as their written opinion of the open market value of each Sale Share in accordance with Article 18.12 as at the date of service of the Transfer Notice, in which case for the purposes of these Articles the Sale Price shall be deemed to have been determined on the date of the receipt by the Company of the Valuer's report
Model Articles	means the model Articles for private companies limited by shares contained in Schedule 1 of the Companies (Model Articles) Regulations 2008 (SI/2008/3229) as amended prior to the date of adoption of these Articles
New Shareholder	has the meaning given in Article 21.9
Offer Period	has the meaning given in Article 16.1
Option Shares	Shares the subject of an employees' share scheme adopted by the Company
Ordinary Shares	the ordinary shares of £0.0001 each in the capital of the Company
Ordinary Shareholder	a person who is the holder of Ordinary Shares
Proposed Price	has the meaning given in Article 18.1
Proposed Transfer	has the meaning given in Article 22.1
Proposed Transferee	has the meaning given in Article 18.1

Purchaser	has the meaning given in Article 18.7
Relevant Agreement	any agreement entered into, from time to time, between the Shareholders regulating the exercise of their rights in relation to the Company
Relevant Date	has the meaning given in Article 19.6.3
Relevant Purchaser	has the meaning given in Article 19.8
Relevant Shareholder	has the meaning given in Article 19.1
Sale	the transfer (whether through a single transaction or a series of transactions) of Shares as a result of which any person (or persons connected with each other, or persons acting in concert with one another) would hold or acquire beneficial ownership of or over that number of shares in the Company which in aggregate confers 50% or more of the voting rights normally exercisable at general meetings of the Company
Sale Date	has the meaning given in Article 22.3
Sale Notice	has the meaning given in Article 18.7
Sale Price	has the meaning given in Article 18.2
Sale Shares	has the meaning given in Article 18.1
Sellers' Shares	has the meaning given in Article 21.1
Selling Shareholders	has the meaning given in Article 21.1
Share(s)	any share (of any class) in the capital of the Company from time to time
Shareholder	a holder of any Share(s) from time to time
Share Transfer Seller	has the meaning given in Article 18.1
Specified Price	has the meaning given in Article 22.2
Tag Along Buyer	has the meaning given in Article 22.1
Tag Along Offer	has the meaning given in Article 22.2
Tag Along Offer Notice	has the meaning given in Article 22.3
Tag Along Offer Shares	has the meaning given in Article 22.3
Total Transfer Condition	has the meaning given in Article 18.1
Transfer Offer Notice	has the meaning given in Article 18.3

Transfer Notice	has the meaning given in Article 18.1
Valuer	a firm of chartered accountants or other suitably qualified firm agreed between the relevant Shareholder and the Board or, in default of agreement within 20 Business Days, appointed by the President of the Institute of Chartered Accountants in England and Wales on the application of the relevant Shareholder or the Board
Voting Shareholders	each Ordinary Shareholder that is not a Disenfranchised Shareholder
Voting Shares	the Ordinary Shares.

1.2 Construction

- 1.2.1 Headings in these Articles are used for convenience only and shall not affect the construction or interpretation of these Articles.
- 1.2.2 A reference in these Articles to an "Article" is a reference to the relevant Article of these Articles unless expressly provided otherwise.
- 1.2.3 Words importing the singular only shall include the plural and vice versa, words importing the whole shall be treated as including a reference to any part and words importing any gender shall include all other genders.
- 1.2.4 Unless expressly provided otherwise, a reference to a statute or statutory provision is a reference to it as amended, extended or re-enacted from time to time.
- 1.2.5 A reference to a statute or statutory provision shall include all subordinate legislation made from time to time under that statute or statutory provision.
- 1.2.6 Any words following the terms **including**, **include**, **in particular**, **for example** or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms.
- 1.2.7 Where the context permits, **other** and **otherwise** are illustrative and shall not limit the sense of the words preceding them.
- 1.2.8 The term **connected person** has the meaning attributed to it by Section 1122 Corporation Tax Act 2010 and **connected with** shall be construed accordingly.
- 1.2.9 References to **employees** shall also be deemed to include references to consultants, and references to contracts of employment and to commencement or cessation of employment shall be deemed to include contracts for consultancy and commencement or cessation of consultancy.
- 1.2.10 A **person** includes any individual, firm, company, corporation, body corporate, government, state or agency of state, trust or foundation, or any association, partnership or unincorporated body of two or more of the foregoing (whether or not having separate legal personality and wherever incorporated or established).

1.3 Model Articles

- 1.3.1 Save as otherwise specifically provided in these Articles, words and expressions which have particular meanings in the Model Articles shall have the same meanings in these Articles, subject to which and unless the context otherwise requires, words and expressions which have particular meanings in the Act shall have the same meanings in these Articles.
- 1.3.2 The Model Articles shall apply to the company, except in so far as they are modified or excluded by, or are inconsistent with, these Articles.
- 1.3.3 Articles 8, 9(3), 11(2) and (3), 13, 14(1), (2), (3) and (4), 17(2), 18(e), 44(2), 49, 52 and 53 of the Model Articles shall not apply to the company.
- 1.3.4 Article 7 of the Model Articles shall be amended by:
- 1.3.5 the insertion of the words "for the time being" at the end of Article 7(2)(a); and
- 1.3.6 the insertion in Article 7(2) of the words "(for so long as he remains the sole director)" after the words "and the director may".
- 1.3.7 Article 20 of the Model Articles shall be amended by the insertion of the words "(including alternate directors) and the secretary" before the words "properly incur".
- 1.3.8 In Article 25(2)(c) of the Model Articles, the words "evidence, indemnity and the payment of a reasonable fee" shall be deleted and replaced with the words "evidence and indemnity".
- 1.3.9 Article 27(3) of the Model Articles shall be amended by the insertion of the words ", subject to Article 10," after the word "But".
- 1.3.10 Article 29 of the Model Articles shall be amended by the insertion of the words ", or the name of any person(s) named as the transferee(s) in an instrument of transfer executed under Article 28(2) of the Model Articles," after the words "the transmittee's name".
- 1.3.11 Articles 31(1)(a) to (c) (inclusive) of the Model Articles shall be amended by the deletion, in each case, of the words "either" and "or as the directors may otherwise decide". Article 31(d) of the Model Articles shall be amended by the deletion of the words "either" and "or by such other means as the directors decide".

