

Company Number 06900256

PRIVATE COMPANY LIMITED BY SHARES

WRITTEN RESOLUTION

of

1 IN 6 LIMITED

(Circulation Date 30 NOVEMBER 2009)

SATURDAY



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05/12/2009

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COMPANIES HOUSE

Pursuant to Chapter 2 of Part 13 of the Companies Act 2006, the directors of the Company propose that the following resolutions are passed as special resolutions ('Resolutions').

1. THAT the Company adopt new articles of association ('New Articles') in the form of the draft attached to this resolution in substitution for the existing articles of association.
2. THAT the 1 issued ordinary share of £1.00 in the share capital of the Company be and is reclassified as 1 Ordinary A Share of £1.00 carrying the rights and restrictions specified in the New Articles.
3. THAT the 99 unissued ordinary shares of £1.00 each in the authorised share capital of the Company be and are reclassified as 99 Ordinary A Shares of £1.00 each and carrying the rights and restrictions specified in the New Articles.

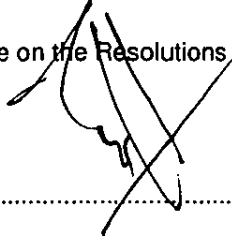
AGREEMENT

Please read the notes at the end of this document before signifying your agreement to the Resolutions.

The undersigned, each a person entitled to vote on the Resolutions on 30/11/2009, hereby irrevocably agree to the Resolutions:

Signed by Eric Mitchell Harrison

Date


30/11/2009

NOTES

1. If you agree with the Resolutions, please indicate your agreement by signing and dating this document where indicated above and returning it to the Company using one of the following methods:
 - **By Hand:** delivering the signed copy to the sole Director of the Company; or
 - **Post:** returning the signed copy by post to the sole Director of the Company at the registered office of the Company.

If you do not agree to the Resolutions, you do not need to do anything: you will not be deemed to agree if you fail to reply.

2. Once you have indicated your agreement the Resolutions, you may not revoke your agreement.
3. Unless, by 30.12.2009, sufficient agreement has been received for the Resolutions to pass, they will lapse. If you agree to the Resolutions, please ensure that your agreement reaches us before or during this date.
4. In the case of joint holders of shares, only the vote of the senior holder who votes will be counted by the Company. Seniority is determined by the order in which the names of the joint holders appear in the register of members.
5. If you are signing this document on behalf of a person under a power of attorney or other authority please send a copy of the relevant power of attorney or authority when returning this document.

THE COMPANIES ACT 2006

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

1 IN 6 LIMITED (Company Number 06900256)

(Adopted by special resolution passed on 30/11/ 2009)



A43

05/12/2009
COMPANIES HOUSE

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INTRODUCTION

1. Interpretation

- 1.1 In these Articles, unless expressly provided otherwise, the following words have the following meanings:

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);

A Director: means any director appointed to the Company by holders of the Ordinary A Shares;

Adoption Date: the date of adoption of these Articles;

Articles: the Company's articles of association for the time being in force;

Available Profits: profits available for distribution within the meaning of part 23 of the Act;

B Director: means any director appointed to the Company by holders of the Ordinary B Shares;

Business Day: any day (other than a Saturday, Sunday or public holiday in the United Kingdom) on which clearing banks in the City of London are generally open for business;

Call: has the meaning given to it in *article 22.9*;

Call Notice: has the meaning given to it in *article 22.9*;

Chairman: means the person appointed to be chairman of the board of Directors pursuant to *article 4.9*;

Companies Acts: has the meaning given to it in the Act;

Company: means 1 IN 6 Limited (Company number 06900256);

connected: has the meaning given in section 252 of the Act;

Controlling Interest: an interest in Shares conferring on the holder or holders control of the Company within the meaning of section 840 of the Income and Corporation Taxes Act 1988;

Deemed Transfer Notice: a Transfer Notice which is deemed to have been served by any of the provisions of these Articles;

Directors: the directors of the Company from time to time;

Disposal: the disposal by the Company of all, or a substantial part of, its business and assets;

Eligible Director: means 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: a Share Sale or a Disposal;

Fair Value: has the meaning given in *article 18.2*;

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

Financial Year: an accounting reference period (as defined in section 391 of the Act) of the Company;

Group: the Company and its subsidiaries (if any) from time to time and Group Company shall be construed accordingly;

holding company: has the meaning given in section 1159 of the Act;

Independent Expert: an independent firm of accountants appointed by the Company and the Seller or, in the absence of agreement between the Company and the Seller on the identity of the expert or its terms of appointment within 10 Business Days of the expiry of the 10 Business Day period referred to in *article* 18.1, an independent firm of accountants appointed, and whose terms of appointment are agreed, by the President, for the time being, of the Institute of Chartered Accountants of England and Wales (in each case acting as an expert and not as an arbitrator);

Investor: a holder for the time being of Preferred Shares;

Issue Price: in respect of any Share, the subscription price paid (or agreed to be paid) in respect of that Share, including any share premium;

Lien Enforcement Notice: means a notice served by the Company on a relevant Shareholder whereby the Company notifies the relevant Shareholder that it intends to enforce the Companies Lien (as defined in *article* 22.1);

Member of the Same Group: as regards any company, a company which is from time to time a holding company or a subsidiary of that company or a subsidiary of any such holding company;

Model Articles: the model articles for private companies limited by shares contained in Schedule 1 to The Companies (Model Articles) Regulations 2008 (SI 2008/3229), as amended prior to the Adoption Date;

Ordinary Shares: means together the Ordinary A Shares and Ordinary B Shares (and Ordinary Share shall be construed accordingly);

Ordinary A Shares: the ordinary A shares of £1.00 each in the capital of the Company;

Ordinary B Shares: the ordinary B shares of £1.00 each in the capital of the Company;

Original Shareholder: has the meaning given in *article* 16.1;

Permitted Transfer: a transfer of Shares made in accordance with *article* 16;

Permitted Transferee: in relation to:

(a) a Shareholder who is an individual, any of his Privileged Relations or the trustee(s) of a Family Trust; and

(b) a Shareholder which is a company, a Member of the Same Group as that company;

Preferred Shares: the preferred ordinary shares of £1.00 each in the capital of the Company;

Privileged Relation: in relation to a Shareholder who is an individual Shareholder (or a deceased or former individual Shareholder) means a spouse, civil partner (as defined in the Civil Partnerships Act 2004), child or grandchild (including step or adopted or illegitimate children and their issue);

Restricted Shares: has the meaning given in *article* 19.4;

Sale Shares: has the meaning given in *article* 17.2.1;

Seller: has the meaning given in *article* 17.2;

Shareholder: a holder for the time being of Shares;

Shares: shares (of any class) in the capital of the Company;

Share Sale: the sale of (or the grant of a right to acquire or to dispose of) any Shares (in one transaction or as a series of transactions) which would, if completed, result in the buyer of those Shares (or grantee of that right) and persons acting in concert with him together acquiring a Controlling Interest, except where the Shareholders and the proportion of Shares

held by each of them following completion of the sale are the same as the Shareholders and their shareholdings in the Company immediately before to the sale;

subsidiary: in relation to a holding company wherever incorporated, means a "subsidiary" (as defined in section 1159 of the Act) for the time being and any other company which for the time being is itself a subsidiary (as so defined) of a company which is itself a subsidiary of such holding company;

Transfer Notice: has the meaning given in *article* 17.2; and

Transfer Price: has the meaning given in *article* 18.

1.2 A reference in these Articles to:

1.2.1 an **Article** is a reference to the relevant numbered article of these Articles; and

1.2.2 a **model article** is a reference to the relevant article in the Model Articles,

unless expressly provided otherwise.

