

**THE COMPANIES ACT 2006 ("the Act")**

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**PRIVATE COMPANY LIMITED BY SHARES**

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**ORDINARY & SPECIAL RESOLUTIONS**

**OF**

**BALDWINS MCCRANORS LIMITED**

Pursuant to resolutions in writing passed on the 3 day of April 2017 the following resolutions were duly passed as ordinary and special resolutions:

**ORDINARY RESOLUTION**

That 25 of the existing issued B Ordinary Shares of £1.00 each in the capital of the Company held by Baldwins Holdings Limited be and are hereby converted into 25 F Ordinary Shares of £1.00 each having the rights and being subject to the restrictions set out in the Articles of Association adopted by the special resolution below.

**SPECIAL RESOLUTION**

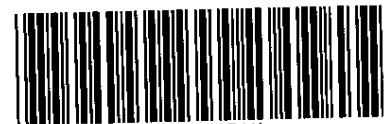
That the Company adopt new Articles of Association in the form produced and supplied to the members of the Company at or before the time at which this resolution has been supplied for signature.

Dated: 3 April 2017

*S. V. Southall*

.....  
Director

THURSDAY



A17 \*A68O8TDK\* 15/06/2017 #72  
COMPANIES HOUSE

COMPANY NO. 07577588

**THE COMPANIES ACT 2006  
PRIVATE COMPANY LIMITED BY SHARES**

**ARTICLES OF ASSOCIATION\***

**OF**

**BALDWINS MCCRANOR LIMITED**

**INTERPRETATION AND LIMITATION OF LIABILITY**

**1. Defined terms**

**1.1 In these articles, unless the context requires otherwise:**

<b>A Ordinary Shares</b>	means the A ordinary shares of £1.00 each in the capital of the company;
<b>appointor</b>	has the meaning given to that term in Article 17.1;
<b>articles</b>	means the company's articles of association for the time being in force;
<b>Articles</b>	means the articles of association set out in this document which, together with the Model Articles (as modified or excluded by this document) forming part of the articles, and Article shall be construed accordingly;
<b>Available Profits</b>	means the profits available for distribution within the meaning of Part 23 of the Companies Act 2006;
<b>B Ordinary Shares</b>	means the B ordinary shares of £1.00 each in the capital of the company;
<b>Business Days</b>	means a day (other than a Saturday, Sunday or public holiday in the United Kingdom) when banks in the city of London are generally open for business;
<b>C Ordinary Shares</b>	means the C ordinary shares of £1.00 each in the capital of the company;
<b>call</b>	has the meaning given to that term in Article 26.1;
<b>call notice</b>	has the meaning given to that term in Article 26.1;
<b>call payment date</b>	has the meaning given to that term in Article 29.2.1;
<b>Clear Days</b>	means (in relation to the period of a notice) that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect;

\* Adopted by special resolution dated 3 April 2017.

<b>company's lien</b>	has the meaning given to that term in Article 24;
<b>Conflict</b>	has the meaning given to that term in Article 10.2;
<b>conflicted director</b>	means a director who has, or could have, a Conflict in a situation involving the company and consequently whose vote is not to be counted in any vote to authorise such Conflict and who is not to be counted as participating in the quorum for the meeting (or part of the meeting) at which such matter is to be voted upon;
<b>corporate representative</b>	has the meaning given to that term in Article 53;
<b>D Ordinary Shares</b>	means the D ordinary shares of £1.00 each in the capital of the company;
<b>E Ordinary Shares</b>	means the E ordinary shares of £1.00 each in the capital of the company;
<b>equity shares</b>	means the A Ordinary Shares, the B Ordinary Shares, the C Ordinary Shares, the D Ordinary Shares and the F Ordinary Shares;
<b>Excess Shares</b>	has the meaning given to that term in Article 22.3.2;
<b>F Ordinary Shares</b>	means the F ordinary shares of £1.00 each in the capital of the company;
<b>Holding Company</b>	as defined in section 1159 of the Companies Act 2006;
<b>holder in relation to shares</b>	means the person whose name is entered in the register of members as the holder of the shares;
<b>lien enforcement notice</b>	has the meaning given to that term in Article 25;
<b>Model Articles</b>	means the model articles for private companies limited by shares contained in Schedule 1 of the Companies (Model Articles) Regulations 2008 (SI 2008/3229) as amended prior to the date of adoption of these articles;
<b>non-conflicted director</b>	means any director who is not a conflicted director;
<b>partly-paid in relation to a share</b>	means that part of that share's nominal value or any premium at which it was issued has not been paid to the company;
<b>Preference Share</b>	means the 1 preference share of £1.00 in the capital of the company;
<b>proxy notification address</b>	has the meaning given to that term in Article 52.1;
<b>relevant officer</b>	has the meaning given to that term in Articles 57.3.2 or 58.2.1, as the case may be; relevant loss has the meaning given to that term in Article 58.2.2;
<b>relevant rate</b>	has the meaning given to that term in Article 29.2.2;

<b>shares</b>		means the Preference Share, the A Ordinary Shares, the B Ordinary Shares, the C Ordinary Shares, the D Ordinary Shares and the F Ordinary Shares;
<b>transfer</b>	<b>or</b>	has the meaning given to those terms respectively in Article 37.1;
<b>transferring</b>		
<b>United Kingdom</b>		means Great Britain and Northern Ireland.

- 1.2 Save as otherwise specifically provided in these Articles, words and expressions which have particular meanings in the Model Articles shall have the same meanings in these Articles, subject to which and unless the context otherwise requires, words and expressions which have particular meanings in the Companies Act 2006 as in force on the date when these Articles become binding on the company shall have the same meanings in these Articles.
- 1.3 Headings in these Articles are used for convenience only and shall not affect the construction or interpretation of these Articles.
- 1.4 Unless expressly provided otherwise, a reference to a statute, statutory provision or subordinate legislation is a reference to it as it is in force from time to time and shall include any orders, regulations or subordinate legislation from time to time made under it and any amendment or re-enactment of it or any such orders, regulations or subordinate legislation for the time being in force.
- 1.5 Any phrase Introduced by the terms "including", "include", "in particular" or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.
- 1.6 The Model Articles shall apply to the company, except in so far as they are modified or excluded by these Articles.
- 1.7 Articles 7, 8, 11(2) and (3), 13, 14(1) to (4) inclusive, 17(2), 19(5), 21, 26(5), 27-29 inclusive, 44(4), 45(1), 46(3), 52 and 53 of the Model Articles shall not apply to the company.

## **PART 2**

### **DIRECTORS DIRECTORS' POWERS AND RESPONSIBILITIES**

#### **2. Directors' general authority**

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

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

Without prejudice to the generality of Article 2, the directors may resolve in accordance with Article 5 to change the company's name.

#### **4. Committees**

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

## **DECISION-MAKING BY DIRECTORS**

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

5.1 Subject to Article 5.4, the general rule about decision-making by directors is that any decision of the directors must be taken as a majority decision at a meeting or as a directors' written resolution in accordance with Article 6 (Directors' written resolutions) or otherwise as a unanimous decision taken in accordance with Article 7 (Unanimous decisions).

5.2 If:

5.2.1 the company only has one director for the time being, and

5.2.2 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.