1.4 Transfer of Shares

- 1.4.1 A reference in these Articles to the transfer of any Share shall mean the transfer of either or both of the legal and beneficial ownership in and rights attaching to such Share and/or the grant of an option to acquire either or both of the legal and beneficial ownership in such Share and the following shall be deemed (but without limitation) to be a transfer of a Share:
 - (a) any direction (by way of renunciation or otherwise) by a Shareholder entitled to an allotment or issue of any Share that such Share be allotted or issued to some person other than himself;
 - (b) any sale or other disposition of any legal or equitable interest in a Share (including any voting right attached thereto) and whether or not by the

registered holder thereof and whether or not for consideration or otherwise and whether or not effected by an instrument in writing; and

- (c) any grant of a legal or equitable mortgage or charge over any Share.

1.5 Bare nominees

Where any Shares are held by a bare nominee for any person, that person shall be treated for the purposes of these Articles as the Shareholder in respect of those Shares.

Directors

2 UNANIMOUS DECISIONS

- 2.1 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.
- 2.2 Such a decision 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.
- 2.3 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.

3 CALLING A DIRECTORS' MEETING

Notice of a directors' meeting shall be given to each director in writing (which shall include emails).

4 QUORUM FOR DIRECTORS' MEETINGS

- 4.1 Subject to Article 4.2, the quorum for the transaction of business at a meeting of directors is any two eligible directors.
- 4.2 For the purposes of any meeting (or part of a meeting) held pursuant to Article 7 to authorise a director's conflict, if there is only one eligible director in office other than the conflicted director(s), the quorum for such meeting (or part of a meeting) shall be one eligible director.
- 4.3 If the total number of directors in office for the time being is less than the quorum required, the directors must not take any decision other than a decision:
 - 4.3.1 to appoint further directors; or
 - 4.3.2 to call a general meeting so as to enable the shareholders to appoint further directors.

5 CASTING VOTE

- 5.1 If the numbers of votes for and against a proposal at a meeting of directors are equal, the chairman or other director chairing the meeting does not have a casting vote.

6 TRANSACTIONS OR OTHER ARRANGEMENTS WITH THE COMPANY

- 6.1 Subject to sections 177(5) and 177(6) and sections 182(5) and 182(6) of the Act and provided he has declared the nature and extent of his interest in accordance with the requirements of the

Companies Acts, a director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the company:

- 6.1.1 may be a party to, or otherwise interested in, any transaction or arrangement with the company or in which the company is otherwise (directly or indirectly) interested;
- 6.1.2 shall be an eligible director for the purposes of any proposed decision of the directors (or committee of directors) in respect of such existing or proposed transaction or arrangement in which he is interested;
- 6.1.3 shall be entitled to vote at a meeting of directors (or of a committee of the directors) or participate in any unanimous decision, in respect of such existing or proposed transaction or arrangement in which he is interested;
- 6.1.4 may act by himself or his firm in a professional capacity for the company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a director;
- 6.1.5 may be a director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate in which the company is otherwise (directly or indirectly) interested; and
- 6.1.6 shall not, save as he may otherwise agree, be accountable to the company for any benefit which he (or a person connected with him (as defined in section 252 of the Act)) derives from any such transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the Act.

7 DIRECTORS' CONFLICTS OF INTEREST

- 7.1 The directors may, in accordance with the requirements set out in this Article, authorise any matter or situation proposed to them by any director which would, if not authorised, involve a director (an **Interested Director**) breaching his duty under section 175 of the Act to avoid conflicts of interest (**Conflict**).
- 7.2 Any authorisation under this Article 7 will be effective only if:
 - 7.2.1 to the extent permitted by the Act, the matter in question shall have been proposed by any director for consideration in the same way that any other matter may be proposed to the directors under the provisions of these Articles or in such other manner as the directors may determine;
 - 7.2.2 any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested Director or any other interested director; and
 - 7.2.3 the matter was agreed to without the Interested Director voting or would have been agreed to if the Interested Director's and any other interested director's vote had not been counted.
- 7.3 Any authorisation of a Conflict under this Article 7 may (whether at the time of giving the authorisation or subsequently):

- 7.3.1 extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised;
 - 7.3.2 provide that the Interested Director be excluded from the receipt of documents and information and the participation in discussions (whether at meetings of the directors or otherwise) related to the Conflict;
 - 7.3.3 provide that the Interested Director shall or shall not be an eligible director in respect of any future decision of the directors in relation to any resolution related to the Conflict;
 - 7.3.4 impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the directors think fit;
 - 7.3.5 provide that, where the Interested Director obtains, or has obtained (through his involvement in the Conflict and otherwise than through his position as a director of the company) information that is confidential to a third party, he will not be obliged to disclose that information to the company, or to use it in relation to the company's affairs where to do so would amount to a breach of that confidence; and
 - 7.3.6 permit the Interested Director to absent himself from the discussion of matters relating to the Conflict at any meeting of the directors and be excused from reviewing papers prepared by, or for, the directors to the extent they relate to such matters.
- 7.4 Where the directors authorise a Conflict, the Interested Director will be obliged to conduct himself in accordance with any terms and conditions imposed by the directors in relation to the Conflict.
- 7.5 The directors may revoke or vary such authorisation at any time, but this will not affect anything done by the Interested Director, prior to such revocation or variation, in accordance with the terms of such authorisation.
- 7.6 A director is not required, by reason of being a director (or because of the fiduciary relationship established by reason of being a director), to account to the company for any remuneration, profit or other benefit which he derives from or in connection with a relationship involving a Conflict which has been authorised by the directors or by the company in general meeting (subject in each case to any terms, limits or conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds.

