

Company number: 06951692

THE COMPANIES ACT 2006

A PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

of

THE ORIGINAL COTTAGE COMPANY LIMITED

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PART 1 - PRELIMINARY, INTERPRETATION AND LIMITATION OF LIABILITY

1 PRELIMINARY

- 1.1 The model articles for private companies limited by shares contained in schedule 1 to the Companies (Model Articles) Regulations 2008 shall not apply to the company.

2 DEFINED TERMS

- 2.1 In the articles, unless the context requires otherwise:

"A Share" means an ordinary share of £1.00 each designated as an 'A' ordinary share and the expression 'A Shares' shall be construed accordingly;

"Act" means the provisions for the time being in force of the Companies Act 1985 and/or the Companies Act 2006 including any statutory modification, consolidation, replacement, amendment or re-enactment of the same for the time being in force;

"Alphabet Shares" means the Ordinary Shares, A Shares, B Shares, C Shares, D Shares, E Shares, F Shares, G Shares, H Shares, and any other share in the capital of the Company issued now or in the future that carries rights to receive notice of or to attend, speak or vote at general meetings of the company;

"appointor" has the meaning given in article 24.1;

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

"B Share" means an ordinary share of £1.00 each designated as a 'B' ordinary share and the expression 'B Shares' shall be construed accordingly;

"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;

"Beneficiaries" means past, present and future officers and employees of the company (and/or its Subsidiaries);

"business day" means any day (other than a Saturday, Sunday or public holiday in England) on which clearing banks in the City of London are generally open for business;

"C Share" means an ordinary share of £1.00 each designated as a 'C' ordinary share and the expression 'C Shares' shall be construed accordingly;

"call" has the meaning given in article 37.1;

"call notice" has the meaning given in article 37.1;

"call payment date" has the meaning given in article 40.2.1;

"capitalised sum" has the meaning given in article 56.1.2;

"chairman" has the meaning given in article 13.2;

"chairman of the meeting" has the meaning given in article 59.3;

"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;

"company's lien" has the meaning given in article 35.1;

"Consent" any written agreement made between all of the shareholders from time to time that relates to the company;

"Controlling Member" means The Original Holding Company Limited (formerly known as Norfolk Country Cottages Limited), company number 02705065;

"D Share" means an ordinary share of £1.00 each designated as a 'D' ordinary share and the expression 'D Shares' shall be construed accordingly;

"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 50.2;

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

"E Share" means an ordinary share of £1.00 each designated as an 'E' ordinary share and the expression 'E Shares' shall be construed accordingly;

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

"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 counted in respect of the particular matter);

"F Share" means an ordinary share of £1.00 each designated as an 'F' ordinary share and the expression 'F Shares' shall be construed accordingly;

"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;

"G Share" means an ordinary share of £1.00 each designated as a 'G' ordinary share and the expression 'G Shares' shall be construed accordingly;

"H Share" means an ordinary share of £1.00 each designated as a 'H' ordinary share and the expression 'H Shares' shall be construed accordingly;

"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;

"Interest Rate" means 2 per cent above base rate from time to time of National Westminster Bank plc;

"lien enforcement notice" has the meaning given in article 36;

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

"Ordinary Share" means an ordinary share of £1.00 each designated as an ordinary share;

"paid" means paid or credited as paid;

"participate" in relation to a directors' meeting, has the meaning given in article 11;

"persons entitled" has the meaning given in article 56.1.2;

"Preference Dividend" has the meaning ascribed to it in article 29.1.1;

"Preference Share" a redeemable preference share of £1 each designated as a Preference Share and the expression 'Preference Shares' shall be construed accordingly;

"proxy notice" has the meaning given in article 65.1;

"qualifying person" means:

- (i) an individual who is a member of the company;
- (ii) a person authorised under section 323 of the Companies Act 2006 to act as the representative of a corporation in relation to the meeting; or
- (iii) a person appointed as proxy of a member in relation to the meeting;

"relevant rate" has the meaning given in article 40.2.2;

"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;

"United Kingdom" means Great Britain and Northern Ireland;

"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.

- 2.2 Unless the context otherwise requires, other words or expressions contained in the 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.

3 LIABILITY OF MEMBERS

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

PART 2 - DIRECTORS AND SECRETARY

DIRECTORS' POWERS AND RESPONSIBILITIES

4 DIRECTORS' GENERAL AUTHORITY

- 4.1 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.

5 SHAREHOLDERS' RESERVE POWER

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

6 DIRECTORS MAY DELEGATE

- 6.1 Subject to the articles, the directors may delegate any of the powers which are conferred on them under the articles:
- 6.1.1 to such person(s) or committee(s);
 - 6.1.2 by such means (including by power of attorney);
 - 6.1.3 to such an extent;
 - 6.1.4 in relation to such matters or territories; and
 - 6.1.5 on such terms and conditions, as they think fit.
- 6.2 If the directors so specify, any such delegation may authorise further delegation of the directors' powers by any person to whom they are delegated.
- 6.3 The directors may revoke any delegation of their powers in whole or part, or alter its terms and conditions.

7 COMMITTEES

- 7.1 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.

DECISION MAKING BY DIRECTORS

8 DIRECTORS TO TAKE DECISIONS COLLECTIVELY

- 8.1 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 9.
- 8.2 If:
- 8.2.1 the company only has one director for the time being; and
- 8.2.2 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.

9 UNANIMOUS DECISIONS

- 9.1 A decision of the directors is taken in accordance with this article 9 when all eligible directors indicate to each other by any means that they share a common view on a matter.
- 9.2 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.
- 9.3 A decision may not be taken in accordance with this article 9 if the eligible directors *would not have formed a quorum had the matter been proposed at a directors' meeting.*

10 CALLING A DIRECTORS' MEETING

- 10.1 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.
- 10.2 Notice of any directors' meeting must indicate:

- 10.2.1 its proposed date and time;
 - 10.2.2 where it is to take place; and
 - 10.2.3 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.
- 10.3 Notice of a directors' meeting must be given to each director (other than a director who is absent from the United Kingdom), but need not be in writing.
- 10.4 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.
- 11 PARTICIPATION IN DIRECTORS' MEETINGS**
- 11.1 Subject to the articles, directors participate in a directors' meeting, or part of a directors' meeting, when:
- 11.1.1 the meeting has been called and takes place in accordance with the articles; and
 - 11.1.2 they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.
- 11.2 In determining whether directors are participating in a directors' meeting, it is irrelevant where any director is or how they communicate with each other.
- 11.3 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.
- 12 QUORUM FOR DIRECTORS' MEETINGS**
- 12.1 At a directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.
- 12.2 Subject to article 12.3, the quorum for directors' meetings may be fixed from time to time by a decision of the directors and unless so fixed it is two save that if at any time there shall only be one director, the quorum shall be one.