1.3 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 (but excluding any statutory modification of them not in force on the Adoption Date).

1.4 Headings in these Articles are used for convenience only and shall not affect the construction or interpretation of these Articles.

1.5 In these Articles, words denoting the singular include the plural and vice versa and reference to one gender includes the other gender and neuter and vice versa.

1.6 Unless expressly provided otherwise, a reference to a statute, statutory provision or subordinate legislation is a reference to it as it is in force from time to time, taking account of:

1.6.1 any subordinate legislation from time to time made under it; and

1.6.2 any amendment or re-enactment and includes any statute, statutory provision or subordinate legislation which it amends or re-enacts.

2. **Adoption of the Model Articles**

2.1 The Model Articles shall apply to the Company, except in so far as they are modified or excluded by these Articles or are inconsistent with these Articles, and, subject to any such modifications, exclusions or inconsistencies, shall together with these Articles constitute the articles of association of the Company to the exclusion of any other articles or regulations set out in any statute or in any statutory instrument or other subordinate legislation.

2.2 Model articles 7, 8, 9(1) and (3), 11(2) and (3), 12, 13, 14(1) to (4) (inclusive), 22, 26(5), 38, 39, 49, and 51 to 53 (inclusive) shall not apply to the Company.

2.3 Model article 29 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)," after the words "the transmittee's name".

DIRECTORS

3. **Number of directors**

Unless otherwise determined by ordinary resolution, the number of Directors shall not be less than two.

4. **Proceedings of directors**

4.1 Any decision of the Directors must be taken at a meeting of Directors in accordance with these Articles or must be a decision taken in accordance with *article* 4.2 (subject to *article* 4.3 and *article* 4.4). All decisions made at any meeting of the Directors (or any committee of the Directors) shall be made only by resolution and resolutions at any meeting of the Directors (or

committee of the Directors) shall be decided by a majority of votes (and in the event of an equality of votes may be decided by the Chairman's casting or second vote).

- 4.2 A unanimous decision of the Directors is taken when all Eligible Directors indicate to each other by any means that they share a common view on a matter.
- 4.3 A decision taken in accordance with *article 4.2* 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.
- 4.4 A decision may not be taken in accordance with *article 4.2* if the Eligible Directors would not have formed a quorum at a Directors' meeting to vote on the matter in accordance with *article 4.6* and *article 4.7*.
- 4.5 Any Director may call a meeting of the Directors. At least 5 Business Days' advance notice of each such meeting shall be given to each Director (except with the prior consent of the A Directors and B Directors, when meetings of the Directors may take place on shorter notice).
- 4.6 The quorum for any meeting (or, where specified below, part of a meeting) of the Directors shall be two Eligible Directors. If the necessary quorum is not present within 30 minutes from the time appointed for the meeting, or if, during a meeting, such quorum ceases to be present, the meeting shall stand adjourned to such time and place as the A Directors and B Directors determine (by their mutual agreement).
- 4.7 For the purposes of any meeting (or part of a meeting) held pursuant to *article 7* to authorise a Conflict (as defined in *article 7.1*), 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.
- 4.8 If the number of Directors in office for the time being is less than two, the Director in office must not take any decision other than a decision to call a general meeting so as to enable the Shareholders to appoint further Directors.
- 4.9 If the Chairman for the time being is unable to attend any meeting of the board of Directors, he shall be entitled to appoint another person to act as chairman at the meeting (which shall include any alternate director).
- 4.10 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.
- 4.11 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.

5. Appointment and removal of directors

- 5.1 The holder (or holders acting in concert) of a majority of the Ordinary A Shares for the time being shall be entitled to appoint one person to be an A Director and the holder (or holders acting in concert) of a majority of the Ordinary B Shares for the time being shall be entitled to appoint one person to be a B Director.
- 5.2 Any A Director may at any time be removed from office by the holder (or holders acting in concert) of a majority of the Ordinary A Shares and any B Director may at any time be removed from office by the holder (or holders acting in concert) of a majority of the Ordinary B Shares.
- 5.3 If any A Director or any B Director shall die or be removed from or vacate office for any cause, the holder (or holders acting in concert) of a majority of the Ordinary A Shares (in the case of an A Director) or the holder (or holders acting in concert) of a majority of the Ordinary B Shares (in the case of a B Director) shall appoint in his place another person to be an A Director or a B Director (as the case may be).
- 5.4 Any appointment or removal of a director pursuant to this article shall be in writing and signed by or on behalf of the holder (or holders acting in concert) of a majority of the Ordinary A Shares or Ordinary B Shares (as the case may be) and served on each of the other shareholders and the Company at its registered office or delivered to a duly constituted meeting of the directors of the Company. Any such appointment or removal shall take immediate effect upon receipt (or deemed receipt) by the Company of such notice in writing,

or the production of such notice at a meeting of the Directors or, if later, the date (if any) specified in such notice.

- 5.5 The right to appoint and to remove A Directors or B Directors under this article shall be a class right attaching to the Ordinary A Shares and the Ordinary B Shares respectively.
- 5.6 If no Ordinary A Shares or Ordinary B Shares remain in issue following a redesignation under these Articles, any director appointed by shareholders of that class shall be deemed to have been removed as from the redesignation.
- 5.7 No A Director or B Director shall be appointed or removed otherwise than pursuant to these Articles, save as provided by law.
- 5.8 The Shareholder removing a director in accordance with article 5.2 shall indemnify and keep indemnified the Company and the other Shareholders against any claim connected with the director's removal from office.

6. Transactions or other arrangements with the Company

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 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;
- 6.2 shall be an Eligible Director for the purposes of any proposed decision of the Directors (or committee of the Directors) in respect of such existing or proposed transaction or arrangement in which he is interested;
- 6.3 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;
- 6.4 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;
- 6.5 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
- 6.6 shall not, save as he may otherwise agree, be accountable to the Company for any benefit which he (or a person connected with him) 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

- 7.1 The Directors may, in accordance with the requirements set out in this *article 7*, 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; 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 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, notwithstanding his office, may be a Director or other officer of, employed by, or otherwise interested (including by the holding of shares) in his appointor(s) (or any Permitted Transferee of such appointor(s)) and no authorisation under *article 7.1* shall be necessary in respect of any such interest.
- 7.7 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 in accordance with these Articles or by the Company in general meeting (subject in each case to any terms and conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds.

SHARES AND DISTRIBUTIONS

8. Dividends

- 8.1 In respect of any Financial Year, the Available Profits of the Company shall be used to pay dividends as set out in this *article 8*.
- 8.2 The Company shall, without need for a resolution of the Directors, or the Company in general meeting and before application of any Available Profits to reserves or for any other purpose, pay in respect of each Preferred Share a fixed, cumulative, preferential dividend (**Preferred Dividend**) at an annual rate of 10% of the Issue Price per Preferred Share to the person registered as its holder on the due date (such date determined in accordance with this *article 8*).