8 RECORDS OF DECISIONS TO BE KEPT

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

9 NUMBER OF DIRECTORS

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

10 APPOINTMENT OF DIRECTORS

In any case where, as a result of death or bankruptcy, the company has no shareholders and no directors, the transmittee(s) of the last shareholder to have died or to have a bankruptcy order made against him (as the case may be) have the right, by notice in writing, to appoint a

natural person (including a transmittee who is a natural person), who is willing to act and is permitted to do so, to be a director.

11 APPOINTMENT AND REMOVAL OF ALTERNATE DIRECTORS

11.1 Any director (**appointor**) may appoint as an alternate any other director, or any other person approved by resolution of the directors, to:

11.1.1 exercise that director's powers; and

11.1.2 carry out that director's responsibilities,

in relation to the taking of decisions by the directors, in the absence of the alternate's appointor.

11.2 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.

11.3 The notice must:

11.3.1 identify the proposed alternate; and

11.3.2 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 RIGHTS AND RESPONSIBILITIES OF ALTERNATE DIRECTORS

12.1 An alternate director may act as alternate director to more than one director and has the same rights in relation to any decision of the directors as the alternate's appointor.

12.2 Except as the Articles specify otherwise, alternate directors:

12.2.1 are deemed for all purposes to be directors;

12.2.2 are liable for their own acts and omissions;

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

12.2.4 are not deemed to be agents of or for their appointors

and, in particular (without limitation), each alternate director shall be entitled to receive notice of all meetings of directors and of all meetings of committees of directors of which his appointor is a member.

12.3 A person who is an alternate director but not a director:

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

12.3.2 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); and

12.3.3 shall not be counted as more than one director for the purposes of this Article 12.

12.4 A director who is also an alternate director is entitled, in the 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.

- 12.5 An alternate director may be paid expenses and may be indemnified by the company to the same extent as his appointor but shall not be 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.

13 TERMINATION OF ALTERNATE DIRECTORSHIP

- 13.1 An alternate director's appointment as an alternate terminates:

- 13.1.1 when the alternate's appointor revokes the appointment by notice to the company in writing specifying when it is to terminate;
- 13.1.2 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;
- 13.1.3 on the death of the alternate's appointor; or
- 13.1.4 when the alternate's appointor's appointment as a director terminates.

14 SECRETARY

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

Shares

15 SHARE CAPITAL

- 15.1 The share capital of the Company at the date of adoption of these Articles is divided into Ordinary Shares and A Shares.
- 15.2 The liability of the Shareholders is limited to the amount, if any, unpaid on the Shares held by them.
- 15.3 The Shares shall be separate classes of shares and carry the respective rights set out in these Articles.
- 15.4 The rights attached to the Shares are as follows:

Dividends

- 15.4.1 The Shares shall be entitled to receive dividends and participate in the profits of the Company in such amounts as the directors may determine, but so that a dividend payment on one class shall not give rise to an entitlement on any other class and for the avoidance of doubt, the directors may determine that the entitlement to dividends differs as between the different classes of Shares..

Voting

- 15.4.2 Each Voting Shareholder shall be entitled to receive notice of and to attend and speak at any general meetings of the Company and a Voting Shareholder who (being an individual) is present in person or by proxy or (being a corporation) is present by duly authorised representative shall, on a show of hands, have one vote each, and, on a poll, have one vote for each Voting Share of which he is the holder.
- 15.4.3 The A Shareholders shall not have voting rights, save in the case of any resolutions that effect the rights attaching to the A Shares in which case Article 15.4.5 will apply.

Return of Capital

- 15.4.4 In the event of a Sale, Listing, liquidation, capital reduction, return of capital or other distribution of assets ("Exit") (other than a redemption or purchase of shares in accordance with these Articles) the Exit Value shall be applied:
- (a) in paying to each Shareholder, first, any dividends thereon which have been declared but are unpaid;
 - (b) next, in paying to the A Shareholders an amount equal to 2.94% of the remaining Exit Value; and
 - (c) thereafter, in distributing the balance of such Exit Value amongst the holders of the Voting Shares in proportion to the number of Voting Shares held by them respectively.

Variation of Rights

- 15.4.5 No variation of the rights attaching to any class of Shares shall be effective except with the sanction of a special resolution of the holders of the relevant class of Shares.
- 15.4.6 To every meeting of holders of a relevant class of Shares to take place pursuant to Article 15.4.5, all the provisions of these Articles relating to general meetings of the Company and to the proceedings at those meetings shall, with the necessary changes, apply, except that:
- (a) the necessary quorum at any such meeting (other than an adjourned meeting) shall be two persons holding or representing by proxy not less than 10% in nominal amount of the issued Shares of the class (unless only one person holds issued Shares of the class in which event such quorum shall be one person holding such Shares);
 - (b) at an adjourned meeting the necessary quorum shall be one person holding Shares of the class or his proxy;
 - (c) the holders of Shares of the relevant class shall on a poll have one vote in respect of every Share of that class held by them respectively; and
 - (d) a poll may be demanded by any holder of Shares of the class whether present in person or by proxy.