- 12.3 For the purposes of any meeting (or part of a meeting) held pursuant to article 16 to authorise a director's conflict of interest, if there is only one director in office besides the conflicted director(s), the quorum for such meeting (or part of a meeting) shall be one eligible director.

13 CHAIRING OF DIRECTORS' MEETINGS

- 13.1 The directors may appoint a director to chair their meetings.
- 13.2 The person so appointed for the time being is known as the chairman.
- 13.3 The directors may terminate the chairman's appointment at any time.
- 13.4 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.

14 CASTING VOTE

- 14.1 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 shall not have a casting vote.
- 14.2 Article 14.1 shall not apply in respect of a particular meeting (or part of a meeting) if, in accordance with the articles, the chairman or other director chairing the meeting is not an eligible director for the purposes of that meeting (or part of a meeting).

15 TRANSACTIONS OR OTHER ARRANGEMENTS WITH THE COMPANY

- 15.1 Subject to sections 177(5) and 177(6) and sections 182(5) and 182(6) of the Companies Act 2006 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 contract, transaction or arrangement with the company:
- 15.1.1 may be a party to, or otherwise interested in, any contract, transaction or arrangement with the company or in which the company is otherwise (directly or indirectly) interested;
- 15.1.2 shall be an eligible director for the purposes of any proposed decision of the directors (or committee of directors) in respect of such contract, transaction or arrangement in which he is interested;

- 15.1.3 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 contract, transaction or arrangement in which he is interested;
- 15.1.4 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;
- 15.1.5 may be a director or other officer of, or employed by, or a party to a contract, transaction or arrangement with, or otherwise interested in, any body corporate in which the company is otherwise (directly or indirectly) interested; and
- 15.1.6 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 Companies Act 2006)) derives from any such contract, transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such contract, 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 Companies Act 2006.

16 CONFLICTS OF INTEREST

- 16.1 The directors may, in accordance with the requirements set out in this article 16, authorise any matter or situation proposed to them by any director which would, if not authorised, involve a director breaching his duty under section 175 of the Companies Act 2006 to avoid conflicts of interest.
- 16.2 Any authorisation under this article 16 will be effective only if:
 - 16.2.1 the matter in question shall have been proposed by any director for consideration at a meeting of directors in the same way that any other matter may be proposed to the directors under the provisions of the articles or in such other manner as the directors may determine;
 - 16.2.2 any requirement as to the quorum at the meeting of the directors at which the matter is considered is met without counting the director in question; and
 - 16.2.3 the matter was agreed to without his voting or would have been agreed to if his vote had not been counted.
- 16.3 Any authorisation of a conflict of interest under this article 16 may (whether at the time of giving the authorisation or subsequently):

- 16.3.1 extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter so authorised;
- 16.3.2 be subject to such terms and for such duration, or impose such limits or conditions as the directors may determine; and
- 16.3.3 be terminated or varied by the directors at any time (but no such termination or variation shall affect anything done by the director prior to such termination or variation in accordance with the terms of the authorisation).

- 16.4 In authorising a conflict of interest the directors may decide (whether at the time of giving the authorisation or subsequently) that if a director has obtained any information through his involvement in the conflict of interest otherwise than as a director of the company and in respect of which he owes a duty of confidentiality to another person, the director is under no obligation to:
 - 16.4.1 disclose such information to the directors or to any director or other officer or employee of the company; or
 - 16.4.2 use or apply any such information in performing his duties as a director, where to do so would amount to a breach of that confidence.

- 16.5 Where the directors authorise a conflict of interest they may (whether at the time of giving the authorisation or subsequently) provide, without limitation, that the director:
 - 16.5.1 is excluded from discussions (whether at meetings of directors or otherwise) related to the conflict of interest;
 - 16.5.2 is not given any documents or other information relating to the conflict of interest; and
 - 16.5.3 may or may not vote (or may or may not be counted in the quorum) at any future meeting of directors in relation to any resolution relating to the conflict of interest.

- 16.6 Where the directors authorise a conflict of interest:
 - 16.6.1 the director will be obliged to conduct himself in accordance with any terms imposed by the directors in relation to the conflict of interest; and
 - 16.6.2 the director will not infringe any duty he owes to the company by virtue of sections 171 to 177 of the Companies Act 2006 provided he acts in accordance with such terms, limits and conditions (if any) as the directors impose in respect of its authorisation.

- 16.7 Notwithstanding that a director may be:

16.7.1 a director or other officer of, or employed by, or otherwise interested (including but not limited to by the holding of shares) in the company or any of its subsidiaries from time to time; or

16.7.2 a person connected with a shareholder,
(the “**Situational Conflicts**”), the duties contained in section 175(1) of the Companies Act 2006 shall not be infringed by such Situational Conflicts and no further authorisation (whether pursuant to section 175(4)(b) of the Companies Act 2006 or otherwise) shall be required in respect of such Situational Conflicts and, notwithstanding the Situational Conflicts, the such directors shall be entitled to continue to vote and count in the quorum at any meeting of the company. If a director obtains any information through his Situational Conflicts (in each case, as permitted by this article 16.7), and in respect of which he owes a duty of confidentiality to another person, he is under no obligation to (a) disclose such information to the directors of the company or any director or other officer or employee of the company, or (b) use or apply any such information in performing his duties as a director where to do so could or might reasonably be expected to be in breach of that confidence. For the purposes of this article 16.7, the term “person connected” shall have the meanings as found in sections 252 to 257 inclusive of the Companies Act 2006.

16.8 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 of interest which has been authorised by the directors or by the company in general meeting (including a Situational Conflict pursuant to article 16.7 above) (subject in each case to any terms, limits or conditions attaching to that authorisation) and no contract, transaction or arrangement shall be liable to be avoided on such grounds.

17 RECORDS OF DECISIONS TO BE KEPT

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

18 DIRECTORS' DISCRETION TO MAKE FURTHER RULES

- 18.1 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

19 NUMBER OF DIRECTORS

- 19.1 Unless otherwise determined by ordinary resolution, the number of directors shall not be subject to any maximum and the minimum number of directors shall be one.