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

5.4 Where any proposal is under the consideration at a meeting of the directors, the votes exercisable by the director who holds or represents the holder in nominal value of the greatest percentage of ordinary shares in the company's Holding Company shall pro-tanto be increased so that such votes shall together give him the majority of votes capable of being cast at such meeting.

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

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

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

6.3 Notice of a proposed directors' written resolution must indicate:

6.3.1 the proposed resolution; and

6.3.2 the time by which it is proposed that the directors should adopt it.

6.4 A proposed directors' written resolution is adopted when a majority of the non-conflicted directors (or their alternates) including the director who holds or represents the holder in nominal value of the greatest percentage of ordinary shares in the company's Holding Company have signed one or more copies of it, provided that those directors (or their alternates) would have formed a quorum at a directors' meeting were the resolution to have been proposed at such meeting.

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

## **7. Unanimous decisions**

7.1 A decision of the directors is taken in accordance with this Article 7 when all non-conflicted directors indicate to each other by any means that they share a common view on a matter.

7.2 A decision may not be taken in accordance with this Article 7 if the non-conflicted directors does not include the director who holds or represents the holder in nominal value of the greatest percentage of ordinary shares in the company's Holding Company and/or would not have formed a quorum at a directors' meeting had the matter been proposed as a resolution at such a meeting.

7.3 Once a directors' unanimous decision is taken in accordance with this Article 7 it must be treated as if it had been a decision taken at a directors' meeting in accordance with the Articles.

## **8. Calling a directors' meeting**

8.1 Article 9 of the Model Articles shall be amended by:

8.1.1 inserting the words 'each of' before the words 'the directors';

8.1.2 by inserting the phrase '(including alternate directors) ,whether or not he is absent from the UK,' after the words 'the directors'; 8.1.3 by inserting the words 'subject to article 9.4' at the beginning of article 9(3) of the Model Articles; and

8.1.3 by inserting the words 'prior to or up to and including' before the words 'not more than 5 Business Days in article 9(4) of the Model Articles.

## **9. Quorum for directors' meetings**

The quorum for the transaction of the business of the directors shall be 3, one of whom shall hold or represent the holder in nominal value of the greatest percentage of ordinary shares in the company's Holding Company.

## **10. Directors' conflicts of interests**

Subject to the applicable provisions for the time being of the Companies Acts and provided that he has disclosed to the directors the nature and extent of any interest of

his in accordance with the Companies Acts, a director notwithstanding his office:

- 10.1 may be a party to, or otherwise interested in, any contract, transaction or arrangement with the company or in which the company is otherwise interested;
- 10.2 shall be counted as participating for voting and quorum purposes in any decision in connection with any proposed or existing transaction or arrangement with the company, in which he is in any way directly or indirectly interested;
- 10.3 may act by himself or his firm in a professional capacity for the company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a director;
- 10.4 may be a director or other officer of, or employed by, or a party to any contract, transaction or arrangement with, or otherwise interested in, any body corporate promoted by the company or in which the company is otherwise interested; and
- 10.5 shall not, by reason of his office, be accountable to the company for any benefit which he (or anyone connected with him (as defined in Section 252 of the Companies Act 2006) derives from any such office or employment or from any such contract, transaction or arrangement or from any interest in any such body corporate and no such contract, transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit, nor shall the receipt of any such remuneration of benefit constitute a breach of his duty under Section 176 of the Companies Act 2006.

**11. Records of decisions to be kept**

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

**APPOINTMENT OF DIRECTORS**

**12. Number of directors**

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

**13. Methods of appointing directors**

- 13.1 In any case where, as a result of death or bankruptcy, the company has no shareholders and no directors, the transmittee(s) of the last shareholder to have died or to have a bankruptcy order made against him (as the case may be) shall have the right, by notice in writing, to appoint a person (including a transmittee who is a natural person), who is willing to act and is permitted to do so, to be a director.
- 13.2 For the purposes of Article 13.1, where two or more shareholders die in circumstances rendering it uncertain who was the last to die, a younger shareholder is deemed to have survived an older shareholder.

**14. Termination of director's appointment**

Article 18(c) of the Model Articles shall be amended by the addition of the words 'and the company resolves that his office be vacated' at the end of the sub-Article.

**15. Directors' expenses**

Article 20 of the Model Articles shall be amended by the insertion of the words '(including alternate directors) and the secretary (if any)' before the words 'properly incur'.

**ALTERNATE DIRECTORS**

**16. Appointment and removal of alternate directors**

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

16.1.1 exercise that director's powers;

16.1.2 carry out that director's responsibilities;

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

**16.2 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.**

**16.3 The notice must:**

16.3.1 identify the proposed alternate; and

16.3.2 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.

**17. Rights and responsibilities of alternate directors**

**17.1 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.**

**17.2 Except as the articles specify otherwise, alternate directors:**

17.2.1 are deemed for all purposes to be directors;

17.2.2 are liable for their own acts and omissions;

17.2.3 are subject to the same restrictions as their appointors (including those set



out in Sections 172 to 177 CA 2006 inclusive and Article 10); and

17.2.4 are not deemed to be agents of or for their appointors,

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

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

17.3.1 may be counted as participating for the purposes of determining whether a quorum is present (but only if that person's appointor is not participating and provided that no alternate may be counted as more than one director for these purposes);

17.3.2 may participate in a unanimous decision of the directors (but only if his appointor does not participate); and

17.3.3 may sign a written resolution (but only if it is not signed or to be signed by that person's appointor).

17.4 A director who is also an alternate director is entitled, in the absence of any of his appointors, to a separate vote on behalf of that appointor, in addition to his own vote on any decision of the directors but he shall count as only one for the purpose of determining whether a quorum is present.

17.5 An alternate director is not entitled to receive any remuneration from the company for serving as an alternate director except such part of the alternate's appointor's remuneration as the appointor may direct by notice in writing made to the company.

## **18. Termination of alternate directorship**

An alternate director's appointment as an alternate for any appointor terminates:

18.1 when that appointor revokes the appointment by notice to the company in writing specifying when it is to terminate;

18.2 when notification is received by the company from the alternate that the alternate is resigning as alternate for that appointor and such resignation has taken effect in accordance with its terms;

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

18.4 on the death of that appointor; or

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

## **SECRETARY**

### **19. Appointment and removal of secretary**

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

## **PART 3 SHARES AND DISTRIBUTIONS SHARES**

### **20. Share Capital**

- 20.1 The Company's share capital is £1002 divided into 750 A Ordinary Shares of £1.00 each, 150 B Ordinary Shares of £1.00 each, 50 C Ordinary Shares of £1.00 each, 25 D Ordinary Shares of £1.00 each, 1 E Ordinary Share of £1.00, 25 F Ordinary Shares of £1.00 each and 1 Preference Share of £1.00.

The rights as regards participation in the profits and assets of the Company and otherwise attaching to the respective classes of shares in the capital of the Company shall be set out in the following sub-paragraphs of this Article:

#### **20.1.1 As Regards Income**

The profits of the Company available for dividend and resolved to be distributed may be distributed by way of dividend among the holders of the A Ordinary Shares, the B Ordinary Shares, the C Ordinary Shares, the D Ordinary Shares, the E Ordinary Shares, the F Ordinary Shares and the Preference Shares in accordance with Article 42.