16 ISSUES OF NEW SHARES

- 16.1 Subject to Article 16.2, all unissued Shares which the directors propose to offer, allot, issue, grant options over or otherwise deal with, shall first be offered to the existing Shareholders at such time in proportion to the total number of Shares held by them respectively and at the proposed issue price.
- 16.1.1 Each offer shall be made by notice specifying:
- (a) the total number and class of Shares being offered;
 - (b) the proportionate entitlement of the Shareholder to whom the offer is being made; and
 - (c) the price per Share,
- and shall require each Shareholder to state in writing within a period (not being less than 21 days) specified in the notice (for the purposes of this Article 16, the **Offer Period**) whether he is willing to take any and, if so, what number and class of the said shares up to his proportionate entitlement.
- 16.2 Shareholders who accept an offer referred to in Article 16.1 (**Accepting Shareholders**) shall be entitled to indicate that they would accept, on the same terms, Shares that have not been accepted by other Shareholders (for the purposes of this Article 16, (**Excess Shares**) and indicating the number of Excess Shares they would be willing to accept.
- 16.3 An offer, if not accepted within the respective Offer Period as regards any Shares, will be deemed to be declined and the relevant Shares shall be offered to the Accepting Shareholders who have, within the relevant Offer Period, indicated that they would accept Excess Shares.
- 16.4 Excess Shares shall be allotted pro rata to the aggregate number of Shares held by Accepting Shareholders accepting Excess Shares provided that no such Accepting Shareholder shall be allotted more than the maximum number of Excess Shares than such Accepting Shareholder has indicated he is willing to accept.
- 16.5 To the extent that any Shares have not been accepted by Shareholders pursuant to Articles 16.1 and 16.2, such Shares shall be under the control of the directors, who may offer, allot, grant options over or otherwise deal with or dispose of them to such persons, at such times and on such terms and conditions as the directors may decide provided that no Share may be issued on terms which are more favourable than the terms on which they were offered to the Shareholders.
- 16.6 The provisions of Articles 16.1 to 16.5 shall not apply to any Option Shares in respect of which section 566 of the Companies Act 2006 applies. Only Ordinary Shares shall be capable of being Option Shares.
- 16.7 The pre-emption provisions of Section 561(1) of the Act shall not apply to any allotment of the Company's equity securities.
- 16.8 Unless the Company otherwise resolves by ordinary resolution, no Share will 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.

17 TRANSFER OF SHARES

- 17.1 No Shareholder shall transfer or otherwise dispose of or give any person any rights in or over any Share or any interest in any Share, except as required by any Relevant Agreement and/or these Articles, or with prior written Majority Consent, such consent to be given at the sole discretion of a majority of the Ordinary Shareholders.
- 17.2 No Shareholder shall create any encumbrance over any Share or any interest in any Share as security for personal borrowings, except as required by any Relevant Agreement and/or these Articles, or with prior written consent of the Board, such consent to be given at the sole discretion of the Board.
- 17.3 The Ordinary Shareholders may at any time transfer any Option Shares to an option holder pursuant to the terms of an employees' share scheme adopted by the Company.

18 PRE-EMPTION

- 18.1 Subject to the consent required by Article 17.1 and except in the case of a transfer pursuant to Articles 21 and 22, a Shareholder who wishes to transfer any Shares (the **Share Transfer Seller**) shall give notice in writing of such wish to the Company (the **Transfer Notice**). Each Transfer Notice shall:
- 18.1.1 relate to one class of Shares only;
 - 18.1.2 specify the number and class of Shares which the Share Transfer Seller wishes to transfer (the **Sale Shares**);
 - 18.1.3 specify the identity of any person to whom the Share Transfer Seller wishes to transfer the Sale Shares (the **Proposed Transferee**);
 - 18.1.4 specify the price per Share (the **Proposed Price**) at which the Share Transfer Seller wishes to transfer the Sale Shares;
 - 18.1.5 state whether the Transfer Notice is conditional upon all (and not part only) of the Sale Shares being sold pursuant to the following provision of this Article 18 (**Total Transfer Condition**); and
 - 18.1.6 be deemed to appoint the Company as the Share Transfer Seller's agent for the sale of the Sale Shares at the Sale Price (as defined below) in the manner prescribed by these Articles.
- 18.2 The Sale Shares shall be offered for purchase in accordance with this Article 18 at a price per Sale Share (the **Sale Price**) agreed between the Share Transfer Seller and the Board or, in default of such agreement by the end of the 20th Business Day after the date of service of the Transfer Notice, the lower of:
- 18.2.1 the Proposed Price, in which case for the purpose of these Articles the Sale Price shall be deemed to have been agreed at the end of that 20th Business Day; and
 - 18.2.2 in the case of a Deemed Transfer Notice, the price determined pursuant to Article 19.7.
- 18.3 The Board shall at least 10 Business Days after and no more than 20 Business Days after the Sale Price has been agreed or determined give a notice (for the purposes of this Article 18, a

Transfer Offer Notice) to all Shareholders to whom the Sale Shares are to be offered in accordance with these Articles.

- 18.4 A Transfer Offer Notice shall expire 15 Business Days after its service and shall:
- 18.4.1 specify the Sale Price;
 - 18.4.2 contain the other information set out in the Transfer Notice; and
 - 18.4.3 invite the relevant offerees to apply in writing, before expiry of the Transfer Offer Notice, to purchase the numbers of Shares specified by them in their application.
- 18.5 The Board shall have absolute discretion to determine to whom Sale Shares shall be offered for purchase, but in exercising such discretion shall have regard to the following order of priority: (i) first to the Founder Shareholders; (ii) second to the Company; and (iii) third to the existing Shareholders at such time in proportion to the total number of Shares held by them respectively.
- 18.6 After having gone through the procedure described in Articles 18.3 and 18.5 above (or, if earlier, after valid applications being received for all the Sale Shares in accordance with Article 18.5), the Board shall allocate the Sale Shares in accordance with the applications received, subject to the other provisions of these Articles and the Model Articles, save that:
- 18.6.1 if there are applications from any class of offerees for more than the number of Sale Shares available for that class of offerees, they shall be allocated to those applicants in proportion (as nearly as possible but without allocating to any Shareholder more Sale Shares than the maximum number applied for by him) to the number of Shares of the class which entitles them to receive such offer then held by them respectively;
 - 18.6.2 if it is not possible to allocate any of the Sale Shares without involving fractions, they shall be allocated amongst the applicants of each class in such manner as the Board shall think fit; and
 - 18.6.3 if the Transfer Notice contained a Total Transfer Condition, no allocation of Sale Shares shall be made unless all the Sale Shares are allocated.
- 18.7 Within 5 Business Days of the expiry date of the last Transfer Offer Notice, the Board shall give notice in writing (a **Sale Notice**) to the Share Transfer Seller and to each person to whom Sale Shares have been allocated (each a **Purchaser**) specifying the name and address of each Purchaser, the number of Sale Shares agreed to be purchased by him and the total price payable for them.
- 18.8 Completion of a sale and purchase of Sale Shares pursuant to a Sale Notice shall take place at the registered office of the Company at the time specified in the Sale Notice when the Share Transfer Seller shall, upon payment to him by a Purchaser of the Sale Price in respect of the Sale Shares allocated to that Purchaser, transfer those Sale Shares with full title guarantee free from all encumbrances and deliver the relative share certificates to that Purchaser.
- 18.9 The Share Transfer Seller may, during the period of 60 Business Days commencing 20 Business Days after the expiry date of the last Transfer Offer Notice, sell all or any of those Sale Shares for which a Sale Notice has not been given by way of *bona fide* sale to the proposed transferee (if any) named in the Transfer Notice or, if none was so named, to any transferee at any price per Sale Share which is not less than the Sale Price, without any deduction, rebate or allowance to the proposed transferee, provided that:

- 18.9.1 the Share Transfer Seller may not transfer any such Share and the Board shall not register any transfer to a transferee who is not at that date a Shareholder unless such transferee is first approved in writing by Majority Consent; and
 - 18.9.2 if the Transfer Notice contained a Total Transfer Condition, the Share Transfer Seller shall not be entitled, save with the written consent of all the other Shareholders, to sell only some of the Sale Shares under this Article 18.9.
- 18.10 If a Share Transfer Seller fails for any reason (including death) to transfer any Sale Shares when required pursuant to this Article 18:
 - 18.10.1 the Board may authorise any person (who shall be deemed to be irrevocably appointed as the agent of that Share Transfer Seller for the purpose) to execute the necessary transfer of such Sale Shares with full title guarantee free from all encumbrances and deliver it on the Share Transfer Seller's behalf;
 - 18.10.2 the Company may receive the purchase money for such Sale Shares from the Purchaser and shall upon receipt (subject, if necessary, to the transfer being duly stamped) register the Purchaser as the holder of such Sale Shares;
 - 18.10.3 the Company shall hold such purchase money in a separate bank account on trust for the Share Transfer Seller but shall not be bound to earn or pay interest on any money so held;
 - 18.10.4 the Company's receipt for such purchase money shall be a good discharge to the Purchaser who shall not be bound to see to the application of it; and
 - 18.10.5 after the name of the Purchaser has been entered in the register of members in purported exercise of the power conferred by this Article 18.10, the validity of the proceedings shall not be questioned by any person.
- 18.11 If the appointment of a Valuer is required to determine the Market Value of any shares, following the determination of the identity of the Valuer (whether the Auditors, another suitably qualified firm, or a firm of chartered accountants agreed between the Share Transfer Seller and the Board or appointed by the President of the Institute of Chartered Accountants in England and Wales on application of either party), the terms of their appointment shall be agreed by the Board acting as agent for the Share Transfer Seller.
- 18.12 When reporting on their opinion of Market Value under these Articles the Valuer shall:
 - 18.12.1 act as expert and not as arbitrator and their written determination shall be final and binding on the Shareholders (except in the case of manifest error); and
 - 18.12.2 proceed on the basis that the open market value of each Sale Share shall be the sum which a willing purchaser would agree with a willing vendor to be the purchase price for all the class of Shares of which the Sale Shares forms part, divided by the number of issued Shares then comprised in that class and sold ex dividend but taking no account of any premium or any discount by reference to the size of the holding the subject of the Transfer Notice or in relation to any restrictions on the transferability of the Sale Shares.
- 18.13 The Company will use its reasonable endeavours to procure that the Valuer delivers their written opinion of the Market Value to the Board and to the Share Transfer Seller within 28 days of being requested to do so.

- 18.14 The Valuer's fees for reporting on their opinion of the Market Value shall be paid as to one half by the Share Transfer Seller and as to the other half by the Purchasers *pro rata* to the number of Sale Shares purchased by them unless none of the Sale Shares are purchased pursuant to this Article 18, when the Share Transfer Seller shall pay all the Valuer's fees.

19 COMPULSORY TRANSFER

- 19.1 In this Article 19, a **Transfer Event** occurs, in relation to any Shareholder (the **Relevant Shareholder**) who is not a Founder Shareholder:

- 19.1.1 if the Relevant Shareholder being an individual:

- (a) has a bankruptcy order made against him or is declared bankrupt by any court of competent jurisdiction; or
- (b) dies; or
- (c) suffers from mental disorder and is admitted to hospital or becomes subject to any court order which wholly or partly prevents that person from personally exercising any powers or rights which that person would otherwise have;

and within the following twelve months the Board resolves that such event is a Transfer Event in relation to the Relevant Shareholder for the purposes of this Article 19; or

- 19.1.2 if the Relevant Shareholder makes or offers or purports to make any arrangement or composition with his creditors generally and within the following twelve months the Board resolves that such event is a Transfer Event in relation to that Relevant Shareholder for the purposes of this Article 19; or

- 19.1.3 if a Relevant Shareholder who is at any time an officer or employee of a member of the Group:

- (a) ceases to hold such office or employment;
- (b) does not remain or thereupon immediately become an officer or employee of another member of the Group; and
- (c) within the following twelve months the Board shall resolve that such event is a Transfer Event in relation to that Shareholder for the purposes of this Article 19; or

- 19.1.4 if a Relevant Shareholder is in material breach of a Relevant Agreement or the Articles and within the following twelve months the Board resolves that such event is a Transfer Event in relation to that Relevant Shareholder for the purposes of this Article 19;

- 19.1.5 if the Relevant Shareholder acquires Shares pursuant to a right or interest held by such Relevant Shareholder in respect of whom any of the events set out in Articles 19.1.1 to 19.1.4 inclusive has occurred and within the twelve month period following such Shares being acquired the Board resolves that such event is a Transfer Event in relation to that Shareholder for the purposes of this Article 19.