- 8.3 Subject to *article* 8.4, the Preferred Dividend shall be paid in cash on the fifth anniversary of Adoption Date. The Company, at its discretion, may pay any accrued Preferred Dividend earlier and/or in instalments on such dates and in such instalments as it determines.
- 8.4 All unpaid arrears and accruals of the Preferred Dividend shall be paid on the date of an Exit.
- 8.5 The Company shall not declare or pay any further dividend unless and until all arrears and accruals of the Preferred Dividend have been paid
- 8.6 Subject to *article* 8.5, any further Available Profits which the Company may determine to distribute in respect of any Financial Year will be distributed among the holders of the Ordinary Shares (pari passu as if they constituted Shares of the same class) pro rata to their respective holdings of Ordinary Shares.
- 8.7 Subject to the Companies Acts, the Directors may pay interim dividends provided that the Available Profits of the Company justify the payment.
- 8.8 Each dividend shall be distributed to the appropriate Shareholders pro rata according to the number of Shares held by them respectively and shall accrue daily (assuming a 365 day year) as well after as before the commencement of a winding up. All dividends are expressed net and shall be paid in cash.
- 8.9 Unless the Company has insufficient Available Profits, the Preferred Dividend shall, notwithstanding that such dividend is expressed to be cumulative, be paid immediately on the due date.
- 8.10 If, as a result of not having sufficient Available Profits, the Company is not lawfully permitted to pay the Preferred Dividend in full on the due date, it shall pay the Preferred Dividend to the extent it is lawfully able to do so. The unpaid amount shall be a debt due from the Company.
- 8.11 If the Company is in arrears in paying the Preferred Dividend, the first Available Profits arising shall be applied in or towards paying off any arrears of Preferred Dividend.
- 8.12 The Company shall procure that the profits of any other Group Company available for distribution shall from time to time (and to the extent lawful), be paid by way of dividend to the Company (or, as the case may be, the relevant Group Company that is its immediate holding company) to the extent necessary to permit lawful and prompt payment by the Company of the Preferred Dividend.

9. Liquidation preference

On a return of assets on liquidation, capital reduction or otherwise (other than a conversion or purchase of Shares), the assets of the Company remaining after the payment of its liabilities shall be applied (to the extent that the Company is lawfully able to do so) in the following order of priority:

- 9.1.1 first, in paying to the holders of the Preferred Shares in respect of each Preferred Share held the Issue Price of that Preferred Share, together with a sum equal to any arrears and accruals of the Preferred Dividend in respect of that Preferred Share calculated down to (and including) the date of the return of capital and, if there is a shortfall of assets remaining to satisfy such payments in full, the proceeds shall be distributed to the holders of the Preferred Shares pro rata to the aggregate amounts due under this *article* 9.1.1 to each such Preferred Share held; and
- 9.1.2 second, in paying to the holders of the Ordinary Shares in respect of each Ordinary Share held the Issue Price of that Ordinary Share, together with a sum equal to any arrears and accruals of dividend in respect of that Ordinary Share and, if there is a shortfall of assets remaining to satisfy such payments in full, the proceeds shall be distributed to the holders of the Ordinary Shares pro rata to the aggregate amounts due under this *article* 9.1.2 to each such Ordinary Share held; and
- 9.1.3 thereafter, in distributing the balance among the holders of the Ordinary Shares pro rata to the number of Ordinary Shares held, as if they all constituted shares of the same class.

10. Exit provisions

- 10.1 The proceeds of a Share Sale shall be distributed in the order of priority set out in *article 9*. The Directors shall not register any transfer of Shares if the consideration payable (including any deferred consideration) whether in cash or otherwise to those Shareholders selling Shares under a Share Sale (**Sale Proceeds**) is not distributed in that manner provided that, if the Sale Proceeds are not settled in their entirety upon completion of the Share Sale:
- 10.1.1 the Directors may register the transfer of the relevant Shares, provided that the Sale Proceeds due on the date of completion of the Share Sale have been distributed in the order of priority set out in *article 9*; and
- 10.1.2 each Shareholder shall take any reasonable action (to the extent lawful and within its control) required by any other Shareholder to ensure that the balance of the Sale Proceeds are distributed in the order of priority set out in *article 9*.
- 10.2 On a Disposal, the surplus assets of the Company remaining after payment of its liabilities shall be distributed (to the extent that the Company is lawfully permitted to do so) in the order of priority set out in *article 9*, provided always that if it is not lawful for the Company to distribute its surplus assets in accordance with the provisions of these Articles, each Shareholder shall (to the extent lawful and within its control) take any reasonable action required by any other Shareholder (including, but without prejudice to the generality of this *article 10.2*, such action as may be necessary to put the Company into voluntary liquidation so that *article 9* applies).
- 10.3 In the event of an Exit approved by the Directors (**Proposed Exit**), all Shareholders shall (where they are entitled to do so) consent to, vote for, raise no objections to and waive any applicable rights in connection with the Proposed Exit. The Shareholders shall be required (where they are entitled to do so) to take all lawful actions with respect to the Proposed Exit as are reasonably required by the Directors to facilitate the Proposed Exit. If any Shareholder fails to comply with the provisions of this *article 10.3*:
- 10.3.1 the Company shall be constituted the agent and attorney of each defaulting Shareholder for taking such actions as are necessary to effect the Proposed Exit;
- 10.3.2 the Directors may authorise an officer of the Company or a Shareholder to execute and deliver on behalf of such defaulting Shareholder all or any necessary documents; and
- 10.3.3 the Company may receive any purchase money due to the defaulting Shareholder in trust for each of the defaulting Shareholders (without any obligation to pay interest).

11. Redemption of Preferred Shares

- 11.1 The Company may at any time give written notice (**Redemption Notice**) to the holders of the Preferred Shares of its intention to redeem all or any part of the Preferred Shares (**Relevant Shares**).
- 11.2 Any Redemption Notice must specify the date upon which the Relevant Shares are to be redeemed (**Redemption Date**) which must be no less than one month from the date upon which the Redemption Notice is given.
- 11.3 If a Redemption Notice relates to only a part of the Preferred Shares, the Company must decide which Preferred Shares are to be redeemed by taking a rateable proportion (as nearly as practicable without involving fractions of shares) of each holding of Preferred Shares as at the Redemption Date.
- 11.4 Provided there are sufficient Available Profits, on the Redemption Date, the Company shall pay the original subscription price (or amount paid up) on each of the Relevant Shares. At the same time, it shall pay any arrears or accruals of the Preferred Dividend due on such shares, calculated down to (and including) the Redemption Date. In the absence of any direction to the contrary by the holder of the Relevant Shares, any amount paid on redemption of those shares shall relate first to the arrears and accruals of the Preferred Dividend. The Preferred Dividends on the Relevant Shares shall stop accruing from the date on which the redemption amount is paid.