20 METHODS OF APPOINTING DIRECTORS

- 20.1 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:
- 20.1.1 by ordinary resolution; or
- 20.1.2 by a decision of the directors,
- provided that the appointment does not cause the number of directors in office for the time being (excluding alternate directors who are not also directors) to exceed any maximum number fixed or otherwise detailed in accordance with the articles.
- 20.2 A shareholder, or shareholders together, holding more than fifty per cent in nominal value of the issued Alphabet Shares may from time to time and at any time appoint any person to be a director either as an additional director or to fill any vacancy. Such appointment shall be effected by an instrument in writing signed by the relevant shareholder(s) or its representative (if a company) and shall take effect upon it being served on the company at its registered office.
- 20.3 In any case where, as a result of death or bankruptcy, the company has no shareholders and no directors, the transmittes of the last shareholder to have died or 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.
- 20.4 For the purposes of article 20.3, 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.

21 TERMINATION OF DIRECTOR'S APPOINTMENT

- 21.1 A person ceases to be a director as soon as:
- 21.1.1 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;
 - 21.1.2 a bankruptcy order is made against that person;
 - 21.1.3 a composition is made with that person's creditors generally in satisfaction of that person's debts;
 - 21.1.4 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;
 - 21.1.5 by reason of that person's mental health, a court makes an order which wholly or partly prevents that person from personally exercising any powers or rights which that person would otherwise have; or
 - 21.1.6 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.
- 21.2 A shareholder, or shareholders together, holding more than fifty per cent in nominal value of the issued Alphabet Shares may from time to time and at any time remove from office any director however appointed. Such removal shall be effected by an instrument signed by the relevant shareholder(s) or (if a company) representative(s) and shall take effect upon being served on the company at its registered office.

22 DIRECTORS' REMUNERATION

- 22.1 Directors may undertake any services for the company that the directors decide.
- 22.2 Directors are entitled to such remuneration as the directors determine:
- 22.2.1 for their services to the company as directors; and
 - 22.2.2 for any other service which they undertake for the company.
- 22.3 Subject to the articles, a director's remuneration may:
- 22.3.1 take any form; and
 - 22.3.2 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.
- 22.4 Unless the directors decide otherwise, directors' remuneration accrues from day to day.

- 22.5 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 any Subsidiary or of any other body corporate in which the company is interested.

23 DIRECTORS' EXPENSES

- 23.1 The company may pay any reasonable expenses which the directors properly incur in connection with their attendance at:
- 23.1.1 meetings of directors or committees of directors;
 - 23.1.2 general meetings; or
 - 23.1.3 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.

ALTERNATE DIRECTORS

24 APPOINTMENT AND REMOVAL OF ALTERNATE DIRECTORS

- 24.1 Any director ("**appointor**") may appoint as an alternate any other director, or any other person approved by resolution of the directors and willing to act to:
- 24.1.1 exercise that director's powers; and
 - 24.1.2 carry out that director's responsibilities,
in relation to the taking of decisions by the directors, in the absence of the alternate's appointor.
- 24.2 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.
- 24.3 The notice must:
- 24.3.1 identify the proposed alternate; and
 - 24.3.2 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.

25 RIGHTS AND RESPONSIBILITIES OF ALTERNATE DIRECTORS

- 25.1 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.

- 25.2 Except as the articles specify otherwise, alternate directors:
- 25.2.1 are deemed for all purposes to be directors;
- 25.2.2 are liable for their own acts and omissions;
- 25.2.3 are subject to the same restrictions as their appointors; and
- 25.2.4 are not deemed to be agents of or for their appointors,
- 25.2.5 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, but it shall not be necessary to give notice of meetings to an alternate director who is absent from the United Kingdom.
- 25.3 A person who is an alternate director but not a director:
- 25.3.1 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);
- 25.3.2 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
- 25.3.3 shall not be counted as more than one director for the purposes of articles 25.3.1 and 25.3.2.
- 25.4 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.
- 25.5 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.
- 26 TERMINATION OF ALTERNATE DIRECTORSHIP**
- 26.1 An alternate director's appointment as an alternate terminates:
- 26.1.1 when the alternate's appointor revokes the appointment by notice to the company in writing specifying when it is to terminate;

- 26.1.2 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;
- 26.1.3 on the death of the alternate's appointor; or
- 26.1.4 when the alternate's appointor's appointment as a director terminates.

SECRETARY

27 SECRETARY

- 27.1 The directors may (but are not obliged to) appoint any person who is willing to act as the secretary of the company 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.

PART 3 - SHARES AND DISTRIBUTIONS

SHARES

28 POWERS TO ISSUE DIFFERENT CLASSES OF SHARE

- 28.1 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.
- 28.2 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.

29 SHARE RIGHTS

The rights attaching to the Alphabet Shares and the Preference Shares shall be as follows and as otherwise set out in the articles:

29.1 Income

- 29.1.1 The profits of the company available for distribution shall be applied as follows:
 - 29.1.1.1 first, (before application of profits to reserve or for any other purpose) in paying to the holders of the Preference Shares a fixed cumulative

preferential net cash dividend (the "**Preference Dividend**") at an annual rate of 1 pence per annum on each Preference Share payable annually in arrears;

29.1.1.2 secondly, but provided that no dividend shall be declared or paid to the holders of Alphabet Shares in respect of any financial year of the company unless and until:

- (a) there are no arrears (including arrears of interest) of the Preference Dividend; and
- (b) all Preference Shares which have fallen due for redemption have been redeemed;

but subject thereto, the profits of the company shall (to the extent that the company shall determine to distribute the same) be distributed amongst the holders of the Alphabet Shares pro rata unless and to the extent that the directors from time to time declare a different rate of dividend on the Alphabet Shares.

29.1.2 Every dividend shall be distributed to the appropriate shareholders pro-rata (subject to article 29.1.1) irrespective of the amounts paid up or credited as paid up on the shares held by them respectively and shall accrue on a daily basis.

29.1.3 Unless the company has insufficient profits available for distribution and the company is thereby prohibited from paying dividends by the Companies Act 2006, the Preference Dividend shall (notwithstanding any other provision of these articles and in particular notwithstanding that there has not been a recommendation of the directors or resolution of the company in general meeting) be paid immediately on the due date and if not then paid shall be a debt immediately due by the company and be payable in priority to any other dividend. If and to the extent that the debt due from the company in respect of any Preference Dividend is not paid when due interest shall accrue on the unpaid amount at the Interest Rate from the date payment is due until and including the date it is actually paid such interest to be compounded yearly.

29.1.4 The company shall procure that each Subsidiary which has profits available for distribution shall from time to time declare and pay to the company such dividends as are necessary to permit lawful and prompt payment by the company of the Preference Dividend and any redemption money due on the Preference Shares.