#### **20.1.2 As Regards Voting**

The A Ordinary Shares, the B Ordinary Shares, the C Ordinary Shares, the D Ordinary Shares and the F Ordinary Shares shall entitle their holders to receive notice of every General Meeting of the Company and to attend, speak and vote at any General Meeting of the Company whereupon each holder of an A Ordinary Shares, a B Ordinary Share, a C Ordinary Share, a D Ordinary Share or a F Ordinary Share who is present in person or by proxy or (being a corporation) by a representative shall, on a show of hands, have one vote regardless of the number of A Ordinary Shares, B Ordinary Shares, C Ordinary Shares, D Ordinary Shares or F Ordinary Shares held and on a poll each such holder present in person or by proxy or (being a corporation) by a representative shall have one vote for each A Ordinary Share, B Ordinary Share, C Ordinary Share, D Ordinary Share or F Ordinary Share held by him.

The E Ordinary Shares and the Preference Shares shall not entitle their holders to receive notice of any General Meeting of the Company or to

attend, speak or vote at any General Meeting of the Company.

**20.1.3 As Regards Capital**

On a sale to a third party of the entire issued share capital of substantially the whole of the business and assets of the Company or on a winding up or other return of capital, the A Ordinary Shares, the B Ordinary Shares, the C Ordinary Shares, the D Ordinary Shares and the F Ordinary Shares shall carry the right to have the proceeds of any such sale and any assets of the Company available for distribution applied and distributed amongst the holders of the A Ordinary Shares, the B Ordinary Shares, the C Ordinary Shares, the D Ordinary Shares and the F Ordinary Shares. The E Ordinary Shares and the Preference Shares shall not entitle their holders to participate in the proceeds of any sale or in any assets of the Company available for distribution on a winding up or other return of capital.

20.2 Unless otherwise agreed by the holder of the greatest percentage in nominal value of the ordinary shares in the Company's Holding Company on the transfer of any share as permitted by these Articles.

20.2.1 a share transferred to a non-shareholder shall remain of the same class as before the transfer, and

20.2.2 a transferred to a Shareholder shall automatically be redesignation on transfer as a share of the same class as those Shares already held by the Shareholder.

If no shares of a class remain in issue following a redesignation under this Article, these Articles shall be read as if they do not include any reference to that class.

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

21.1 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.

21.2 Subject to the remaining provisions of this Article 21 and to Article 22 (Further issues of shares: pre-emption rights) and to any directions which may be given by the company in general meeting, the directors are generally and unconditionally authorised, for the purpose of Section 551 of the Companies Act 2006 to exercise any power of the company to:

21.2.1 offer or allot;

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

21.2.3 otherwise create, deal in, or dispose of,

any shares in the company to any person, at any time and subject to any terms and conditions as the directors think proper.

**21.3 The authority referred to in Article 21.2:**

21.3.1 shall be limited to a maximum nominal value of £1,000;

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

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

**22. Further issues of shares: pre-emption rights**

22.1 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.

22.2 If the company proposes to allot any shares, those shares shall not (unless the holder in nominal value of the greatest percentage of the Ordinary Shares in the company's Holding Company otherwise determines) be allotted to any person unless the company has first offered them to all holders of the equity shares on the date of the offer on the same terms, and at the same price, as those shares are being offered to such other person on a pari passu basis and pro rata to the nominal value of equity shares held by those shareholders (as nearly as possible without involving fractions).

**22.3 The offer:**

22.3.1 shall be in writing, shall be open for acceptance for a period of fifteen Business Days from the date of the offer and shall give details of the number and subscription price of the shares; and

22.3.2 may stipulate that any shareholder who wishes to subscribe for a number of shares in excess of the proportion to which he is entitled shall, in his acceptance, state the number of excess shares (Excess Shares) for which he wishes to subscribe.

22.4 Any shares not accepted by shareholders pursuant to the offer made to them in accordance with Articles 22.1 and 22.2 shall be used for satisfying any requests for Excess Shares made pursuant to Article 22.3.2. If there are insufficient Excess Shares to satisfy such requests, the Excess Shares shall be allotted to the applicants as nearly as practicable in the proportion that the number of Excess Shares each shareholder indicated he would accept bears to the total number of Excess Shares applied for (as nearly as possible without involving fractions or increasing the number of Excess Shares allotted to any shareholder beyond that applied for by him). After that

allotment, any Excess Shares remaining shall be offered to any other person as the directors may determine, at the same price and on the same terms as the offer to the shareholders.

**23. Variation of class rights**

23.1 Whenever the capital of the company is divided into different classes of shares, the special rights attached to any class may only be varied or abrogated, either whilst the company is a going concern or during or in contemplation of a winding up, with the consent of the holders of the issued shares of that class given in accordance with Article 23.2.

23.2 The consent of the holders of a class of shares may be given by:

23.2.1 a special resolution passed at a separate general meeting of the holders of the issued shares of that class; or

23.2.2 a written resolution in any form signed by or on behalf of the holders of three-quarters in nominal value of the issued shares of that class,

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

**24. Company's lien over shares**

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

24.2 The company's lien over a share:

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

24.2.2 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.

- 24.3 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.
- 24.4 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 (as defined in Article 37.32.1)
- 25. Enforcement of the company's lien**
- 25.1 Subject to the provisions of this Article 25, if:
- 25.1.1 a lien enforcement notice has been given in respect of a share, and
- 25.1.2 the person to whom the notice was given has failed to comply with it,
- the company may sell that share in accordance with Article 33.5.
- 25.2 A lien enforcement notice:
- 25.2.1 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;
- 25.2.2 must specify the share concerned;
- 25.2.3 must be in writing and require payment of the sum payable within 10 Business Days of the notice;
- 25.2.4 must be addressed either to the holder of the share or to a transmittee of that holder; and
- 25.2.5 must state the company's intention to sell the share if the notice is not complied with.
- 25.3 Where shares are sold under this Article 25:
- 25.3.1 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
- 25.3.2 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.
- 25.4 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:
- 25.4.1 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; and
- 25.4.2 second, to the person entitled to the shares at the date of the sale, but only

after the certificate for the shares sold has been surrendered to the company for cancellation or an indemnity in a form reasonably satisfactory to the directors has been given for any lost certificates, and subject to a lien equivalent to the company's lien for any money payable (whether payable immediately or at some time in the future) as existed over the shares before the sale in respect of all shares registered in the name of such person (whether as the sole registered holder or as one of several joint holders) after the date of the lien enforcement notice.

- 25.5 A statutory declaration by a director or the company secretary (if any) that the declarant is a director or the company secretary (as the case may be) and that a share has been sold to satisfy the company's lien on a specified date:

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

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

**26. Call notices**

- 26.1 Subject to the articles and the terms on which shares are allotted, the directors may send a notice (call notice) to a shareholder requiring the shareholder to pay the company a specified sum of money (call) which is payable by that shareholder to the company at the date when the directors decide to send the call notice.

- 26.2 A call notice:

26.2.1 must be in writing;

26.2.2 may not require a shareholder to pay a call which exceeds the total amount of his indebtedness or liability to the company;

26.2.3 must state when and how any call to which it relates it is to be paid; and

26.2.4 may permit or require the call to be paid by instalments.