- 11.5 Provided there are sufficient Available Profits, on any Redemption Date the Company shall pay to each registered holder of Relevant Shares the amount payable in respect of such redemption. On receipt of that amount, each such holder shall surrender to the Company the certificate for the shares that are to be redeemed (or an indemnity in a form reasonably satisfactory to the Directors in respect of any lost share certificate) to be cancelled. If any certificate (or indemnity) so surrendered includes any shares that are not redeemable at that time, the Company shall issue a new share certificate for the balance of the shares not redeemable to the holder. If there is more than one holder of Relevant Shares, any redemption shall be made among such holders pro rata (as nearly as possible) to their respective holdings.
- 11.6 If, on any Redemption Date, the Company is prohibited from redeeming some or all of the Relevant Shares, the Company shall redeem such number of Relevant Shares as it is lawfully able to redeem. If there is more than one holder whose Relevant Shares are due to be redeemed, those Relevant Shares shall be redeemed in proportion as nearly as possible to their existing holdings of Relevant Shares and the Company shall redeem the balance of those shares as soon as practicable.
- 11.7 For so long as the Company is prohibited from redeeming Preferred Shares, and some or all of the Preferred Shares have not been redeemed, the Preferred Dividend shall, notwithstanding the other provisions of these Articles, continue to accrue down to (and including) the date on which such shares are actually redeemed, and the Company shall not pay any dividend or otherwise make any distribution out of capital or otherwise decrease its Available Profits. If the Company fails to make any partial redemption of Preferred Shares, then subsequent redemptions of Preferred Shares shall be deemed to be of those Preferred Shares that first became due for redemption.
- 11.8 On the fifth anniversary of the Adoption Date the Company shall be deemed to have given a Redemption Notice with a Redemption Date of one month from the fifth anniversary of the Adoption Date in respect of any Preferred Shares which are not the subject of an outstanding Redemption Notice and which are then still in issue.
12. **Variation of class rights**
- Whenever the share capital of the Company is divided into different classes of Shares, the special rights attached to any such class may only be varied or abrogated (either whilst the Company is a going concern or during or in contemplation of a winding up) with the consent in writing of the holders of at least 75% in nominal value of the issued Shares of that class.
13. **Non-Conversion of Preferred Shares**
- The holders of Preferred Shares are not entitled to any right of conversion in relation to their Preferred Shares.
14. **Pre-emption rights on the issue of further shares**
- 14.1 Subject to the remaining provisions of this *article* 14, the Directors are generally and unconditionally authorised, for the purposes of section 551 of the Act, to exercise any power of the Company to:
- 14.1.1 offer or allot;
- 14.1.2 grant rights to subscribe for or to convert any security into; and
- 14.1.3 otherwise deal in, or dispose of,
- any Shares (or any options, warrants, conversion rights and all other rights to acquire or subscribe for Shares) to any person, at any time and subject to any terms and conditions as the Directors think proper.
- 14.2 The authority referred to in *article* 14.1:
- 14.2.1 shall be limited to a maximum nominal amount of £155,000 of Preferred Shares and £70,000 of Ordinary Shares;

- 14.2.2 shall only apply insofar as the Company has not, subject to these Articles, renewed, waived or revoked it by ordinary resolution; and
- 14.2.3 may only be exercised for a period of five years from the Adoption Date save that, subject to these Articles, the Directors may make an offer or agreement which would, or might, require any Shares to be allotted after the expiry of such authority (and the Directors may allot Shares in pursuance of an offer or agreement as if such authority had not expired).
- 14.3 No shares in the Company shall be allotted nor any right to subscribe for or to convert any security into any shares in the Company shall be granted unless within one month before that allotment or grant (as the case may be) every holder of Ordinary Shares for the time being has consented in writing to that allotment or grant and its terms and to the identity of the proposed allottee or grantee.
- 14.4 No share of any class nor any right to subscribe for or to convert any security into a share of any class shall be allotted or granted otherwise than to the holder of a share of that same class.
- 14.5 In accordance with section 567(1) of the Act, sections 561 and 562 of the Act shall not apply to an allotment of equity securities (as defined in section 560(1) of the Act) where the consent to that allotment of every holder of Ordinary Shares has been obtained as required by these Articles and that allotment otherwise conforms to the requirements of these Articles.
- 15. Transfers of shares: general**
- 15.1 In these Articles, reference to the transfer of a Share includes the transfer, assignment or other disposal of a beneficial or other interest in that Share, or the creation of a trust or encumbrance over that Share, and reference to a Share includes a beneficial or other interest in a Share.
- 15.2 No Share shall be transferred, and the Directors shall refuse to register a transfer of any Share, unless it is made in accordance with these Articles. The Directors shall register any duly stamped transfer made in accordance with these Articles, unless they suspect that the proposed transfer may be fraudulent.
- 15.3 If a Shareholder transfers (or purports to transfer) a Share other than in accordance with these Articles, he shall be deemed to have immediately served a Transfer Notice in respect of all Shares held by him.
- 15.4 Any transfer of a Share by way of sale which is required to be made under *article* 19 shall be deemed to include a warranty that the transferor sells the Share with full title guarantee.
- 15.5 To enable the Directors to determine whether or not there has been any transfer (or purported transfer) of Shares the Directors may require:
- 15.5.1 any holder (or the legal representatives of a deceased holder); or
- 15.5.2 any person named as a transferee in a transfer lodged for registration; or
- 15.5.3 such other person as the Directors may reasonably believe to have information relevant to that purpose,
- to provide the Company with any information and evidence that the Directors think fit regarding any matter which they deem relevant to that purpose.
- 15.6 If any such information or evidence referred to in *article* 15.5 is not provided to enable the Directors to determine to their reasonable satisfaction that no breach has occurred, or that as a result of the information and evidence provided the Directors are reasonably satisfied that a breach has occurred, the Directors shall immediately notify the holder of such Shares of that fact in writing and then:
- 15.6.1 the relevant Shares shall cease to confer on the holder of them any rights:
- (a) to vote (whether on a show of hands, on a poll or otherwise and whether in person, by proxy or otherwise), including in respect of any resolution of any class of Shares;

- (b) to receive dividends or other distributions (other than the amount to which they may be entitled pursuant to the application of *article 8.2*) otherwise attaching to those Shares;

15.6.2 the Directors may, by notice in writing to the relevant holder, determine that a Transfer Notice shall be deemed to have been given in respect of some or all of his Shares with effect from the date of service of the notice (or such later date as may be specified in such notice).

The Directors may reinstate the rights referred to in *article 15.6.1* at any time and, in any event, such rights shall be reinstated on completion of a transfer made pursuant to *article 15.6.2*.

15.7 Unless expressly provided otherwise in these Articles, if a Transfer Notice is deemed to have been given under these Articles, the Deemed Transfer Notice shall be treated as having specified that:

15.7.1 it does not contain a Minimum Transfer Condition; and

15.7.2 the Seller wishes to transfer all the Shares held by him (including any Shares acquired after the date the relevant Transfer Notice is deemed given but before completion of the transfer of Shares pursuant to the relevant Transfer Notice).

15.8 Any Transfer Notice served in respect of the transfer of any Share which has not completed before the date of service of a Deemed Transfer Notice shall automatically be revoked by the service of a Deemed Transfer Notice.

16. Permitted transfers of shares

16.1 A Shareholder (the **Original Shareholder**), or on the death of the Shareholder the Shareholder's personal representatives or executors, may transfer all or any of his or its Shares to a Permitted Transferee.

16.2 Where Shares are held by the trustee(s) of a Family Trust, the trustee(s) may transfer Shares to:

16.2.1 the Original Shareholder;

16.2.2 any Privileged Relation(s) of the Original Shareholder;

16.2.3 subject to *article 16.3*, the trustee(s) of another Family Trust of which the Original Shareholder is the Settlor; or

16.2.4 subject to *article 16.3*, to the new (or remaining) trustee(s) upon a change of trustee(s) of a Family Trust,

without any price or other restriction.

16.3 A transfer of Shares may only be made to the trustee(s) of a Family Trust if the Directors are satisfied:

16.3.1 with the terms of the trust instrument and, in particular, with the powers of the trustee(s);

16.3.2 with the identity of the proposed trustee(s);

16.3.3 that the proposed transfer will not result in 50% or more of the aggregate of the Company's equity share capital being held by trustees of that and any other trusts; and

16.3.4 that no costs incurred in connection with the setting up or administration of that Family Trust are to be paid by the Company.

16.4 If the Original Shareholder is a company, and a Permitted Transfer has been made, the Permitted Transferee shall, within 5 Business Days of ceasing to be a Member of the Same Group as the Original Shareholder, transfer the Shares held by it to:

16.4.1 the Original Shareholder; or

16.4.2 a Member of the Same Group as the Original Shareholder,

(which in either case is not in liquidation), without any price or other restriction. If the Permitted Transferee fails to make a transfer in accordance with this *article* 16.4, a Transfer Notice shall be deemed to have been given in respect of such Shares on the expiry of the period set out in this *article* 16.4.