- 29.1.5 If the company is unable to pay the Preference Dividend in whole or in part by reason of having insufficient distributable profits available for distribution then the first distributable profits arising thereafter shall be applied in the following order of priority:
- 29.1.5.1 first, in or towards paying off all accrued interest on and arrears of the Preference Dividend (or any other debt due in respect of the Preference Dividend) to the extent permitted by law; and
 - 29.1.5.2 secondly, in or towards the payment of the Preference Dividend due in respect of the financial year in which such distributable profits arise.
- 29.1.6 The Preference Dividend shall be deemed to accrue from day to day as well after as before the commencement of a winding-up and shall be payable by a liquidator in respect of any period after such commencement in priority to other claims or rights of members in respect of share capital (except, for the avoidance of doubt, in priority to claims by members for debts and interest thereon arising from non payment of dividends in accordance with article 29.1.3).
- 29.2 **Capital**
- 29.2.1 On a return of assets whether on liquidation or capital reduction or otherwise, the assets of the company remaining after the payment of its liabilities (including debts and interest arising from non payment of the Preference Dividend) shall be applied as follows:
- 29.2.1.1 first, in paying to the holders of the Preference Shares £1 per Preference Share together with a sum equal to any arrears or accruals of the Preference Dividend in each case calculated down to the date of the return of capital;
 - 29.2.1.2 secondly, in paying to the holders of Alphabet Shares £1 per Alphabet Share plus a sum equal to any declared but unpaid dividends in respect of Alphabet Shares; and
 - 29.2.1.3 the balance of such assets shall, irrespective of the amounts paid up or credited as paid up on the shares held by them, be distributed amongst the holders of the Alphabet Shares in proportion to the number of Alphabet Shares held by them.
- 29.3 **Redemption**
- 29.3.1 Subject to the provisions of the Act, the Preference Shares shall be redeemed in full or in part by the company upon either:

29.3.1.1 the company serving a notice of redemption on the relevant holder of the Preference Shares, such notice setting out the number of Preference Shares to be redeemed and the proposed date of redemption (such date to be not less than 30 days from the date of the notice); or

29.3.1.2 the relevant holder of the Preference Shares serving a notice of redemption on the company, such notice setting out the number of Preference Shares to be redeemed and the proposed date of redemption (such date to be not less than 30 days from the date of the notice);,

and, subject to the provisions of the Act, those Preference Shares that are subject to a notice served pursuant to this Article 29.3.1 shall be redeemed on the date of proposed redemption set out in the relevant notice (the “**Redemption Date**”). Any Preference Shares not redeemed upon the due date shall be redeemed forthwith upon redemption becoming permissible under the Act.

29.3.2 Subject to the provisions of the Act, all of the Preference Shares shall (unless the holders of not less than 50% of the unredeemed Preference Shares give prior notice in writing to the company to the contrary) be redeemed immediately upon any of the following dates:

29.3.2.1 if any equity share capital of the company is admitted to the Official List by the UK Listing Authority, the date upon which trading on the London Stock Exchange plc becomes effective; or, if any equity share capital of the company is admitted to trading on the Alternative Investment Market of the London Stock Exchange plc, the date upon which such admission becomes effective in accordance with the AIM Rules; or the date upon which the admission of any equity share capital of the company to trading on any other recognised investment exchange (as defined in section 285 of Financial Services and Markets Act 2000) becomes effective; or

29.3.2.2 the date upon which a successful offer to purchase 90% or more of the issued equity share capital of the company (or 90% or more of all such capital including any already held by the offeror) is completed.

29.3.3 On the Redemption Date the company shall pay to each holder of Preference Shares the amount payable in respect of such redemption and upon receipt of that amount each such holder shall surrender to the company the certificate for his Preference Shares which are to be redeemed in order that they may be cancelled, provided that if any certificate so surrendered includes any shares not redeemable at that time the

company shall issue a fresh certificate for the balance of the shares not redeemable to the holder. If there is more than one holder of Preference Shares any redemption shall be *made among such holders pro rata (as nearly as may be) to their respective holdings of Preference Shares.*

29.3.4 The company shall pay on each of the Preference Shares so redeemed the sum of £1 and shall contemporaneously pay any arrears or accruals (including interest) of the Preference Dividend in respect of Preference Shares so redeemed, in each case calculated to the date of redemption and any moneys paid on redemption of such share shall relate first to the said arrears and accruals of interest of Preference Dividend. The Preference Dividend shall cease to accrue from the date of payment of the redemption moneys.

29.3.5 If pursuant to the Act the company is unable to redeem the Preference Shares (including the payment of accrued Preference Dividend and interest) when due, the company shall redeem (including the payment of accrued Preference Dividend and interest in respect of those Preference Shares) such whole number of Preference Shares, if any, as it is then able lawfully to redeem in accordance with the Act and shall redeem the balance due to be redeemed as soon as it is lawfully able to so do.

29.4 **Voting**

29.4.1 The Preference Shares shall not carry any right to receive notice of, attend or vote at any general meeting of the company..

29.4.2 The holders of the Alphabet Shares shall, irrespective of the amounts paid up or credited as paid up on the shares held by them, have the right to receive notice of and attend and vote at any general meeting of the company. Each such holder present in person or by proxy or by representative (if a company) shall be entitled on a show of hands to one vote and on a poll to one vote for each Alphabet Share held by him.

30 **AUTHORITY FOR THE FURTHER ISSUE OF SHARES**

30.1 Save to the extent authorised by these articles, or authorised from time to time by an ordinary resolution of the shareholders, the directors shall not exercise any power to allot shares or to grant rights to subscribe for, or to convert any security into, any shares in the company.

30.2 Subject to the remaining provisions of this Article 29.1, the directors are generally and unconditionally authorised, for the purposes of section 551 of the 2006 Act and generally, to exercise any power of the Company to:

30.2.1 offer or allot;

30.2.2 grant rights to subscribe for or to convert any security into;

30.2.3 otherwise deal in, or dispose of,

the following classes of share as if section 561(1) of the Companies Act 2006 did not apply to any such allotment, to any person, at any time and subject to any terms and conditions as the directors think proper:

1,000,000	Preference Shares of £1.00 each;
10,000	Ordinary Shares of £1.00 each
10,000	A Shares of £1.00 each;
10,000	B Shares of £1.00 each;
10,000	C Shares of £1.00 each;
10,000	D Shares of £1.00 each;
10,000	E Shares of £1.00 each;
10,000	F Shares of £1.00 each;
10,000	G Shares of £1.00 each; and
10,000	H Shares of £1.00 each.