- 19.2 Upon the giving of a notification or passing of resolution under Article 19.1 that the same is a Transfer Event the Relevant Shareholder shall be deemed to have immediately given a Transfer

Notice in respect of all the Shares then held by such Shareholder(s) (a **Deemed Transfer Notice**).

- 19.3 For the purpose of Article 19.2 and 19.4, any Shares received by way of rights or on a capitalisation by any person to whom Shares may have been transferred (directly or by means of a series of two or more permitted transfers) shall also be treated as included within the Deemed Transfer Notice.
- 19.4 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.
- 19.5 Notwithstanding any other provision of these Articles, any Relevant Shareholder shall not be entitled to exercise any voting rights in respect of those Shares on and from the date of the relevant Deemed Transfer Notice until the entry in the register of members of the Company of another person as the holder of those Shares (**Disenfranchised Shareholder**).
- 19.6 The Shares the subject of a Deemed Transfer Notice shall be offered for sale in accordance with Article 18 as if they were Sale Shares in respect of which a Transfer Notice had been given and treating the Relevant Shareholder as the Seller save that:
- 19.6.1 subject to Article 19.7, the Market Value of such Shares shall be taken as at the date of the Transfer Event or in the case of a Transfer Event under Article 19.1.5 the date of the earlier event under Article 19.1.1 to 19.1.4 referred to therein (the **Relevant Date**);
- 19.6.2 a Deemed Transfer Notice shall be deemed not to contain a Total Transfer Condition and shall be irrevocable;
- 19.6.3 the Seller may retain any Sale Shares for which Purchasers are not found;
- 19.6.4 the Sale Shares shall be sold together with all rights, attaching thereto as at the date of the Transfer Event, including the right to any dividend declared or payable on those Shares after that date; and
- 19.6.5 Articles 21 and 22 shall not apply.
- 19.7 Subject to Article 19.11, the Sale Price for any Sale Shares which are the subject of a Deemed Transfer Notice given as a consequence of a Transfer Event shall be:
- 19.7.1 if the Relevant Shareholder is a Good Leaver (as defined in Article 19.9.1), their Market Value as at the Relevant Date.
- 19.7.2 if the Relevant Shareholder is a Bad Leaver (as defined in Article 19.9.2) their nominal value as at the Relevant Date.
- 19.8 A dispute as to whether Article 19.7.1 or Article 19.7.2 applies to any Sale Shares shall not affect the validity of a Deemed Transfer Notice but any person who acquires Sale Shares (the **Relevant Purchaser**) pursuant to a Deemed Transfer Notice while such a dispute is continuing shall pay to the Seller their Market Value discounted in accordance with Article 19.7.2 (assuming, that the Relevant Shareholder is a Bad Leaver) and shall pay the amount of such discount to the Company. The Company shall hold that discount in a separate bank deposit account as trustee to pay it, and interest earned thereon, upon final determination of the dispute as follows:

19.8.1 to the Relevant Purchaser(s) in the case of a Bad Leaver; and

19.8.2 to the Seller in the case of a Good Leaver.

Provided always that if the Seller and the Relevant Purchaser(s) otherwise agree in writing and notify such agreement to the Company it shall hold and deal with the monies paid into such account and interest as such agreement and notice may specify even though the issue of whether the Relevant Shareholder was a Good Leaver or a Bad Leaver has not been resolved.

19.9 In Articles 19.7 and 19.8:

19.9.1 **Good Leaver** means a Relevant Shareholder (other than a Bad Leaver).

19.9.2 **Bad Leaver** means a Relevant Shareholder:

- (a) who ceases to be a director or employee as a result of gross misconduct or gross negligence;
- (b) to whom the circumstances of Article 19.1.4 applies; or
- (c) who resigns to work for a Competitor or commences work with a Competitor within twelve months of ceasing to hold office or ceasing to be an employee.

19.10 For the purpose of Articles 19.1.3 and 19.9.2(c), the date upon which a Shareholder ceases to hold office or ceases to be an employee shall:

19.10.1 where the employer terminates or purports to terminate a contract of employment by giving notice to the employee of the termination of the employment, be the date of that notice or, if later, the date (if any) for the termination expressly stated in such 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);

19.10.2 where the employee terminates or purports to terminate a contract of employment by giving notice to the employer of the termination of the employment (whether or not he is lawfully able so to do), be the date of that notice or, if later, the date (if any) for the termination expressly stated in such notice;

19.10.3 subject to Article 19.10.1 and 19.10.2 where an employer or employee wrongfully repudiates the contract of employment and the other respectively accepts that the contract of employment has been terminated, be the date of such acceptance by the employee or employer respectively;

19.10.4 where a contract of employment is terminated under the doctrine of frustration, be the date of the frustrating event; and

19.10.5 where a contract of employment is terminated for any reason other than in the circumstances set out in Article 19.10.1 to 19.10.4 (inclusive) be the date on which the action or event giving rise to the termination occurs.

19.11 In the event of a Sale prior to completion of the sale of any Sale Shares, the sale price for any such Sale Shares shall be an amount at least equal to the price per share offered to the other Shareholders as part of the Sale, except in the case of a Bad Leaver, where the sale price for any Sale Shares shall be the nominal value of such Sale Shares.

20 **COMPLIANCE**

- 20.1 For the purpose of ensuring compliance with the transfer provisions of these Articles, the Company may require any Relevant Shareholder or other Shareholder to procure that:

20.1.1 he; or

20.1.2 any proposed transferee, or

20.1.3 such other person as is reasonably believed to have information and/or evidence relevant to such purpose;

provides to the Company any information and/or evidence relevant to such purpose and until such information and/or evidence is provided the Company shall refuse to register any relevant transfer.