- 26.3 A shareholder must comply with the requirements of a call notice, but no shareholder is obliged to pay any call before 10 Business Days have passed since the notice was sent.

- 26.4 Before the company has received any call due under a call notice the directors may:

26.4.1 revoke it wholly or in part, or

26.4.2 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.

**27. Liability to pay calls**

- 27.1 Liability to pay a call is not extinguished or transferred by transferring the shares in respect of which it is required to be paid.
- 27.2 Joint holders of a share are jointly and severally liable to pay all calls in respect of that share.
- 27.3 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:

27.3.1 to pay calls which are not the same, or

27.3.2 to pay calls at different times.

**28. When call notice need not be issued**

- 28.1 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:

28.1.1 on allotment;

28.1.2 on the occurrence of a particular event; or

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

- 28.2 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.

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

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

29.1.1 the directors may issue a notice of intended forfeiture to that person, and

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

- 29.2 For the purposes of this Article 29:

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

29.2.2 the relevant rate is:

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



- 29.2.2.2 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
  - 29.2.2.3 if no rate is fixed in either of these ways, five per cent. (5%) per annum.
- 29.3 The relevant rate must not exceed by more than five percentage points the base lending rate most recently set by the Monetary Policy Committee of the Bank of England in connection with its responsibilities under Part 2 of the Bank of England Act 1998.
- 29.4 The directors may waive any obligation to pay interest on a call wholly or in part.
- 30. **Notice of intended forfeiture**
- 30.1 A notice of intended forfeiture:
  - 30.1.1 must be in writing;
  - 30.1.2 may be sent in respect of any share in respect of which a call has not been paid as required by a call notice;
  - 30.1.3 must be sent to the holder of that share (or, in the case of joint holders of a share in accordance with Article 56.3) or to a transmittee of that holder in accordance with Article 56.4;
  - 30.1.4 must require payment of the call and any accrued interest and all expenses that may have been incurred by the company by reason of such non-payment by a date which is not less than 10 Business Days after the date of the notice;
  - 30.1.5 must state how the payment is to be made; and
  - 30.1.6 must state that if the notice is not complied with, the shares in respect of which the call is payable will be liable to be forfeited.
- 31. **Directors' power to forfeit shares**
- 31.1 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.
- 32. **Effect of forfeiture**
- 32.1 Subject to the articles, the forfeiture of a share extinguishes:
  - 32.1.1 all interests in that share, and all claims and demands against the company in respect of it, and

- 32.1.2 all other rights and liabilities incidental to the share as between the person whose share it was prior to the forfeiture and the company.
- 32.2 Any share which is forfeited in accordance with the articles:
  - 32.2.1 is deemed to have been forfeited when the directors decide that it is forfeited;
  - 32.2.2 is deemed to be the property of the company; and
  - 32.2.3 may be sold, re-allotted or otherwise disposed of as the directors think fit in accordance with Article 33.5.
- 32.3 If a person's shares have been forfeited:
  - 32.3.1 the company must send that person written notice that forfeiture has occurred and record it in the register of members;
  - 32.3.2 that person ceases to be a shareholder in respect of those shares;
  - 32.3.3 that person must surrender the certificate for the shares forfeited to the company for cancellation;
  - 32.3.4 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
  - 32.3.5 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.
- 32.4 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.
- 33. **Procedure following forfeiture**
  - 33.1 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.
  - 33.2 A statutory declaration by a director or the company secretary (if any) that the declarant is a director or the company secretary (as the case may be) and that a share has been forfeited on a specified date:
    - 33.2.1 is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share, and

- 33.2.2 subject to compliance with any other formalities of transfer required by the articles or by law, constitutes a good title to the share.
- 33.3 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.
- 33.4 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:
- 33.4.1 was, or would have become, payable, and
- 33.4.2 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.
- 33.5 All shares to be sold in the enforcement of the company's lien or rights of forfeiture shall be offered in accordance with Article 37 (Transfer of Shares - General).
- 34. Surrender of shares**
- 34.1 A shareholder may surrender any share:
- 34.1.1 in respect of which the directors may issue a notice of intended forfeiture;
- 34.1.2 which the directors may forfeit; or
- 34.1.3 which has been forfeited.
- 34.2 The directors may accept the surrender of any such share.
- 34.3 The effect of surrender on a share is the same as the effect of forfeiture on that share.
- 34.4 A share which has been surrendered may be dealt with in the same way as a share which has been forfeited.
- 35. Payment of commission on subscription for shares**
- 35.1 The company may pay any person a commission in consideration for that person:
- 35.1.1 subscribing, or agreeing to subscribe, for shares; or
- 35.1.2 procuring, or agreeing to procure, subscriptions for shares.
- 35.2 Any such commission may be paid:

35.2.1 in cash, or in fully paid or partly paid shares or other securities or partly in one way and partly in the other; and

35.2.2 in respect of a conditional or an absolute subscription.

**36. Share certificates**

36.1 Article 24(2)(c) of the Model Articles shall be amended by the deletion of the word 'fully' and the insertion of the words 'extent to which' before the word 'shares'.

**37. Transfer of shares**

37.1 In this Article 37, a reference to the transfer of or transferring shares shall include any transfer, assignment, disposition or proposed or purported transfer, assignment or disposition:

37.1.1 of any share or shares of the company; or

37.1.2 of any interest of any kind in any share or shares of the company; or

37.1.3 of any right to receive or subscribe for any share or shares of the company.

37.2 If the directors refuse to register a transfer of a share they shall, as soon as practicable and in any event within 40 Business Days after the date on which the transfer was lodged with the company, send to the transferee notice of, and the reasons for, the refusal.

37.3 An obligation to transfer a share under these articles shall be deemed to be an obligation to transfer the entire legal and beneficial interest in such share free from any lien, charge or other encumbrance.

37.4 Article 26(1) of the Model Articles shall be amended by the insertion of the words 'and (if any of the shares is partly paid) the transferee' at the end of that article.

37.5 No shareholder shall dispose of any interest in, or right attaching to, or renounce or assign any right to receive or subscribe for any shares or create or permit to exist any charge, lien, encumbrance or trust over any such share or agree (whether subject to any condition precedent, condition subsequent or otherwise) to do any of such things except as permitted by these Articles.

37.6 If a shareholder at any time commits a breach of Article 37.5 in relation to any share he shall be deemed immediately prior to such breach to have given a Transfer Notice (as defined in Article 37.14) in respect of such share and must comply with the provisions of Article 37.15.

37.7 For the purpose of ensuring that a particular transfer of shares is permitted under these Articles, the directors may require the transferor or the person named as transferee in any transfer lodged for registration to furnish the directors with such information and evidence as they may think reasonably necessary or relevant. Failing such information or evidence being furnished to the reasonable satisfaction

of the directors within a period of 20 Business Days after such request, the directors shall refuse to register the transfer in question.

37.8 Where a Transfer Notice (as defined in Article 37.14) in respect of any share is deemed to have been given under any provision of these Articles and the circumstances are such that the directors (as a whole) are unaware of the facts giving rise to the same, such Transfer Notice shall be deemed to have been received by the directors on the date on which the directors (as a whole) actually become aware of such facts and the provisions of Article 37.15 shall apply accordingly.