30.3 The authority referred to in Article 30.2:

30.3.1 shall be limited to a maximum amount of:

1,000,000	Preference Shares of £1.00 each;
10,000	Ordinary Shares of £1.00 each
10,000	A Shares of £1.00 each;
10,000	B Shares of £1.00 each;
10,000	C Shares of £1.00 each;
10,000	D Shares of £1.00 each;
10,000	E Shares of £1.00 each;
10,000	F Shares of £1.00 each;
10,000	G Shares of £1.00 each; and
10,000	H Shares of £1.00 each.

30.3.2 shall only apply insofar as the company has not renewed, waived or revoked it by ordinary resolution; and

- 30.3.3 may only be exercised for a period of five years commencing on the date on which these Articles are adopted, save that the directors may make an offer or agreement which would, or might, require such shares to be allotted after the expiry of such authority (and the directors may allot such shares in pursuance of an offer or agreement as if such authority had not expired).

31 PRE-EMPTION RIGHTS

- 31.1 In accordance with section 567(1) of the Companies Act 2006, sections 561 and 562 of the Companies Act 2006 shall not apply to an allotment of equity securities (as defined in section 560(1) of the Companies Act 2006) made by the company.

32 COMPANY NOT BOUND BY LESS THAN ABSOLUTE INTERESTS

- 32.1 Except as required by law or as otherwise provided in these articles, 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.

33 SHARE CERTIFICATES

- 33.1 Subject to articles 33.3 and 33.4, the company must issue each shareholder, free of charge, with one or more certificates in respect of the shares which that shareholder holds.
- 33.2 Every certificate must specify:
- 33.2.1 in respect of how many shares, of what class, it is issued;
 - 33.2.2 the nominal value of those shares;
 - 33.2.3 the amount paid up on those shares; and
 - 33.2.4 any distinguishing numbers assigned to them.
- 33.3 No certificate may be issued in respect of shares of more than one class.
- 33.4 If more than one person holds a share, only one certificate may be issued in respect of it.
- 33.5 Certificates must:
- 33.5.1 have affixed to them the company's common seal; or

33.5.2 be otherwise executed in accordance with the Companies Acts.

34 REPLACEMENT SHARE CERTIFICATES

34.1 If a certificate issued in respect of a shareholder's shares is:

34.1.1 damaged or defaced; or

34.1.2 said to be lost, stolen or destroyed,

that shareholder is entitled to be issued with a replacement certificate in respect of the same shares.

34.2 A shareholder exercising the right to be issued with such a replacement certificate:

34.2.1 may at the same time exercise the right to be issued with a single certificate or separate certificates;

34.2.2 must return the certificate which is to be replaced to the company if it is damaged or defaced; and

34.2.3 must comply with such conditions as to evidence, indemnity and the payment of a reasonable fee as the directors decide.

35 COMPANY'S LIEN OVER SHARES

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

35.2 The company's lien over a share:

35.2.1 takes priority over any third party's interest in that share; and

35.2.2 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.

35.3 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.

36 ENFORCEMENT OF THE COMPANY'S LIEN

36.1 Subject to the provisions of this article 36, if:

36.1.1 a lien enforcement notice has been given in respect of a share; and

- 36.1.2 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.
- 36.2 A lien enforcement notice:
- 36.2.1 may only be given in respect of a share which is subject to the company's lien, in respect of which a sum is payable and the due date for payment of that sum has passed;
- 36.2.2 must specify the share concerned;
- 36.2.3 must require payment of the sum payable within 14 clear days (that is, excluding the date on which the notice is given and the date on which that 14 day period expires) of the notice;
- 36.2.4 must be addressed either to the holder of the share or to a transmittee of that holder; and
- 36.2.5 must state the company's intention to sell the share if the notice is not complied with.
- 36.3 Where shares are sold under this article 36:
- 36.3.1 the directors may authorise any person to execute an instrument of transfer of the shares to the purchaser or a person nominated by the purchaser; and
- 36.3.2 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.
- 36.4 The net proceeds of any such sale (after payment of the costs of sale and any other costs of enforcing the lien) must be applied:
- 36.4.1 first, in payment of so much of the sum for which the lien exists as was payable at the date of the lien enforcement notice;
- 36.4.2 second, to the person entitled to the shares at the date of the sale, but only after the certificate for the shares sold has been surrendered to the company for cancellation, or an indemnity in a form reasonably satisfactory to the directors has been given for any lost certificates, and subject to a lien equivalent to the company's lien for any money payable (whether payable immediately or at some time in the future) as existed 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.

- 36.5 A statutory declaration by a director or the company secretary that the declarant is a director or the company secretary and that a share has been sold to satisfy the company's lien on a specified date:
- 36.5.1 is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share; and
- 36.5.2 subject to compliance with any other formalities of transfer required by the articles or by law, constitutes a good title to the share.

37 CALL NOTICES

- 37.1 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.
- 37.2 A call notice:
- 37.2.1 may not require a shareholder to pay a call which exceeds the total amount of his indebtedness or liability to the company;
- 37.2.2 must state when and how any call to which it relates it is to be paid; and
- 37.2.3 may permit or require the call to be paid by instalments.
- 37.3 A shareholder must comply with the requirements of a call notice, but no shareholder is obliged to pay any call before 14 clear days (that is, excluding the date on which the notice is given and the date on which that 14 day period expires) have passed since the notice was sent.
- 37.4 Before the company has received any call due under a call notice the directors may:
- 37.4.1 revoke it wholly or in part; or
- 37.4.2 *specify a later time for payment than is specified in the notice,*
by a further notice in writing to the shareholder in respect of whose shares the call is made.

38 LIABILITY TO PAY CALLS

- 38.1 Liability to pay a call is not extinguished or transferred by transferring the shares in respect of which it is required to be paid.

38.2 Joint holders of a share are jointly and severally liable to pay all calls in respect of that share.

38.3 Subject to the terms on which shares are allotted, the directors may, when issuing shares, provide that call notices sent to the holders of those shares may require them:

38.3.1 to pay calls which are not the same; or

38.3.2 to pay calls at different times.

39 WHEN CALL NOTICE NEED NOT BE ISSUED

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

39.1.1 on allotment;

39.1.2 on the occurrence of a particular event; or

39.1.3 on a date fixed by or in accordance with the terms of issue.

39.2 But if the due date for payment of such a sum has passed and it has not been paid, the holder of the share concerned is treated in all respects as having failed to comply with a call notice in respect of that sum, and is liable to the same consequences as regards the payment of interest and forfeiture.