- 16.5 Save where a Permitted Transfer was made on the death of a Shareholder (by the Shareholder's personal representatives or executors), if the Original Shareholder is an individual and a Permitted Transfer has been made to a Privileged Relation of the Original Shareholder, the Permitted Transferee (or the transmittee(s) of any such person), shall within 5 Business Days of ceasing to be a Privileged Relation of the Original Shareholder (whether by reason of death, divorce or otherwise) either:

16.5.1 execute and deliver to the Company a transfer of the Shares held by him to the Original Shareholder (or to any Permitted Transferee of the Original Shareholder) for such consideration as may be agreed between them; or

16.5.2 give a Transfer Notice to the Company in accordance with *article* 17,

failing which a Transfer Notice shall be deemed to have been given in respect of such Shares on the expiry of the period set out in this *article* 16.5. This *article* 16.5 shall not apply to a transmittee of a Permitted Transferee if that transmittee is also a Permitted Transferee of the Original Shareholder, to the extent that such transmittee is legally or beneficially entitled to those Shares.

- 16.6 Notwithstanding any other provision of this *article* 16, a transfer of any Shares approved by the Directors may be made without any price or other restriction and any such transfer shall be registered by the Directors.

17. Pre-emption rights on the transfer of shares

- 17.1 Except where the provisions of *article* 16 apply, any transfer of Shares by a Shareholder shall be subject to the pre-emption rights in this *article* 17.

- 17.2 A Shareholder who wishes to transfer Shares (a **Seller**) shall, before transferring or agreeing to transfer any Shares, give notice in writing (a **Transfer Notice**) to the Company specifying:

17.2.1 subject to *article* 15.7.2, the number of Shares he wishes to transfer (**Sale Shares**);

17.2.2 the name of the proposed transferee, if any;

17.2.3 the price per Sale Share (in cash), if any, at which he wishes to transfer the Sale Shares (**the Proposed Sale Price**); and

17.2.4 subject to *article* 15.7.1, whether the Transfer Notice is conditional on all or a specific number of the Sale Shares being sold (**a Minimum Transfer Condition**).

- 17.3 Except in the case of a Deemed Transfer Notice (which may not be withdrawn), where the Transfer Price of the Sale Shares comprised within a Transfer Notice is to be the Fair Value and such Fair Value less than the Proposed Sale Price the Seller may, within 10 Business Days of receipt of notification of the Fair Value, withdraw the Transfer Notice. Otherwise, a Transfer Notice may only be withdrawn with the consent of the majority of the holders of Ordinary Shares.

- 17.4 A Transfer Notice (or Deemed Transfer Notice) constitutes the Company the agent of the Seller for the sale of the Sale Shares at the Transfer Price.

- 17.5 As soon as practicable following the later of:

17.5.1 receipt of a Transfer Notice (or in the case of a Deemed Transfer Notice, the date such notice is deemed to be served; and

17.5.2 the determination of the Transfer Price,

the Directors shall (unless the Transfer Notice is withdrawn in accordance with *article* 17.3) offer the Sale Shares for sale in the manner set out in the remaining provisions of this *article* 17 at the Transfer Price. Each offer shall be in writing and give details of the number and Transfer Price of the Sale Shares offered.

17.6 If the Sale Shares are Ordinary Shares, the Company shall offer them in the following order of priority:

17.6.1 first, to the holders of the same class of Ordinary Shares; and

17.6.2 secondly, to the holders the other classes of Ordinary Shares (the **Second Offer Shareholders**),

in each case on the basis set out in *article 17.7 to article 17.15* (inclusive).

17.7 the Directors shall offer the Sale Shares in the order of priority referred to in *article 17.6* to the holder of the relevant class of Ordinary Shares (the **First Offer Shareholders**) (other than the Seller), inviting them to apply in writing within the period from the date of the offer to the date 20 Business Days after the offer (both dates inclusive) (the **First Offer Period**) for the maximum number of Sale Shares they wish to buy.

17.8 If:

17.8.1 at the end of the First Offer Period, the number of Sale Shares applied for is equal to or exceeds the number of Sale Shares, the Directors shall allocate the Sale Shares to each First Offer Shareholder who has applied for Sale Shares in the proportion which his existing holding of Shares bears to the total number of Shares of the class being offered held by all First Offer Shareholders (other than the Seller). Fractional entitlements shall be rounded down to the nearest whole number (save where such rounding would result in not all Sale Shares being allocated, in which case, the allocation of any such fractional entitlements shall be determined by the Directors). No allocation shall be made to a Shareholder of more than the maximum number of Sale Shares which he has stated he is willing to buy;

17.8.2 not all Sale Shares are allocated following allocations in accordance with *article 17.8.1*, but there are applications for Sale Shares that have not been satisfied, the Directors shall allocate the remaining Sale Shares to such applicants in accordance with the procedure set out in *article 17.8.1*. The procedure set out in this *article 17.8.2* shall apply on any number of consecutive occasions until either all Sale Shares have been allocated or all applications for Sale Shares have been satisfied; and

17.8.3 at the end of the First Offer Period, the total number of Sale Shares applied for is less than the number of Sale Shares, the Directors shall allocate the Sale Shares to the First Offer Shareholders in accordance with their applications. The balance (the **Initial Surplus Shares**) shall be dealt with in accordance with *article 17.9*.

17.9 At the end of the First Offer Period, the Directors shall offer the Initial Surplus Shares (if any) to the Second Offer Shareholders (other than the Seller), inviting them to apply in writing within the period from the date of the offer to the date 10 Business Days after the offer (both dates inclusive) (the **Second Offer Period**) for the maximum number of Initial Surplus Shares they wish to buy.

17.10 If:

17.10.1 at the end of the Second Offer Period, the number of Initial Surplus Shares applied for is equal to or exceeds the number of Initial Surplus Shares, the Directors shall allocate the Initial Surplus Shares to each Second Offer Shareholder who has applied for Initial Surplus Shares in the proportion which his existing holding of Shares of the class held by Second Offer Shareholders bears to the total number of Shares of the class held by all Second Offer Shareholders (other than the Seller). Fractional entitlements shall be rounded down to the nearest whole number (save where such rounding would result in not all Initial Surplus Shares being allocated, in which case, the allocation of any such fractional entitlements shall be determined by the Directors). No allocation shall be made to a Shareholder of more than the maximum number of Initial Surplus Shares which he has stated he is willing to buy;

17.10.2 not all Initial Surplus Shares are allocated following allocations in accordance with *article 17.10.1*, but there are applications for Initial Surplus Shares that have not been satisfied, the Directors shall allocate the remaining Initial Surplus Shares to such applicants in accordance with the procedure set out in *article 17.10.1*. The procedure set out in this *article 17.10.2* shall apply on any number of consecutive occasions until

either all Initial Surplus Shares have been allocated or all applications for Initial Surplus Shares have been satisfied; and

17.10.3 at the end of the Second Offer Period, the total number of Initial Surplus Shares applied for is less than the number of Initial Surplus Shares, the Directors shall allocate the Initial Surplus Shares to the Second Offer Shareholders in accordance with their applications. The balance (the **Second Surplus Shares**) shall, subject to *article* 17.11, be offered to any other person in accordance with *article* 17.15.