- 20.2 Each Shareholder hereby irrevocably appoints the Company as his agent (with the power to appoint any member of the Board as a substitute and to delegate to that substitute all or any powers hereby conferred, other than this power of substitution, as if he had been originally appointed by this article) to give effect to the provisions of these Articles.

Drag Along and Tag Along

21 **DRAG ALONG**

- 21.1 If the holders of more than 50% of the Shares in issue for the time being (**Selling Shareholders**) wish to transfer all (but not some only) of their Shares (**Sellers' Shares**) to a bona fide purchaser on arm's length terms (**Drag Along Buyer**), the Selling Shareholders may require all other Shareholders (**Called Shareholders**) to sell and transfer all their shares (**Called Shares**) to the Drag Along Buyer (or as the Drag Along Buyer directs) in accordance with the provisions of this Article (**Drag Along Option**).

- 21.2 The Selling Shareholders may exercise the Drag Along Option by giving written notice to that effect to the Called Shareholders (**Drag Along Notice**) at any time before the transfer of the Sellers' Shares to the Drag Along Buyer. The Drag Along Notice shall specify:

21.2.1 that the Called Shareholders are required to transfer all their Called Shares pursuant to this Article 21;

21.2.2 the person to whom the Called Shares are to be transferred;

21.2.3 the purchase price payable for the Called Shares which shall, for each Called Share, be an amount at least equal to the price per share offered by the Drag Along Buyer for the Sellers' Shares; and

21.2.4 the proposed date of the transfer.

- 21.3 Once issued, a Drag Along Notice shall be irrevocable. However, a Drag Along Notice shall lapse if, for any reason, the Selling Shareholders have not sold the Sellers' Shares to the Drag Along Buyer within 60 Business Days of serving the Drag Along Notice. The Selling Shareholders may serve further Drag Along Notices following the lapse of any particular Drag Along Notice.

- 21.4 No Drag Along Notice shall require a Called Shareholder to agree to any terms except those specifically set out in this Article 21.

- 21.5 Completion of the sale of the Called Shares shall take place on the Completion Date. Completion Date means the date proposed for completion of the sale of the Sellers' Shares unless:
- 21.5.1 all of the Called Shareholders and the Selling Shareholders agree otherwise in which case the Completion Date shall be the date agreed in writing by all of the Called Shareholders and the Selling Shareholders; or
- 21.5.2 that date is less than 5 Business Days after the date on which the Drag Along Notice is served, in which case the Completion Date shall be the 5th Business Day after service of the Drag Along Notice.
- 21.6 On or before the Completion Date, the Called Shareholders shall execute and deliver stock transfer forms for the Called Shares, together with the relevant share certificates (or a suitable indemnity for any lost share certificates) to the Company. On the Completion Date, the Company shall pay the Called Shareholders, on behalf of the Drag Along Buyer, the amounts due pursuant to Article 21.2.3 to the extent that the Drag Along Buyer has put the Company in the requisite funds. The Company's receipt for the price shall be a good discharge to the Drag Along Buyer. The Company shall hold the amounts due to the Called Shareholders in trust for the Called Shareholders without any obligation to pay interest.
- 21.7 To the extent that the Drag Along Buyer has not, on the Completion Date, put the Company in funds to pay the purchase price due in respect of the Called Shares, the Called Shareholders shall be entitled to the return of the stock transfer forms and share certificates (or suitable indemnity) for the relevant Called Shares and the Called Shareholders shall have no further rights or obligations under this Article 21 in respect of their Shares.
- 21.8 If any Called Shareholder does not, on or before the Completion Date, execute and deliver (in accordance with Article 21.6) transfer(s) in respect of all of the Called Shares held by him, each defaulting Called Shareholder shall be deemed to have irrevocably appointed any person nominated for the purpose by the Selling Shareholders to be his agent to execute all necessary transfer(s) on his behalf, against receipt by the Company (on trust for such holder) of the purchase price payable for the Called Shares, and to deliver such transfer(s) to the Drag Along Buyer (or as it may direct) as the holder thereof. After the Drag Along Buyer (or its nominee) has been registered as the holder of the Called Shares, the validity of such proceedings shall not be questioned by any person. Failure to produce a share certificate shall not impede the registration of shares under this Article 21.
- 21.9 Upon any person, following the issue of a Drag Along Notice, becoming a Shareholder (or increasing an existing shareholding) including, without limitation, pursuant to the exercise of any option, warrant or other right to acquire or subscribe for, or to convert any security into, Shares (a **New Shareholder**), a Drag Along Notice shall be deemed to have been served on the New Shareholder on the same terms as the previous Drag Along Notice. The New Shareholder shall then be bound to sell and transfer all Shares acquired by him to the Drag Along Buyer (or as the Drag Along Buyer may direct) and the provisions of this Article 21 shall apply with the necessary changes to the New Shareholder, except that completion of the sale of the Shares shall take place on the Completion Date or immediately upon the New Shareholder becoming a Shareholder of the Company, if later.
- 22 TAG ALONG**
- 22.1 The provisions of Articles 22.2 to 22.5 shall apply if, in one or a series of related transactions, one or more Shareholders propose to transfer any of their Shares (**Proposed Transfer**) which

would, if carried out, result in any person (**Tag Along Buyer**), and any person Acting in Concert with the Tag Along Buyer, acquiring a Controlling Interest in the Company.