40 FAILURE TO COMPLY WITH CALL NOTICE: AUTOMATIC CONSEQUENCES

40.1 If a person is liable to pay a call and fails to do so by the call payment date:

40.1.1 the directors may issue a notice of intended forfeiture to that person; and

40.1.2 until the call is paid, that person must pay the company interest on the call from the call payment date at the relevant rate.

40.2 For the purposes of this article 40:

40.2.1 the "**call payment date**" is the time when the call notice states that a call is payable, unless the directors give a notice specifying a later date, in which case the "**call payment date**" is that later date;

40.2.2 the "**relevant rate**" is:

40.2.2.1 the rate fixed by the terms on which the share in respect of which the call is due was allotted;

40.2.2.2 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

40.2.2.3 if no rate is fixed in either of these ways, 5 per cent per annum.

40.3 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.

40.4 The directors may waive any obligation to pay interest on a call wholly or in part.

41 NOTICE OF INTENDED FORFEITURE

41.1 A notice of intended forfeiture:

41.1.1 may be sent in respect of any share in respect of which a call has not been paid as required by a call notice;

41.1.2 must be sent to the holder of that share or to a transmittee of that holder;

41.1.3 must require payment of the call and any accrued interest by a date which is not less than 14 clear days after the date of the notice (that is, excluding the date on which the notice is given and the date on which that 14 day period expires);

41.1.4 must state how the payment is to be made; and

41.1.5 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.

42 DIRECTORS' POWER TO FORFEIT SHARES

42.1 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.

43 EFFECT OF FORFEITURE

43.1 Subject to the articles, the forfeiture of a share extinguishes:

43.1.1 all interests in that share, and all claims and demands against the company in respect of it; and

43.1.2 all other rights and liabilities incidental to the share as between the person whose share it was prior to the forfeiture and the company.

43.2 Any share which is forfeited in accordance with the articles:

43.2.1 is deemed to have been forfeited when the directors decide that it is forfeited;

43.2.2 is deemed to be the property of the company; and

43.2.3 may be sold, re-allotted or otherwise disposed of as the directors think fit.

43.3 If a person's shares have been forfeited:

43.3.1 the company must send that person notice that forfeiture has occurred and record it in the register of members;

43.3.2 that person ceases to be a shareholder in respect of those shares;

43.3.3 that person must surrender the certificate for the shares forfeited to the company for cancellation;

43.3.4 that person remains liable to the company for all sums payable by that person under the articles at the date of forfeiture in respect of those shares, including any interest (whether accrued before or after the date of forfeiture); and

43.3.5 the directors may waive payment of such sums wholly or in part or enforce payment without any allowance for the value of the shares at the time of forfeiture or for any consideration received on their disposal.

43.4 At any time before the company disposes of a forfeited share, the directors may decide to cancel the forfeiture on payment of all calls and interest due in respect of it and on such other terms as they think fit.

44 PROCEDURE FOLLOWING FORFEITURE

44.1 If a forfeited share is to be disposed of by being transferred, the company may receive the consideration for the transfer and the directors may authorise any person to execute the instrument of transfer.

44.2 A statutory declaration by a director or the company secretary that the declarant is a director or the company secretary and that a share has been forfeited on a specified date:

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

44.2.2 subject to compliance with any other formalities of transfer required by the articles or by law, constitutes a good title to the share.

44.3 A person to whom a forfeited share is transferred is not bound to see to the application of the consideration (if any) nor is that person's title to the share affected by any irregularity in or invalidity of the process leading to the forfeiture or transfer of the share.

- 44.4 If the company sells a forfeited share, the person who held it prior to its forfeiture is entitled to receive from the company the proceeds of such sale, net of any commission, and excluding any amount which:
- 44.4.1 was, or would have become, payable; and
- 44.4.2 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.

45 SURRENDER OF SHARES

- 45.1 A shareholder may surrender any share:
- 45.1.1 in respect of which the directors may issue a notice of intended forfeiture;
- 45.1.2 which the directors may forfeit; or
- 45.1.3 which has been forfeited.
- 45.2 The directors may accept the surrender of any such share.
- 45.3 The effect of surrender on a share is the same as the effect of forfeiture on that share.
- 45.4 A share which has been surrendered may be dealt with in the same way as a share which has been forfeited.

46 SHARE TRANSFERS

- 46.1 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 and, unless the share is fully paid, the transferee.
- 46.2 The directors may, in their absolute discretion, decline to register any transfer of a share on which the company has a lien.
- 46.3 The directors shall (subject always to article 46.2) register any transfer of a share which complies with or is permitted under or is made pursuant to and in accordance with the provisions of article 47, and the directors shall refuse to register any transfer of a share unless it complies with or is permitted under or is made pursuant to and in accordance with the provisions of article 47.

- 46.4 If the directors refuse to register a transfer of a share they shall within two months after the date on which the transfer was lodged with the company send to the transferee notice of the refusal, together with the reasons for such refusal.
- 46.5 The registration of transfers of shares or of transfers of any class of shares may be suspended at such times and for such periods (not exceeding thirty days in any calendar year) as the directors may determine.
- 46.6 No fee shall be charged for the registration of any instrument of transfer or other document relating to or affecting the title to any share.
- 46.7 The company shall be entitled to retain any instrument of transfer which is registered, but any instrument of transfer which the directors refuse to register shall be returned to the person lodging it when notice of the refusal is given.
- 46.8 Notwithstanding anything to the contrary contained in these Articles, the directors shall not decline to register, nor suspend nor delay the registration of, any transfer of any Share (whether or not it is a fully paid Share):
- 46.8.1 to any bank or financial institution (in its own capacity or as agent, trustee or otherwise) to which any such Share has been mortgaged or charged by way of security (a Secured Institution), or to any nominee of any Secured Institution pursuant to such security (a Nominee); nor
- 46.8.2 executed by a Secured Institution or a Nominee pursuant to the power of sale or other power conferred pursuant to such security or by law, and no:
- transferor or proposed transferor of any Share to a Secured Institution or Nominee;
 - Secured Institution or Nominee; or
 - receiver or manager appointed by or on behalf of a Secured Institution or Nominee,
- shall be required to offer any Share that is the subject of any such transfer to the Members or any of them, and no such Member shall have any right under these Articles to require any such Share to be transferred to it, whether for consideration or not.

46.9 Notwithstanding anything to the contrary contained in these Articles, the Company shall have no lien on any Share that has been mortgaged or charged by way of security to a Secured Institution.