17.11 Where the Transfer Notice contains a Minimum Transfer Condition:

17.11.1 any allocation made under *article* 17.7 to *article* 17.10 (inclusive) shall be conditional on the fulfilment of the Minimum Transfer Condition; and

17.11.2 if the total number of Sale Shares applied for under *article* 17.7 to *article* 17.10 (inclusive) is less than the number of Sale Shares, the Board shall notify the Seller and all those Shareholders to whom Sale Shares have been conditionally allocated stating that the condition has not been met and that the relevant Transfer Notice has lapsed with immediate effect.

17.12 Where either:

17.12.1 the Transfer Notice does not contain a Minimum Transfer Condition; or

17.12.2 allocations have been made in respect of all the Sale Shares,

the Directors shall, when no further offers or allocations are required to be made under *article* 17.7 to *article* 17.10 (inclusive), give notice in writing of the allocations of Sale Shares (an **Allocation Notice**) to the Seller and each Shareholder to whom Sale Shares have been allocated (each an **Applicant**). The Allocation Notice shall specify the number of Sale Shares allocated to each Applicant and the place and time for completion of the transfer of the Sale Shares (which shall be at least 5 Business Days, but not more than 10 Business Days, after the date of the Allocation Notice).

17.13 On the date specified for completion in the Allocation Notice, the Seller shall, against payment from an Applicant, transfer the Sale Shares allocated to such Applicant with full title guarantee, in accordance with any requirements specified in the Allocation Notice.

17.14 If the Seller fails to comply with *article* 17.13:

17.14.1 the Chairman (or, failing him, any other Director or some other person nominated by a resolution of the Directors) may, as agent and attorney on behalf of the Seller):

- (a) complete, execute and deliver in his name all documents necessary to give effect to the transfer of the relevant Sale Shares to the Applicants;
- (b) receive the Transfer Price and give a good discharge for it (and no Applicant shall be obliged to see to the distribution of the Transfer Price); and
- (c) (subject to the transfer being duly stamped) enter the Applicants in the register of Shareholders as the holders of the Shares purchased by them; and

17.14.2 the Company shall pay the Transfer Price into a separate bank account in the Company's name on trust (but without interest) for the Seller until he has delivered his certificate(s) for the relevant Shares (or an indemnity, in a form reasonably satisfactory to the Directors, in respect of any lost certificate, together with such other evidence (if any) as the Board may reasonably require to prove good title to those Shares) to the Company.

17.15 Where an Allocation Notice does not relate to all the Sale Shares or the Transfer Notice lapses pursuant to *article* 17.11.2 then, subject to *article* 17.16, the Seller may, at any time during the 5 Business Days following the date of service of the Allocation Notice, transfer the Sale Shares (in the case of a lapsed offer) or the Second Surplus Shares (as the case may be) to any person at a price at least equal to the Transfer Price. The sale of the Sale Shares (following the lapse of a Transfer Notice) in accordance with this *article* 17.15 shall continue to be subject to any Minimum Transfer Condition.

17.16 The Seller's right to transfer Shares under *article* 17.15 does not apply if the Directors reasonably consider that:

17.16.1 the transferee is a person (or a nominee for a person) whom the Directors determines to be a competitor (or a Member of the Same Group as a competitor) of the business of any Group Company;

17.16.2 the sale of the Sale Shares is not bona fide or the price is subject to a deduction, rebate or allowance to the transferee; or

17.16.3 the Seller has failed or refused to promptly provide information available to him and reasonably requested to enable it to form the opinion referred to in *article* 17.16.2.

18. Valuation

18.1 The Transfer Price for each Sale Share the subject of a Transfer Notice (or Deemed Transfer Notice) shall, save where expressly provided otherwise in these Articles, be the price per Sale Share (in cash) agreed between the Directors (any Director with whom the Seller is connected not voting) and the Seller or, in default of agreement within 10 Business Days of the date of service of the Transfer Notice (or, in the case of a Deemed Transfer Notice, the date on which the board of Directors first has actual knowledge of the facts giving rise to such deemed service), the Fair Value of each Sale Share.

18.2 The Fair Value shall be the price per Sale Share determined by the Independent Expert on the following bases and assumptions:

18.2.1 valuing the Sale Shares as on an arm's-length sale between a willing seller and a willing buyer as at the date the Transfer Notice was served (or deemed served);

18.2.2 if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so;

18.2.3 that the Sale Shares are capable of being transferred without restriction;

18.2.4 valuing the Sale Shares as a rateable proportion of the total value of all the issued Shares without any premium or discount being attributable to the percentage of the issued share capital of the Company which they represent; and

18.2.5 reflecting any other factors which the Independent Expert reasonably believes should be taken into account.

18.3 If any difficulty arises in applying any of these assumptions or bases then the Independent Expert shall resolve that difficulty in whatever manner it shall in its absolute discretion think fit.

18.4 The Directors will give the Independent Expert access to all accounting records or other relevant documents of the Group, subject to it agreeing such confidentiality provisions as the Directors may reasonably impose.

18.5 The parties are entitled to make submissions to the Independent Expert including oral submissions and shall provide (or procure that others provide) the Independent Expert with such assistance and documents as the Independent Expert may reasonably require for the purpose of reaching a decision.

18.6 The Independent Expert shall act as expert and not as arbitrator and its determination shall be final and binding on the parties (in the absence of fraud or manifest error).

18.7 The Independent Expert shall be requested to determine the Fair Value within 20 Business Days of its appointment and to deliver its certificate to the Company. Forthwith upon receipt, the Company shall deliver a copy of the certificate to the Seller.

18.8 The cost of obtaining the Independent Expert's certificate shall be borne by the parties equally or in such other proportions as the Independent Expert directs, unless:

18.8.1 the Seller withdraws the relevant Transfer Notice in accordance with *article* 17.3; or

18.8.2 in respect of a Deemed Transfer Notice, the Fair Value is less than the price per Sale Share offered to the Seller by the Directors before the appointment of the Independent Expert,

in which case the Seller shall bear the cost.

19. Compulsory transfers

- 19.1 A person entitled to a Share in consequence of the bankruptcy of a Shareholder (or equivalent procedure in any jurisdiction outside England and Wales) shall be deemed to have given a Transfer Notice in respect of that Share at such time as the Directors may determine.
- 19.2 If a Shareholder which is a body corporate either suffers or resolves to appoint a liquidator, administrator or administrative receiver over it, or any material part of its assets (other than a voluntary liquidation for the purpose of a bona fide scheme of solvent amalgamation or reconstruction) or suffers or takes any equivalent action in any jurisdiction outside England and Wales, that Shareholder shall be deemed to have given a Transfer Notice in respect of all Shares held by it at such time as the Directors may determine.
- 19.3 If there is a change in control (as 'control' is defined in section 840 of the Income and Corporation Taxes Act 1988) of any Shareholder which is a company, it shall be bound at any time, if and when required in writing by the Directors to do so, to give (or procure the giving in the case of a nominee) a Transfer Notice in respect of all the Shares registered in its name (or the name of its nominee(s)) save that, where that Shareholder acquired Shares as a Permitted Transferee of an Original Shareholder, it shall first be permitted to transfer those Shares back to the Original Shareholder from whom it received its Shares or to any other Permitted Transferee of that Original Shareholder before being required to serve a Transfer Notice. This *article* 19.3 shall not apply to a Shareholder that is an Investor.
- 19.4 Forthwith upon a Transfer Notice being deemed to be served under *article* 19 the Shares subject to the relevant Deemed Transfer Notice (**Restricted Shares**) shall cease to confer on the holder of them any rights:
- 19.4.1 to vote (whether on a show of hands, on a poll or otherwise and whether in person, by proxy or otherwise), including in respect of any resolution of any class of Shares;
or
- 19.4.2 to receive dividends or other distributions otherwise attaching to those Shares;
- The Directors may reinstate the rights referred to in *article* 19.4 at any time and, in any event, such rights shall be reinstated in respect of any Shares transferred pursuant to on completion of a transfer made pursuant to *article* 19.