- 22.2 Before making a Proposed Transfer, a Seller shall procure that the Tag Along Buyer makes an offer (**Tag Along Offer**) to the other Shareholders to purchase all of the Shares held by them for a consideration per Share that is at least equal to the highest price per Share offered or paid by the Tag Along Buyer, or any person Acting in Concert with the Tag Along Buyer, in the Proposed Transfer or in any related previous transaction in the 6 months preceding the date of the Proposed Transfer (**Specified Price**).
- 22.3 The Tag Along Offer shall be made by written notice (**Tag Along Offer Notice**), at least 10 Business Days before the proposed sale date (**Sale Date**). To the extent not described in any accompanying documents, the Tag Along Offer Notice shall set out:
- 22.3.1 the identity of the Tag Along Buyer;
 - 22.3.2 the Specified Price and other terms and conditions of payment;
 - 22.3.3 the Sale Date; and
 - 22.3.4 the number of Shares proposed to be purchased by the Tag Along Buyer (**Tag Along Offer Shares**).
- 22.4 If the Tag Along Buyer fails to make the Tag Along Offer to all of the holders of Shares in the Company in accordance with Articles 22.2 and 22.3, the Seller shall not be entitled to complete the Proposed Transfer and the Company shall not register any transfer of Shares effected in accordance with the Proposed Transfer.
- 22.5 If the Tag Along Offer is accepted by any Shareholder (**Accepting Tag Along Shareholder**) in writing within 7 Business Days of receipt of the Tag Along Offer Notice, the completion of the Proposed Transfer shall be conditional on completion of the purchase of all the Tag Along Offer Shares held by Accepting Tag Along Shareholders.

Decision making by shareholders

23 POLL VOTES

- 23.1 A poll may be demanded at any general meeting by any qualifying person (as defined in section 318 of the Act) present and entitled to vote at the meeting.
- 23.2 Article 44(3) of the Model Articles shall be amended by the insertion of the words "A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made" as a new paragraph at the end of that Article.

24 PROXIES

- 24.1 Article 45(1)(d) of the Model Articles shall be deleted and replaced with the words "is delivered to the company in accordance with the Articles not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in accordance with any instructions contained in the notice of the general meeting (or adjourned meeting) to which they relate".
- 24.2 Article 45(1) of the Model Articles shall be amended by the insertion of the words "and a proxy notice which is not delivered in such manner shall be invalid, unless the directors, in their

discretion, accept the notice at any time before the meeting" as a new paragraph at the end of that Article.

Administrative arrangements

25 MEANS OF COMMUNICATION TO BE USED

25.1 Subject to Article 25.2, any notice, document or other information shall be deemed served on, or delivered to, the intended recipient:

25.1.1 if delivered by hand, on signature of a delivery receipt or at the time the notice, document or other information is left at the address; or

25.1.2 if sent by pre-paid United Kingdom first class post, recorded delivery or special delivery to an address in the United Kingdom, at 9.00 am on the second Business Day after posting; or

25.1.3 if sent by pre-paid airmail to an address outside the country from which it is sent, at 9.00 am on the fifth Business Day after posting; or

25.1.4 if sent by reputable international overnight courier to an address outside the country from which it is sent, on signature of a delivery receipt or at the time the notice, document or other information is left at the address; or

25.1.5 if sent or supplied by e-mail, one hour after the notice, document or information was sent or supplied; or

25.1.6 if sent or supplied by means of a website, when the material is first made available on the website or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on the website; and

25.1.7 if deemed receipt under the previous paragraphs of this Article 25.1 would occur outside business hours (meaning 9.00 am to 5.30 pm Monday to Friday on a day that is not a public holiday in the place of deemed receipt), at 9.00 am on the day when business next starts in the place of deemed receipt. For the purposes of this Article, all references to time are to local time in the place of deemed receipt.

25.2 To prove service, it is sufficient to prove that:

25.2.1 if delivered by hand or by reputable international overnight courier, the notice was delivered to the correct address; or

25.2.2 if sent by post or by airmail, the envelope containing the notice was properly addressed, paid for and posted; or

25.2.3 if sent by e-mail, the notice was properly addressed and sent to the e-mail address of the recipient.

26 INDEMNITY

26.1 Subject to Article 26.2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled:

26.1.1 the Company may, but shall not be obliged, to indemnify each relevant officer out of the company's assets against all costs, charges, losses, expenses and liabilities

incurred by him as a relevant officer in the actual or purported execution and/or discharge of his duties, or in relation to them including (in each case) any liability incurred by him in defending any civil or criminal proceedings, in which judgment is given in his favour or in which he is acquitted or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part or in connection with any application in which the court grants him, in his capacity as a relevant officer, relief from liability for negligence, default, breach of duty or breach of trust in relation to the company's (or any associated company's) affairs; and

26.1.2 the company may provide any relevant officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings or application referred to in Article 26.1.1 and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure.

26.2 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.

26.3 In this Article:

26.3.1 companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate; and

26.3.2 a "relevant officer" means any director or other officer or former director or other officer of the company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act), but excluding in each case any person engaged by the company (or associated company) as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor).

27 INSURANCE

27.1 The directors may decide to purchase and maintain insurance, at the expense of the company, for the benefit of any relevant officer in respect of any relevant loss.

27.2 In this Article:

27.2.1 a "relevant officer" means any director or other officer or former director or other officer of the company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act), but excluding in each case any person engaged by the company (or associated company) as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor);

27.2.2 a "relevant loss" means any loss or liability which has been or may be incurred by a relevant officer in connection with that relevant officer's duties or powers in relation to the company, any associated company or any pension fund or employees' share scheme of the company or associated company; and

27.2.3 companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate.

SCHEDULE 1

Regulation 2

MODEL ARTICLES FOR PRIVATE COMPANIES LIMITED BY SHARES

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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 for the time being, 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 (for so long as he remains the sole director) take decisions without regard to any of the provisions of the articles relating to directors' decision-making.

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' meetings

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 2 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) [paragraph omitted pursuant to The Mental Health (Discrimination) Act 2013]~~

(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 (including alternate directors) and the secretary 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 and 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, subject to Article 10, 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, or the name of any person(s) named as the transferee(s) in an instrument of transfer executed under Article 28(2) of the Model Articles, 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 shareholder's 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 assets 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—

- (a) the meeting consents to an adjournment, or
- (b) 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~~

~~(e) 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~~
~~(e) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate.~~