47 TRANSFER PROCEDURE (INCLUDING ON BANKRUPTCY, INCAPACITY & TRANSMISSION)

47.1 No Shareholder shall sell, transfer, assign, pledge, charge or otherwise dispose of any share or any interest in any share in the capital of the Company, except as permitted by either the Controlling Member or the terms of a Consent.

47.2 Any purported transfer of shares otherwise than in accordance with the foregoing provisions of these articles shall be void and have no effect.

CLASS RIGHTS

48 CLASS RIGHTS

48.1 Whenever the capital of the company is divided into different classes of shares the special rights attached to any class may be varied or abrogated either whilst the company is a going concern or during or in contemplation of a winding up, only with the consent in writing of the holders of not less than three-quarters in nominal value of the issued shares of that class or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of the class. To every such separate meeting all provisions applicable to general meetings of the company or to the proceedings at that meeting shall apply with such changes as are necessary, save that a quorum shall be one person or persons holding at least one third in nominal value of the shares of the class and that any holder of shares of the class who is present in person or by proxy may demand a poll and such holders shall, on a poll, have one vote in respect of every share of the class held by them respectively.

DIVIDENDS AND OTHER DISTRIBUTIONS

49 PROCEDURE FOR DECLARING DIVIDENDS

- 49.1 Subject to the provisions of the Companies Act 2006 and these Articles, the company may by ordinary resolution declare dividends in accordance with the respective rights of the members, but no dividend shall exceed the amount recommended by the directors.
- 49.2 Subject to the provisions of the Companies Act 2006, the directors may pay interim dividends if it appears to them that they are justified by the profits of the Company available for distribution. If the share capital is divided into different classes, the directors may pay interim dividends on shares which confer deferred or non-preferred rights with regard to dividend as well as on shares which confer preferential rights with regard to dividend, but no interim dividend shall be paid on shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrears. The directors may also pay at intervals settled by them any dividend payable at a fixed rate if it appears to them that the profits available for distribution justify the payment. Provided the directors act in good faith they shall 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 any shares having deferred or non-preferred rights.
- 49.3 A general meeting declaring a dividend may, upon the recommendation of the directors, direct that it shall be satisfied wholly or partly by the distribution of assets and, where any difficulty arises in regard to the distribution, the directors may settle the same and in particular may issue fractional certificates and fix the value for distribution of any assets and may determine that cash shall be paid to any member upon the footing of the value so fixed in order to adjust the rights of members and may vest any assets in trustees.
- 49.4 No dividend or other moneys payable in respect of a share shall bear interest against the company unless otherwise provided by the rights attached to the share.
- 49.5 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.

50 PAYMENT OF DIVIDENDS AND OTHER DISTRIBUTIONS

- 50.1 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:

- 50.1.1 transfer to a bank or building society account specified by the distribution recipient in writing;
- 50.1.2 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 in writing;
- 50.1.3 sending a cheque made payable to such person by post to such person at such address as the distribution recipient has specified in writing; or
- 50.1.4 any other means of payment as the directors agree with the distribution recipient in writing.

50.2 In the articles, the "**distribution recipient**" means, in respect of a share in respect of which a dividend or other sum is payable:

- 50.2.1 the holder of the share; or
- 50.2.2 if the share has two or more joint holders, whichever of them is named first in the register of members; or
- 50.2.3 if the holder is no longer entitled to the share by reason of death or bankruptcy, or otherwise by operation of law, the transmittee.

51 DEDUCTIONS FROM DISTRIBUTIONS IN RESPECT OF SUMS OWED TO THE COMPANY

51.1 If:

51.1.1 a share is subject to the company's lien; and

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

51.2 Money deducted under article 51.1 must be used to pay any of the sums payable in respect of the share. The company must notify the distribution recipient in writing of:

51.2.1 the fact and amount of any such deduction;

51.2.2 any non-payment of a dividend or other sum payable in respect of a share resulting in any such deductions; and

51.2.3 how the money deducted has been applied.

52 NO INTEREST ON DISTRIBUTIONS

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

53 UNCLAIMED DISTRIBUTIONS

- 53.1 All dividends or other sums which are:
 - 53.1.1 payable in respect of shares; and
 - 53.1.2 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.
- 53.2 The payment of any such dividend or other sum into a separate account does not make the company a trustee in respect of it.
- 53.3 If:
 - 53.3.1 twelve years have passed from the date on which a dividend or other sum became due for payment; and
 - 53.3.2 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.

54 NON-CASH DISTRIBUTIONS

- 54.1 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*).
- 54.2 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:
 - 54.2.1 fixing the value of any assets;
 - 54.2.2 paying cash to any distribution recipient on the basis of that value in order to adjust the rights of recipients; and
 - 54.2.3 vesting any assets in trustees.

55 WAIVER OF DISTRIBUTIONS

- 55.1 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:
- 55.1.1 the share has more than one holder; or
- 55.1.2 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

56 AUTHORITY TO CAPITALISE AND APPROPRIATION OF CAPITALISED SUMS

- 56.1 Subject to the articles, the directors may, if they are so authorised by an ordinary resolution:
- 56.1.1 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
- 56.1.2 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.
- 56.2 Capitalised sums must be applied:
- 56.2.1 on behalf of the persons entitled; and
- 56.2.2 in the same proportions as a dividend would have been distributed to them.
- 56.3 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.
- 56.4 A capitalised sum which was appropriated from profits available for distribution may be applied:
- 56.4.1 in or towards paying up any amounts unpaid on existing shares held by the persons entitled to them; or

- 56.4.2 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.
- 56.5 Subject to the articles the directors may:
- 56.5.1 apply capitalised sums in accordance with articles 56.3 and 56.4 partly in one way and partly in another;
- 56.5.2 make such arrangements as they think fit to deal with shares or debentures becoming distributable in fractions under this article 56 (including the issuing of fractional certificates or the making of cash payments); and
- 56.5.3 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 56.

PART 4 - DECISION-MAKING BY SHAREHOLDERS

ORGANISATION OF GENERAL MEETINGS

57 ATTENDANCE AND SPEAKING AT GENERAL MEETINGS

- 57.1 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.
- 57.2 A person is able to exercise the right to vote at a general meeting when:
- 57.2.1 that person is able to vote, during the meeting, on resolutions put to the vote at the meeting; and
- 57.2.2 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.
- 57.3 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.
- 57.4 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.

57.5 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.

58 QUORUM FOR GENERAL MEETINGS

58.1 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.