DECISION-MAKING BY SHAREHOLDERS

20. General meetings

- 20.1 No business other than, subject to *article* 20.1, the appointment of the chairman of the meeting is to be transacted at a general meeting unless a quorum is present at the commencement of the meeting and also when that business is voted on.
- 20.2 The Chairman shall chair general meetings. If there is no Chairman in office for the time being, or the Chairman is unable to attend any general meeting, the holders of Ordinary A Shares (by majority decision) must appoint another Director present at the meeting (or, if no Directors are present, a Shareholder) to chair the meeting and the appointment of the chairman of the meeting must be the first business of the meeting.

21. Voting

- 21.1 Subject to any other provisions in these Articles concerning voting rights, each Share in the Company shall carry the right to receive notice of and to attend, speak and vote at all general meetings of the Company.
- 21.2 Save as expressly provided in these Articles, the holders of Preferred Shares are not entitled to a vote (of any kind).
- 21.3 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.

- 21.4 Model article 44(3) 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 model article.
- 21.5 Model article 45(1) shall be amended by:
- 21.5.1 the deletion of model article 45(1)(d) and its replacement 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"; and
 - 21.5.2 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 model article.
22. **Lien, calls on shares and forfeiture**
- 22.1 The Company has a lien (the **Company's Lien**) over every Share which is registered in the name of a person indebted or under any liability to the Company, whether he is the sole registered holder of the Share or one of several joint holders, for all monies payable by him (either alone or jointly with any other person) to the Company, whether payable immediately or at some time in the future.
- 22.2 The Company's Lien over a Share:
- 22.2.1 takes priority over any third party's interest in that Share; and
 - 22.2.2 extends to any dividend or other money payable by the Company in respect of that Share and (if the lien is enforced and the Share is sold by the Company) the proceeds of sale of that Share.
- 22.3 The Directors may at any time decide that a Share which is or would otherwise be subject to the Company's Lien shall not be subject to it, either wholly or in part.
- Enforcement of the Company's Lien
- 22.4 Subject to the provisions of *article 22.4 to article 22.8* (inclusive), if:
- 22.4.1 a Lien Enforcement Notice has been given in respect of a Share; and
 - 22.4.2 the person to whom the notice was given has failed to comply with it,
- the Company may sell that Share in such manner as the Directors decide.
- 22.5 A Lien Enforcement Notice:
- 22.5.1 may only be given in respect of a Share which is subject to the Company's Lien, in respect of which a sum is payable and the due date for payment of that sum has passed;
 - 22.5.2 must specify the Share concerned;
 - 22.5.3 must require payment of the sum within 10 Business Days of the notice (that is, excluding the date on which the notice is given and the date on which that 10 Business Day period expires);
 - 22.5.4 must be addressed either to the holder of the Share or to a transmittee of that holder; and
 - 22.5.5 must state the Company's intention to sell the Share if the notice is not complied with.
- 22.6 Where Shares are sold under this *article 22.6*:
- 22.6.1 the Directors may authorise any person to execute an instrument of transfer of the Shares to the purchaser or to a person nominated by the purchaser; and
 - 22.6.2 the transferee is not bound to see to the application of the consideration, and the transferee's title is not affected by any irregularity in or invalidity of the process leading to the sale.

22.7 The net proceeds of any such sale (after payment of the costs of sale and any other costs of enforcing the lien) must be applied:

22.7.1 first, in payment of so much of the sum for which the lien exists as was payable at the date of the Lien Enforcement Notice; and

22.7.2 second, to the person entitled to the Shares at the date of the sale, but only after the certificate for the Shares sold has been surrendered to the Company for cancellation, or an indemnity in a form reasonably satisfactory to the Directors has been given for any lost certificates, and subject to a lien equivalent to the Company's Lien for any money payable (whether payable immediately or at some time in the future) as existed upon the Shares before the sale in respect of all Shares registered in the name of such person (whether as the sole registered holder or as one of several joint holders) after the date of the Lien Enforcement Notice.

22.8 A statutory declaration by a Director that the declarant is a Director and that a Share has been sold to satisfy the Company's Lien on a specified date:

22.8.1 is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the Share; and

22.8.2 subject to compliance with any other formalities of transfer required by the Articles or by law, constitutes a good title to the Share.

Call notices

22.9 Subject to the Articles and the terms on which Shares are allotted, the Directors may send a notice (a **Call Notice**) to a Shareholder requiring the Shareholder to pay the Company a specified sum of money (a **Call**) which is payable to the Company at the date when the Directors decide to send the Call Notice.

22.10 A Call Notice:

22.10.1 may not require a Shareholder to pay a Call which exceeds the total amount of his indebtedness or liability to the Company;

22.10.2 must state when and how any Call to which it relates is to be paid; and

22.10.3 may permit or require the Call to be made in instalments.

22.11 A Shareholder must comply with the requirements of a Call Notice, but no Shareholder is obliged to pay any Call before 10 Business Days (that is, excluding the date on which the notice is given and the date on which that 10 Business Day period expires) have passed since the notice was sent.

22.12 Before the Company has received any Call due under a Call Notice the Directors may:

22.12.1 revoke it wholly or in part; or

22.12.2 specify a later time for payment than is specified in the notice,

by a further notice in writing to the Shareholder in respect of whose Shares the Call is made.

Liability to pay calls

22.13 Liability to pay a Call is not extinguished or transferred by transferring the Shares in respect of which it is required to be paid.

22.14 Joint holders of a Share are jointly and severally liable to pay all Calls in respect of that Share.

22.15 Subject to the terms on which Shares are allotted, the Directors may, when issuing Shares, provide that Call Notices sent to the holders of those Shares may require them:

22.15.1 to pay Calls which are not the same; or

22.15.2 to pay Calls at different times.

When call notice need not be issued

- 22.16 A Call Notice need not be issued in respect of sums which are specified, in the terms on which a Share is issued, as being payable to the Company in respect of that Share:
- 22.16.1 on allotment;
 - 22.16.2 on the occurrence of a particular event; or
 - 22.16.3 on a date fixed by or in accordance with the terms of issue.
- 22.17 But if the due date for payment of such a sum has passed and it has not been paid, the holder of the Share concerned is treated in all respects as having failed to comply with a Call Notice in respect of that sum, and is liable to the same consequences as regards the payment of interest and forfeiture.
- Failure to comply with Call Notice: automatic consequences
- 22.18 If a person is liable to pay a Call and fails to do so by the Call payment date:
- 22.18.1 the Directors may issue a notice of intended forfeiture to that person; and
 - 22.18.2 until the Call is paid, that person must pay the Company interest on the Call from the Call payment date at the relevant rate.
- 22.19 For the purposes of this *article 26.19*:
- 22.19.1 the "Call payment date" is the time when the Call Notice states that a Call is payable, unless the Directors give a notice specifying a later date, in which case the "Call payment date" is that later date; and
 - 22.19.2 the "relevant rate" is
 - (a) the rate fixed by the terms on which the Share in respect of which the Call is due was allotted;
 - (b) such other rate as was fixed in the Call Notice which required payment of the Call, or has otherwise been determined by the Directors; or
 - (c) if no rate is fixed in either of these ways, 5 per cent per annum.
- 22.20 The relevant rate must not exceed by more than 5 percentage points the base lending rate most recently set by the Monetary Policy Committee of the Bank of England in connection with its responsibilities under Part 2 of the Bank of England Act 1998.
- 22.21 The Directors may waive any obligation to pay interest on a Call wholly or in part.
- Notice of intended forfeiture
- 22.22 A notice of intended forfeiture:
- 22.22.1 may be sent in respect of any Share in respect of which a Call has not been paid as required by a Call Notice;
 - 22.22.2 must be sent to the holder of that Share (or all the joint holders of that Share) or to a transmittee of that holder;
 - 22.22.3 must require payment of the Call and any accrued interest and all expenses that may have been incurred by the Company by reason of such non-payment by a date which is not less than 10 Business Days after the date of the notice (that is, excluding the date on which the notice is given and the date on which that 10 Business Day period expires);
 - 22.22.4 must state how the payment is to be made; and
 - 22.22.5 must state that if the notice is not complied with, the Shares in respect of which the Call is payable will be liable to be forfeited.
- Directors' power to forfeit Shares
- 22.23 If a notice of intended forfeiture is not complied with before the date by which payment of the Call is required in the notice of intended forfeiture, the Directors may decide that any Share in respect of which it was given is forfeited, and the forfeiture is to include all dividends or other moneys payable in respect of the forfeited Shares and not paid before the forfeiture.