37.9 For the purposes of Articles 37.10-37.13:

37.9.1 **“Privileged Relation”** means, in relation to a shareholder who is an individual, the spouse (or widow or widower) of the shareholder and the shareholder’s lineal descendants and, for the purposes aforesaid, a step-child or adopted child or illegitimate child of any shareholder shall be deemed to be a lineal descendant of such shareholder;

37.9.2 **“Family Trust”** means, in relation to a shareholder who is an individual or a deceased shareholder, a trust (whether arising under a settlement, declaration of trust, testamentary disposition or on an intestacy) which does not permit any of the settled property or the income therefrom to be applied otherwise than for the benefit of (i) that shareholder and/or a Privileged Relation of that shareholder, or (ii) any charity or charities as default beneficiaries (meaning that such charity or charities have no immediate beneficial interest in any of the settled property or the income therefrom when the trust is created but may become so interested if there are no other beneficiaries from time to time except another such charity or charities), and no power of control over the voting powers conferred by any shares the subject of the trust is capable of being exercised by or subject to the consent of any person other than the trustees or such shareholder or his Privileged Relations.

37.9.3 **“Member of the Same Group”** means, in relation to a shareholder which is a company, a company which is from time to time a holding company or a subsidiary of such company or the holding company.

37.10 A shareholder, being an individual, (not being in relation to the shares in question a holder thereof as a trustee of a Family Trust) may, at any time transfer all or any of the shares held by him to a Privileged Relation or to trustees to be held upon a Family Trust of such shareholder.

37.11 Where shares are held by trustees upon a Family Trust such shares may on any change of trustees be transferred to the new trustees of that Family Trust.

37.12 A shareholder, being a company, may at any time transfer all or any of the shares held by it to a Member of the Same Group provided that if the transferee ceases to be a Member of the Same Group as the shareholder the shares held by the Member of the Same Group shall revert to the original shareholder.

- 37.13 A shareholder may at any time transfer all or any of his shares to any person with the prior written consent of the holder in nominal value of the greatest percentage of the Ordinary Shares in the company's Holding Company.
- 37.14 For the purposes of Article 37.15:
- 37.14.1 a **"Transfer Notice"** shall mean a notice in writing to the directors from the relevant shareholder (the **"Transferor"**) that the Transferor desires to transfer all of their shares (the **"Transfer Shares"**);
  - 37.14.2 a **"Relevant Event"** means in relation to a shareholder being an individual:
    - 37.14.2.1 such shareholder dying; or
    - 37.14.2.2 such shareholder who is employed in any capacity by the company, the company's Holding Company or any subsidiary of the company or such holding company and/or holds office as a director of the company, the company's Holding Company or any subsidiary of the company or such holding company ceasing to be so employed and/or hold office as director for any reason whatsoever.
- 37.15 Except in the case of a transfer pursuant to Articles 37.10-37.13 (Permitted Transfers), or Articles 37.27-37.30 (Drag Along) any shareholder who wishes to transfer any shares must (unless the holder in nominal value of the greatest percentage of the Ordinary Shares in the company's Holding Company otherwise determines) give a Transfer Notice.
- 37.16 Upon the happening of any Relevant Event, the shareholder in question shall (unless the holder of the greatest percentage in nominal value of the Ordinary Shares in the company's Holding Company otherwise determines) be deemed to have immediately given a Transfer Notice in respect of all the shares as shall then be registered in the name of such shareholder, their Privileged Relations or Family Trust.
- 37.17 Any Transfer Notice shall constitute the company (by its board of directors) as the agent of the Transferor empowered to sell the Transfer Shares (together with all rights attaching thereto at the date of the Transfer Notice or at any time thereafter) at the Transfer Price (as defined in Article 37.19) on the terms of Articles 37.18-37.22.
- 37.18 Within 10 Business Days after a Transfer Notice has been given or deemed to be given by a Transferor pursuant to Articles 37.15 or 37.16 the directors (with the consent of the holder of the greatest percentage in nominal value of the ordinary shares in the company's Holding Company) shall determine the course of action which they propose to pursue in relation to the Transfer Shares comprised in it and shall give notice of that determination to the Transferor. In relation to the Transfer Shares comprised in a Transfer Notice, the courses of action open to the directors shall be as follows:

- 37.18.1 they may, within 20 Business Days of the Determination Date (as defined in Article 37.19) arrange for the company to buy back the Transfer Shares comprised in the Transfer Notice at the Transfer Price; or
- 37.18.2 they may offer the Transfer Shares comprised in the Transfer Notice for purchase by:
  - 37.18.2.1 to the other shareholders (at the Transfer Price) in accordance with Article 37.20; or
  - 37.18.2.2 to such other person (at the Transfer Price) as may be specified by the holder of the greatest percentage in nominal value of the Ordinary Shares in the company's Holding Company.

37.19 The Transfer Price:

- 37.19.1 for the Preference Share shall be their par value; and
- 37.19.2 for the equity shares shall (subject to Article 37.23) be such price as shall be agreed in writing between all the shareholders or in the absence of such agreement (whether by reason of disagreement, absence, death or otherwise) within 10 Business Days after the service of a notice pursuant to Article 37.18, the Transfer Price will be determined by the company's Holding Company (by its board of directors).

If the determination of the Transfer Price is referred to the company's Holding Company the date of determination of the Transfer Price (the "**Determination Date**") shall be the date on which the board of directors determine the Transfer Price. If the transfer Price is determined by written agreement between the shareholders the Determination Date shall be the date on which such agreement is made.

- 37.20 If the Transfer Shares comprised in a Transfer Notice are to be offered for purchase by the other shareholders, within 10 Business Days after the Determination Date the Transfer Shares shall be offered for purchase at the Transfer Price by the directors by notice in writing ("**Offer Notice**") to those shareholders who at the date of the offer are registered as the holders of equity shares (other than the Transferor) in proportion to the number of equity shares then held by them respectively (the "**Offer**"). Every such offer shall be made in writing and shall specify:

- 37.20.1 the total number of Transfer Shares;
- 37.20.2 the number of Transfer Shares offered to the shareholder ("**Pro Rata Entitlement**"); and
- 37.20.3 a period (being not less than 10 Business Days and not more than 20 Business Days) within which the offer must be accepted or shall lapse (the "**Offer Period**"), and shall be accompanied by a form of application for use by the shareholder in applying for his Pro Rata Entitlement and

for any shares in excess of such entitlement which he wishes to purchase.

Upon the expiry of the Offer Period the directors shall allocate the Transfer Shares in the following manner:

- 37.20.4 to each shareholder who has agreed to purchase shares, his Pro Rata Entitlement or such lesser number of Transfer Shares for which he may have applied;
- 37.20.5 if any shareholder has applied for less than his Pro Rata Entitlement, the excess shall be allocated to the shareholders who have applied for any part of such excess in proportion to the number of equity shares then held by them respectively (but without allocating to any shareholder a greater number of Transfer Shares than the maximum number applied for by him) and any remaining excess shall be apportioned by applying this Article 37.20.5 without taking account of any shareholder whose application has already been satisfied in full.

If any of the Transfer Shares shall not be capable of being offered or allocated as aforesaid without involving fractions, the same shall be offered to or allocated amongst the shareholder, or some of them, in such proportions as may be determined by lots drawn in respect thereof, and the lots shall be drawn in such manner as the directors shall think fit.