58.2 If the company only has one member, one qualifying person present at a meeting is a quorum.

58.3 In any other case, two qualifying persons entitled to vote upon the business and together holding more than fifty per cent in nominal value of the Alphabet Shares in issue are a quorum, unless:

58.3.1 each is a qualifying person only because he is authorised under section 323 of the Companies Act 2006 to act as the representative of a corporation in relation to the meeting, and they are representatives of the same corporation; or

58.3.2 each is a qualifying person only because he is appointed as proxy of a member in relation to the meeting, and they are proxies of the same member.

59 CHAIRING GENERAL MEETINGS

59.1 If the directors have appointed a chairman, the chairman shall chair general meetings if present and willing to do so.

59.2 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:

59.2.1 the directors present; or

59.2.2 (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.

59.3 The person chairing a meeting in accordance with this article 59 is referred to as the "chairman of the meeting".

60 ATTENDANCE AND SPEAKING BY DIRECTORS AND NON-SHAREHOLDERS

60.1 Directors may attend and speak at general meetings, whether or not they are shareholders.

60.2 The chairman of the meeting may permit other persons who are not:

60.2.1 shareholders of the company; or

60.2.2 otherwise entitled to exercise the rights of shareholders in relation to general meetings, to attend and speak at a general meeting.

61 ADJOURNMENT

61.1 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.

61.2 The chairman of the meeting may adjourn a general meeting at which a quorum is present if:

61.2.1 the meeting consents to an adjournment; or

61.2.2 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.

61.3 The chairman of the meeting must adjourn a general meeting if directed to do so by the meeting.

61.4 When adjourning a general meeting, the chairman of the meeting must:

61.4.1 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

61.4.2 have regard to any directions as to the time and place of any adjournment which have been given by the meeting.

61.5 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):

61.5.1 to the same persons to whom notice of the company's general meetings is required to be given; and

61.5.2 containing the same information which such notice is required to contain.

61.6 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.

61.7 If at any adjourned meeting the persons attending it within half an hour of the time at which the meeting was due to start do not constitute a quorum, or if during the adjourned meeting a quorum ceases to be present, the adjourned meeting shall be dissolved.

VOTING AT GENERAL MEETINGS

62 VOTING: GENERAL

62.1 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.

63 ERRORS AND DISPUTES

63.1 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.

63.2 Any such objection must be referred to the chairman of the meeting, whose decision is final.

64 POLL VOTES

64.1 A poll on a resolution may be demanded:

64.1.1 in advance of the general meeting where it is to be put to the vote; or

64.1.2 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.

64.2 A poll may be demanded by:

64.2.1 the chairman of the meeting;

64.2.2 the directors;

64.2.3 two or more persons having the right to vote on the resolution; or

64.2.4 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.

- 64.3 A demand for a poll may be withdrawn if:
- 64.3.1 the poll has not yet been taken; and
- 64.3.2 the chairman of the meeting consents to the withdrawal.
- 64.4 Polls must be taken immediately and in such manner as the chairman of the meeting directs.
- 65 CONTENT OF PROXY NOTICES**
- 65.1 Proxies may only validly be appointed by a notice in writing (a "**proxy notice**") which:
- 65.1.1 states the name and address of the shareholder appointing the proxy;
- 65.1.2 identifies the person appointed to be that shareholder's proxy and the general meeting in relation to which that person is appointed;
- 65.1.3 is signed by or on behalf of the shareholder appointing the proxy, or is authenticated in such manner as the directors may determine; and
- 65.1.4 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,
- 65.1.5 and a proxy notice which is not delivered in such a manner shall be invalid, unless the directors, in their discretion, accept the notice at any time before the meeting.
- 65.2 The company may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes.
- 65.3 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.
- 65.4 Unless a proxy notice indicates otherwise, it must be treated as:
- 65.4.1 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
- 65.4.2 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.
- 65.5 In calculating the period referred to in article 65.1.4 no account shall be taken of any part of a day that is not a working day.

66 DELIVERY OF PROXY NOTICES

- 66.1 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.
- 66.2 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.
- 66.3 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.
- 66.4 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.

67 AMENDMENTS TO RESOLUTIONS

- 67.1 An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if:
- 67.1.1 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
- 67.1.2 the proposed amendment does not, in the reasonable opinion of the chairman of the meeting, materially alter the scope of the resolution.
- 67.2 A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if:
- 67.2.1 the chairman of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed; and
- 67.2.2 the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.

67.3 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.

68 VOTING OF SHARES ON WHICH MONEY OWED TO COMPANY

68.1 Voting rights attached to a share may be exercised at any general meeting (or any adjourned general meeting) irrespective of whether all amounts payable to the company in respect of that share have been paid.

CLASS MEETINGS

69 CLASS MEETINGS

69.1 The provisions of the articles relating to general meetings apply, with any necessary modifications, to meetings of the holders of any class of share.

PART 5 - ADMINISTRATIVE ARRANGEMENTS

70 MEANS OF COMMUNICATION TO BE USED

70.1 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.

70.2 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.

70.3 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.

71 COMPANY SEAL AND EXECUTION OF DEEDS

71.1 If the company has a seal then it shall only be used on the authority of the directors or of a committee of directors authorised by the directors.

71.2 The directors may decide by what means and in what form any common seal is to be used and may determine who shall execute any instrument as a deed whether or not a seal is affixed to it and unless otherwise determined such an instrument shall be signed by at least one director in the presence of a witness who attests the signature.

72 NO RIGHT TO INSPECT ACCOUNTS AND OTHER RECORDS

72.1 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.

73 PROVISION FOR EMPLOYEES ON CESSATION OF BUSINESS

73.1 The directors may decide to make provision for the benefit of persons employed or formerly employed by the company or any Subsidiary (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

74 INDEMNITY

74.1 Subject to article 74.2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled:

74.1.1 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:

74.1.1.1 in the actual or purported execution and/or discharge of his duties, or in relation to them; and

74.1.1.2 in relation to the company's (or any associated company's) activities as trustee of an occupational pension scheme (as defined in section 235(6) of the Companies Act 2006),

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

74.1.2 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 74.1.1 and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure.

74.2 This article 74 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.

74.3 In this article 74:

74.3.1 companies are associated if one is a Subsidiary of the other or both are Subsidiaries of the same body corporate; and

74.3.2 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 Companies Act 2006), 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).

75 INSURANCE

75.1 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.

75.2 In this article 75:

75.2.1 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 Companies Act 2006), 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);

75.2.2 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

75.2.3 companies are associated if one is a Subsidiary of the other or both are Subsidiaries of the same body corporate.