Effect of forfeiture

- 22.24 Subject to the Articles, the forfeiture of a Share extinguishes:
- 22.24.1 all interests in that Share, and all claims and demands against the Company in respect of it; and
 - 22.24.2 all other rights and liabilities incidental to the Share as between the person whose Share it was prior to the forfeiture and the Company.
- 22.25 Any Share which is forfeited in accordance with the Articles:
- 22.25.1 is deemed to have been forfeited when the Directors decide that it is forfeited;
 - 22.25.2 is deemed to be the property of the Company; and
 - 22.25.3 may be sold, re-allotted or otherwise disposed of as the Directors think fit.
- 22.26 If a person's Shares have been forfeited:
- 22.26.1 the Company must send that person notice that forfeiture has occurred and record it in the register of Shareholders;
 - 22.26.2 that person ceases to be a Shareholder in respect of those Shares;
 - 22.26.3 that person must surrender the certificate for the Shares forfeited to the Company for cancellation;
 - 22.26.4 that person remains liable to the Company for all sums payable by that person under the Articles at the date of forfeiture in respect of those Shares, including any interest (whether accrued before or after the date of forfeiture); and
 - 22.26.5 the Directors may waive payment of such sums wholly or in part or enforce payment without any allowance for the value of the Shares at the time of forfeiture or for any consideration received on their disposal.
- 22.27 At any time before the Company disposes of a forfeited Share, the Directors may decide to cancel the forfeiture on payment of all Calls, interest and expenses due in respect of it and on such other terms as they think fit.

Procedure following forfeiture

- 22.28 If a forfeited Share is to be disposed of by being transferred, the Company may receive the consideration for the transfer and the Directors may authorise any person to execute the instrument of transfer.
- 22.29 A statutory declaration by a Director that the declarant is a Director and that a Share has been forfeited on a specified date:
- 22.29.1 is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the Share; and
 - 22.29.2 subject to compliance with any other formalities of transfer required by the Articles or by law, constitutes a good title to the Share.
- 22.30 A person to whom a forfeited Share is transferred is not bound to see to the application of the consideration (if any) nor is that person's title to the Share affected by any irregularity in or invalidity of the process leading to the forfeiture or transfer of the Share.
- 22.31 If the Company sells a forfeited Share, the person who held it prior to its forfeiture is entitled to receive from the Company the proceeds of such sale, net of any commission, and excluding any amount which:
- 22.31.1 was, or would have become, payable; and
 - 22.31.2 had not, when that Share was forfeited, been paid by that person in respect of that Share,
- but no interest is payable to such a person in respect of such proceeds and the Company is not required to account for any money earned on them.

Surrender of Shares

- 22.32 A Shareholder may surrender any Share:
- 22.32.1 in respect of which the Directors may issue a notice of intended forfeiture;
 - 22.32.2 which the Directors may forfeit; or
 - 22.32.3 which has been forfeited.
- 22.33 The Directors may accept the surrender of any such Share.
- 22.34 The effect of surrender on a Share is the same as the effect of forfeiture on that Share.
- 22.35 A Share which has been surrendered may be dealt with in the same way as a Share which has been forfeited.

ADMINISTRATIVE ARRANGEMENTS

23. Notices

- 23.1 Any notice, document or other information shall be deemed served on or delivered to the intended recipient:
- 23.1.1 if properly addressed and sent by prepaid United Kingdom first class post to an address in the United Kingdom, 48 hours after it was posted (or five Business Days after posting either to an address outside the United Kingdom or from outside the United Kingdom to an address within the United Kingdom, if (in each case) sent by reputable international overnight courier addressed to the intended recipient, provided that delivery in at least five Business Days was guaranteed at the time of sending and the sending party receives a confirmation of delivery from the courier service provider);
 - 23.1.2 if properly addressed and delivered by hand, when it was given or left at the appropriate address;
 - 23.1.3 if properly addressed and sent or supplied by electronic means, one hour after the document or information was sent or supplied; and
 - 23.1.4 if sent or supplied by means of a website, when the material is first made available on the website or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on the website.

For the purposes of this *article* 23.1, no account shall be taken of any part of a day that is not a Business Day.

- 23.2 In proving that any notice, document or other information was properly addressed, it shall be sufficient to show that the notice, document or other information was delivered to an address permitted for the purpose by the Act.

24. Indemnity and insurance

- 24.1 Subject to *article* 24.2, but without prejudice to any indemnity to which a Relevant Officer is otherwise entitled:
- 24.1.1 each Relevant Officer shall be indemnified out of the Company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a Relevant Officer:
 - (a) in the actual or purported execution and/or discharge of his duties, or in relation thereto ; and
 - (b) in relation to the Company's (or other Group Company's) activities as trustee of an occupational pension scheme (as defined in section 235(6) of the Act),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 other Group Company's) affairs; and

- 24.1.2 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* 24.1 and otherwise may take any action to enable such Relevant Officer to avoid incurring such expenditure.
- 24.2 This *article* 24 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.
- 24.3 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.
- 24.4 In this *article* 24:
- 24.4.1 **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 (or other Group Company) or any pension fund or employees' share scheme of the Company (or other Group Company); and
- 24.4.2 **Relevant Officer** means any director or other officer or former director or other officer of any Group Company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act)).
25. **Data protection**
- 25.1 Each of the Shareholders and Directors (from time to time) consents to the processing of his personal data by the Company, its Shareholders and Directors (each a **Recipient**) for the purposes of due diligence exercises, compliance with applicable laws, regulations and procedures and the exchange of information amongst themselves. A Recipient may process such personal data either electronically or manually.
- 25.2 The personal data that may be processed for such purposes under this *article* 25 shall include any information which may have a bearing on the prudence or commercial merits of investing in, or disposing of any Shares (or other investment or security) in, the Company. Save as required by law, court order or any regulatory authority, that personal data shall not be disclosed by a Recipient or any other person, except to:
- 25.2.1 a Member of the Same Group as the Recipient (each a **Recipient Group Company**);
- 25.2.2 employees, directors and professional advisers of that Recipient or any Recipient Group Company; and
- 25.2.3 funds managed by any of the Recipient Group Companies.
- 25.3 Each of the Shareholders and Directors consent (from time to time) to the transfer of such personal data to persons acting on behalf of any Recipient and to the offices of any Recipient, both within and outside the European Economic Area, for the purposes stated above, where it is necessary or desirable to do so.