- 37.21 If, by the foregoing procedure either the company shall obtain such necessary approvals and authorities to buy back all of the Transfer Shares or the directors shall receive acceptances in respect of all of the Transfer Shares, the directors shall forthwith give notice in writing to the Transferor and to the shareholder or shareholders who have agreed to purchase the same and the Transferor shall thereupon become bound upon payment of the Transfer Price to the Transferor to transfer to the company or any shareholder those Transfer Shares accepted by it/him. Every such notice shall state that either the company or the name and address of each shareholder who has agreed to purchase Transfer Shares, the number of Transfer Shares agreed to be purchased and the place and time appointed by the directors for the completion of the purchase (being not less than 5 Business Days nor more than 20 Business Days after the date of the said notice and not being at a place outside England). Subject to the giving of such notice, the purchase shall be completed at the time and place appointed by the directors.
- 37.22 If by the foregoing procedure either the company shall only obtain such necessary approvals and authorities to buy back none or part only of the Transfer Shares or the directors shall receive acceptances in respect of none or part only of the Transfer Shares within the period(s) of the aforesaid offer(s), they shall forthwith give notice in writing of that fact to the Transferor and the Transferor:
  - 37.22.1 shall thereupon become bound upon payment of the Transfer Price to transfer to the company and any shareholder who has agreed to purchase Transfer Shares (if any) those Transfer Shares accepted by it/him and the provisions of Article 37.21 shall apply mutatis mutandis thereto; and



- 37.22.2 may within a period of 60 Business Days after the said notice sell all or any of those Transfer Shares which have not been accepted as aforesaid to any person or persons (including any shareholder) at any price which is not less than the Transfer Price subject to the approval of the directors.
- 37.23 Where the Relevant Event under Article 37.16 is death or ceasing to be employed and/or holding office the Transfer Price shall be:
- 37.23.1 in the case of a Good Leaver (as defined in Article 37.24) the value determined by the company's Holding Company in accordance with the provisions of Article 37.19; and
- 37.23.2 in the case of a Bad Leaver (as defined in Article 37.24) the par value of the Transfer Shares.
- 37.24 For the purpose of Article 37.23:
- 37.24.1 a shareholder shall be deemed to be a "Good Leaver" in circumstances where the relevant person:
- 37.24.1.1 dies; or
- 37.24.1.2 suffers a physical or mental deterioration which, in the opinion of the directors is sufficiently serious to prevent the relevant person from following his normal employment or office and/or which seriously prejudices his earning capacity; or
- 37.24.1.3 voluntarily resigns (provided the shareholder is not in breach of any service or employment agreement); or
- 37.24.1.4 retires at normal retirement age; or
- 37.24.1.5 has been dismissed and it has been legally established by a court of competent jurisdiction that he would have a successful claim against the company, the company's Holding Company or any subsidiary of the company or such Holding Company for redundancy or unfair or wrongful dismissal; and
- 37.24.1.6 is made redundant
- 37.24.2 a shareholder shall be deemed to be a "Bad Leaver" in circumstances where the relevant person is not deemed to be a Good Leaver.
- 37.25 If a Transferor, having become bound to transfer any Transfer Shares pursuant to Articles 37.21–37.22, makes default in transferring the same, the directors may authorise some person (who is (as security for the performance of the Transferor's obligations) hereby irrevocably and unconditionally appointed as the attorney of the Transferor for the purpose) to execute the necessary instrument of transfer of such

Transfer Shares and may deliver it on his behalf and the company may receive the purchase money and shall thereupon (subject to such instrument being duly stamped with any necessary stamp duty) cause the transferee to be registered as the holder of such Transfer Shares and shall hold such purchase money on behalf of the Transferor. The company shall not be bound to earn or pay interest on any money so held and shall not pay such money to the Transferor until he shall have delivered his share certificates (or an appropriate indemnity in respect of any lost certificates) to the company. The receipt of the company for such purchase money shall be a good discharge to the transferee, who shall not be bound to see to the application thereof, and after the name of the transferee has been entered in the register of Shareholders in purported exercise of the aforesaid power the validity of the proceedings shall not be questioned by any person.

- 37.26 Without prejudice to the generality of Article 37.7, the directors may require to be satisfied that any shares being transferred by the Transferor pursuant to Article 37.22.2 are being transferred in pursuance of a bona fide sale for the consideration stated in the transfer and if not so satisfied, may refuse to register the instrument of transfer.
- 37.27 For the purposes of Articles 37.28 – 37.30 a “**Qualifying Offer**” shall mean an offer in writing by or on behalf of any person (“**Offeror**”) to the holders of the entire issued share capital in the company or the company’s Holding Company to acquire all their share capital.
- 37.28 If the holder of the greatest percentage in nominal value of the Ordinary Shares in the company’s Holding Company (the “**Accepting Shareholder**”) wishes to accept the Qualifying Offer, then the provisions of Articles 37.29 – 37.30 shall apply.
- 37.29 The Accepting Shareholder shall give written notice to the remaining holders of the shares (“**Other Shareholder**”) of their wish to accept the Qualifying Offer and the Other Shareholders shall thereupon become bound to accept the Qualifying Offer and to transfer their shares to the Offeror (or his nominee) with full title guarantee on the date specified by the Accepting Shareholder for a consideration to be determined by the company’s Holding Company (by its board of directors).
- 37.30 If any Other Shareholder shall not, within 5 Business Days of being required to do so, execute and deliver transfers in respect of the shares held by him and deliver the certificate(s) in respect of the same (or a suitable indemnity in lieu thereof), then the Accepting Shareholder shall be entitled to execute, and shall be entitled to authorise and instruct such person as he thinks fit to execute, the necessary transfer(s) and indemnities on the Other Shareholder's behalf and, against receipt by the company (on trust for such Shareholder) of the consideration payable for the relevant shares, deliver such transfer(s) and certificate(s) or indemnities to the Offeror (or his nominee) and register such Offeror (or his nominee) as the holder thereof and, after such registration, the validity of such proceedings shall not be questioned by any person.”
- 37.31 On the transfer of any share as permitted by these Articles:
- 37.31.1 a share transferred to a non-shareholder shall remain of the same class as

before the transfer; and

- 37.31.2 a share transferred to a shareholder shall automatically be redesignated on transfer as a share of the same class as those shares already by the shareholder.

If no shares of a class remain in issue following a redesignation under this Article, these Articles shall be read as if they do not include any reference to that class.

- 37.32 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)

- 37.32.1 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 or any Secured Institution pursuant to such security (a "Nominee"), nor

- 37.32.2 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

- 37.32.3 transferor or proposed transferor of any share to a Secured Institution or Nominee,

- 37.32.4 Secured Institution or Nominee, or

- 37.32.5 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.

### **38. Prohibited Transfers**

- 38.1 Notwithstanding any other provision of these articles, no transfer of any Share shall be registered if it is to any minor, undischarged bankrupt, trustee in bankruptcy or person of unsound mind.

### **39. Procedure for disposing of fractions of shares**

- 39.1 This Article applies where:

- 39.1.1 there has been a consolidation or division of shares; and

- 39.1.2 as a result, shareholders are entitled to fractions of shares.

- 39.2 The directors may:
- 39.2.1 sell the shares representing the fractions to any person including the company for the best price reasonably obtainable;
  - 39.2.2 authorise any person to execute an instrument of transfer of the shares to the purchaser or a person nominated by the purchaser; and
  - 39.2.3 distribute the net proceeds of sale in due proportion among the holders of the shares.
- 39.3 The person to whom the shares are transferred is not obliged to ensure that any purchase money is received by the person entitled to the relevant fractions.
- 39.4 The transferee's title to the shares is not affected by any irregularity in or invalidity of the process leading to their sale.

## **DIVIDENDS AND OTHER DISTRIBUTIONS**

### **40. Calculation of dividends**

- 40.1 Except as otherwise provided by the articles or the rights attached to shares, all dividends must be:
- 40.1.1 declared and paid according to the amounts paid up on the shares on which the dividend is paid; and
  - 40.1.2 apportioned and paid proportionately to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid.
- 40.2 If any share is issued on terms providing that it ranks for dividend as from a particular date, that share ranks for dividend accordingly.

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

- 41.1 If:
- 41.1.1 a share is subject to the company's lien; and
  - 41.1.2 the directors are entitled to issue a lien enforcement notice in respect of it,
- they may, instead of issuing a lien enforcement notice, deduct from any dividend or other sum payable in respect of the share any sum of money which is payable to the company in respect of that share to the extent that they are entitled to require payment under a lien enforcement notice.
- 41.2 Money so deducted must be used to pay any of the sums payable in respect of that share.

41.3 The company must notify the distribution recipient In writing of:

41.3.1 the fact and amount of any such deduction;

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

41.3.3 how the money deducted has been applied.

**42. Payment of Dividends**

42.1 In any financial year, the Available Profits of the company shall be used to pay dividends as set out in this Article 42.

42.2 The company shall, without resolution of the directors or the company in general meeting and before application of any Available Profits to reserve or for any other purpose, pay the holders of the Preference Share a fixed cumulative preferential dividend (**Preferred Dividend**) at an annual rate of £50,000 to be paid in 12 instalments on the last day of each calendar month in each year to the person registered as the holder on the relevant date (the first such payment shall be made on 31<sup>st</sup> March 2012).

42.3 Once the Preferred Dividend has been paid, any Available Profits remaining that the company determines to distribute shall, if the holder of the greatest percentage in nominal value of the Ordinary Shares in the company's Holding Company agrees, be distributed among the holders of the A Ordinary Shares, the B Ordinary, the C Ordinary Shares, the D Ordinary Shares, the E Ordinary Shares and the F Ordinary Shares in such amounts as the directors may determine and on the basis that the A Ordinary Shares, the B Ordinary Shares, the C Ordinary Shares, the D Ordinary Shares, the E Ordinary Share and the F Ordinary Shares may receive none or different amounts of dividend.

42.4 Subject to the Act and to these Articles, the Board may, if the holder of the greatest percentage in nominal value of the nominal value of the ordinary shares in the company's Holding Company agrees, pay interim dividends if the Available Profits for the relevant period justify such payment.

42.5 If the company is unable to pay the Preferred Dividend in full on the due date because there are insufficient Available Profits, it shall pay the Preferred Dividend on that date to the extent that it is lawfully able to do so.

42.6 Unless the company has insufficient Available Profits, the Preferred Dividend shall be paid immediately on the due date. Such payment shall be made notwithstanding Regulations 102 to Regulation 108 inclusive of Table A or 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.

42.7 If the company is in arrears in paying the Preferred Dividend, the first Available Profits arising shall be applied first in or towards paying off arrears of Preferred Dividend.

## **CAPITALISATION OF PROFITS**

### **43. Authority to capitalise and appropriation of capitalised sums**

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

## **PART 4**

### **DECISION-MAKING BY SHAREHOLDERS ORGANISATION OF GENERAL MEETINGS**

### **44. Convening general meetings**

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

### **45. Notice of general meetings**

- 45.1 General meetings (other than an adjourned meeting) shall be called by at least fourteen Clear Days' notice but a general meeting may be called by shorter notice if it is so agreed by a majority in number of the shareholders having a right to attend and vote, being a majority together holding not less than ninety per cent (90%) in nominal value of the shares at the meeting, giving that right.
- 45.2 The notice shall specify the time, date and place of the meeting, the general nature of the business to be transacted and the terms of any resolution to be proposed at it.
- 45.3 Subject to the provisions of these articles and to any restrictions imposed on any shares, the notice shall be given to all shareholders, to all persons entitled to a share in consequence of the death or bankruptcy of a shareholder (if the company has been notified of their entitlement) and to the directors, alternate directors and the auditors for the time being of the company.
- 45.4 The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate the proceedings at that meeting.

### **46. Resolutions requiring special notice**

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

at which it is to be proposed.

- 46.2 Where practicable, the company must give the shareholders notice of the resolution in the same manner and at the same time as it gives notice of the general meeting at which it is to be proposed. Where that is not practicable, the company must give the shareholders at least fourteen Clear Days' before the relevant general meeting by advertisement in a newspaper with an appropriate circulation.
- 46.3 If, after notice to propose such a resolution has been given to the company, a meeting is called for a date twenty-eight Clear Days or less after the notice has been given, the notice shall be deemed to have been properly given, even though it was not given within the time required by Article 47.1.

**47. Quorum for general meetings**

No business shall be transacted at any meeting unless a quorum is present. Subject to Section 318(2) of the Companies Act 2006, three qualifying persons (as defined in Section 318(3) of the Companies Act 2006) entitled to vote upon the business to be transacted shall be a quorum, one of whom shall hold or represent the holder of the greatest percentage in nominal value of the Ordinary Shares in the company's Holding Company.

**48. Adjournment**

Article 41(1) of the Model Articles shall be amended by inserting the following sentence at the end of the first sentence of that article: 'If, at the adjourned meeting, a quorum is not present within half an hour from the time appointed for the meeting, the meeting shall be dissolved'.

## **VOTING AT GENERAL MEETINGS**

**49. Voting: general**

**49.1 Shares in the company shall carry votes as follows:**

49.1.1 the A Ordinary Shares, B Ordinary Shares, C Ordinary Shares, D Ordinary Shares and F Ordinary Shares shall confer on each holder the right to receive notice of and to attend, speak and vote at all general meetings of the company, and each A Ordinary Share, B Ordinary Share, C Ordinary Share, D Ordinary Share and F Ordinary Share shall carry one vote per share;

49.1.2 the Preference Share and the E Ordinary Share shall not entitle the holder of it to receive notice of, to attend, to speak or to vote at any general meeting of the company.

**49.2 Where shares confer a right to vote, votes may be exercised:**

49.2.1 on a show of hands by every shareholder who (being an individual) is present in person or by proxy or (being a corporation) is present by a

representative or by a proxy (in which case, each Shareholder holding shares with votes shall have one vote); or

49.2.2 on a poll by every shareholder who (being an individual) is present in person or by proxy or (being a corporation) is present by a representative or by a proxy (in which case, each Shareholder holding shares with votes shall have one vote for each such share held).

49.3 Unless a poll is duly demanded, a declaration by the chairman that a resolution has been carried or carried unanimously, or by a particular majority, or lost, or not carried by a particular majority and an entry to that effect in the minutes of the meeting shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.

## **50. Poll votes**

50.1 On a poll every shareholder who (being an individual is present in person or by proxy or (being a corporation) is present by a duly authorised representative or by proxy shall have one vote for every share of which he is the holder. On a poll, a shareholder entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way.

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

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

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

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

50.4 The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

50.5 A poll demanded on the election of a chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken either forthwith or at such time and place as the chairman directs not being more than 20 Business Days after the poll is demanded. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll was demanded. If a poll is demanded before the declaration of the result of a show of hands and the demand is duly withdrawn, the meeting shall continue as if the demand had not been made.

50.6 No notice need be given of a poll not taken forthwith if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case at least seven Clear Days' notice shall be given specifying the time and place at which the poll is to be taken.



**51. Content of proxy notices**

51.1 Subject to the provisions of these articles, a shareholder is entitled to appoint another person as his proxy to exercise all or any of his rights to attend and to speak and vote at a general meeting. A shareholder may appoint more than one proxy in relation to a meeting, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder.

51.2 Proxies may only validly be appointed by a notice in writing (proxy notice) which:

51.2.1 states the name and address of the shareholder appointing the proxy;

51.2.2 identifies the person appointed to be that shareholder's proxy and the general meeting in relation to which that person is appointed;

51.2.3 is signed by or on behalf of the shareholder appointing the proxy, or is authenticated in such manner as the directors may determine; and

51.2.4 is delivered to the company in accordance with the articles and in accordance with any instructions contained in the notice of the general meeting (or adjourned meeting) to which they relate and received by the company:

51.2.4.1 subject to articles 52.2.4.2 and 52.2.4.3, in the case of a general meeting or adjourned meeting, not less than forty-eight hours before the time for holding the meeting or adjourned meeting at which the right to vote is to be exercised;

51.2.4.2 in the case of a poll taken more than forty-eight hours after it is demanded, after the poll has been demanded and not less than twenty-four hours before the time appointed for the taking of the poll; or

51.2.4.3 where the poll is not taken forthwith but is taken not more than forty-eight hours after it was demanded, at the time at which the poll was demanded or twenty-four hours before the time appointed for the taking of the poll, whichever is the later, and a proxy notice which is not delivered and received in such manner shall be invalid.

51.3 Article 45(3) of the Model Articles shall be amended by the addition of the following at the end of the article:

'and the proxy is obliged to vote or abstain from voting in accordance with the specified instructions. However, the company is not obliged to check whether a proxy votes or abstains from voting as he has been instructed and shall incur no liability for failing to do so. Failure by a proxy to vote or abstain from voting as instructed at a meeting shall not invalidate proceedings at that meeting.'

## **52. Delivery of proxy notices**

- 52.1 Any notice of a general meeting must specify the address or addresses (proxy notification address) at which the company or its agents will receive proxy notices relating to that meeting, or any adjournment of it, delivered in hard copy or electronic form.
- 52.2 Article 46(1) of the Model Articles shall be amended by inserting the words: 'to a proxy notification address' at the end of that Article.
- 52.3 A notice revoking a proxy appointment only takes effect if it is received by the company:
- 52.3.1 subject to articles 52.3.2 and 52.3.3, in the case of a general or adjourned meeting, not less than forty-eight hours before the time for holding the meeting or adjourned meeting at which the right to vote is to be exercised;
  - 52.3.2 in the case of a poll taken more than forty-eight hours after it was demanded, not less than twenty-four hours before the time appointed for the taking of the poll; or
  - 52.3.3 in the case of a poll not taken forthwith but not more than forty-eight hours after it was demanded, at the time at which it was demanded or twenty-four hours before the time appointed for the taking of the poll, whichever is later,

and a notice which is not delivered and received in such manner shall be invalid.

- 52.4 In calculating the periods referred to in Article 51 (Content of proxy notices) and this Article 52, no account shall be taken of any part of a day that is not a working day.

## **53. Representation of corporations at meetings**

Subject to the Companies Act 2006, a company which is a shareholder may, by resolution of its directors or other governing body, authorise one or more persons to act as its representative or representatives at a meeting of the company or at a separate meeting of the holders of a class of shares of the company (corporate representative). A director, secretary or other person authorised for the purpose by the directors may require a corporate representative to produce a certified copy of the resolution of authorisation before permitting him to exercise his powers.

## **54. WRITTEN RESOLUTIONS**

A resolution of the shareholders (or a class of shareholders) may be passed as a written resolution in accordance with chapter 2 of part 13 of the Companies Act 2006.

# **PART 5 MISCELLANEOUS PROVISIONS COMMUNICATIONS**

**55. Means of communication to be used**

**55.1** Any notice, document or other Information shall be deemed served on or delivered to the intended recipient:

**55.1.1** If properly addressed and sent by prepaid United Kingdom first class post to an address in the United Kingdom, forty-eight hours after it was posted;

**55.1.2** If properly addressed and delivered by hand, when it was given or left at the appropriate address;

**55.1.3** If properly addressed and sent or supplied by electronic means forty-eight hours after the document or information was sent or supplied; and

**55.1.4** 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 55.1, no account shall be taken of any part of a day that is not a working day.

**55.2** 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 of the Companies Act 2006.

**55.3** In the case of joint holders of a share, all notices or documents shall be given to the joint holder whose name stands first in the register in respect of the joint holding. Notice so given shall be sufficient notice to all of the joint holders. Where there are joint holders of a share, anything which needs to be agreed or specified in relation to any notice, document or other information to be sent or supplied to them can be agreed or specified by any one of the joint holders. The agreement or specification of the joint holder whose name stands first in the register will be accepted to the exclusion of the agreement or specification of any other joint holder (s) whose name(s) stand later in the register.

**55.4** The company may give notice to the transmittee of a shareholder, by sending or delivering it in any manner authorised by these Articles for the giving of notice to a shareholder, addressed to that person by name, or by the title, of representative of the deceased or trustee of the bankrupt or representative by operation of law or by any like description, at the address (if any) within the United Kingdom supplied for the purpose by the person claiming to be so entitled. Until such an address has been so supplied, a notice may be given in any manner in which it might have been given if the death or bankruptcy or operation of law had not occurred.

**ADMINISTRATIVE ARRANGEMENTS**

**56. Company seals**

Article 49(3) of the Model Articles shall be amended by the insertion of the words 'by either at least two authorised persons or' after the word 'signed'.

## **DIRECTORS' INDEMNITY AND INSURANCE**

### **57. Indemnity**

**57.1** Subject to Article 57.2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled:

**57.1.1** 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:

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

**57.1.1.2** 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

**57.1.2** 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 57.1.1 and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure.

**57.2** This Article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law.

**57.3** In this Article 57:

**57.3.1** companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate, and

**57.3.2** a relevant officer means any director or alternate director or other officer or former director or other officer of the company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by Section 235(6) of the Companies Act

2006) and may, if the shareholders so decide, include any person engaged by the company (or any associated company) as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor).

**58. Insurance**

58.1 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.

58.2 In this Article:

58.2.1 a relevant officer means any director or alternate director or other officer or former director or other officer of the company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by Section 235(6) of the Companies Act 2006;

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

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