

Companies Act 2006
WRITTEN RESOLUTION
OF
THE LAKES DISTILLERY COMPANY LIMITED
(the "Company")

Company Number 07769363

The following resolution was duly passed as a special resolution on 15 February 2018 by way of a written resolution under Chapter 2 of Part 13 of the Companies Act 2006 (the "Act").

SPECIAL RESOLUTION

1) Adoption of Articles of Association

That the Company adopt new articles of association as are attached to this resolution ("**New Articles**") and which are by this resolution adopted as the new articles of association in substitution for and to the complete exclusion of the existing articles of association of the Company.

Signed:



.....
Director

Date 15 February 2018

TUESDAY



LD3 *L715DUOG* #91
06/03/2018
COMPANIES HOUSE

Company Number: 07769363

The Companies Act 2006

Private Company Limited by Shares

**Articles of Association of The Lakes Distillery Company Limited
(the "Company")**

1. Incorporation and Amendment of Statutory Articles

- 1.1. The model articles contained in Schedule 1 of The Companies (Model Articles) Regulations 2008 ("**Model Articles**") shall apply to the company, except in so far as they are modified, amended or excluded by these Articles.
- 1.2. Articles 1, 7, 8, 9, 11, 12, 13, 14, 17, 21(1), 26(5), 29, 30, 42, 44, 45, 50, 52 and 53 of the Model Articles shall not apply to the Company and are hereby excluded.
- 1.3. Article 15 of the Model Articles shall be amended by the insertion of the words "Writing (or in the case of decisions 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)" after the words "keeps a record, in".
- 1.4. Article 20 of the Model Articles shall be amended by the insertion of the words "(including alternate directors and the secretary)" before the words "properly incur".
- 1.5. Article 25(2)(c) of the Model Articles shall be amended by the insertion of the word "may" before the word "decide".
- 1.6. Article 27(2)(b) of the Model Article shall be amended by the insertion of the words "in accordance with these Articles" after the words "another person,".
- 1.7. Article 38 of the Model Articles be amended by the insertion of the following words at the end of that Article, "Two persons entitled to vote upon the business to be transacted each being a member or a proxy for a member or a duly authorised representative of a corporation that is a member shall be a quorum provided that the Holder(s) of more than 20% of the issued share capital of the Company are present either in person or by proxy."

2. Issues of Shares

- 2.1. If the Company wishes to allot Shares (the "**Offer Shares**") it must first invite all Holders of Shares by notice in writing to subscribe for the Offer Shares. An invitation under this Article 2.1 shall be open for acceptance for at least 21 days but not more than 35 days after notice of it is given to the members. The Company does not have to make an offer under this Article 2.1 if

the consent of a special resolution is given.

2.2. Basis of allocation to members

2.2.1. The Offer Shares shall be allocated by the directors in satisfaction of the applications received from members in accordance with the procedures set out in this Article 2.2.

2.2.2. If the total number of Offer Shares applied for by the members is equal to or less than the number of Offer Shares available, the Offer Shares shall be allocated in satisfaction of the applications received.

2.2.3. If the total number of Offer Shares applied for is more than the number of Offer Shares available, the directors shall allocate Offer Shares in satisfaction of each member's application for Offer Shares in accordance with the following formula (rounded down to the nearest whole number of shares). This formula shall be applied repeatedly until there are no Offer Shares left to be allocated. Each application of the formula is an 'iteration'.

$$A = \frac{B}{C} \times D$$

A is the number of Offer Shares to be allocated to the relevant member in the iteration.

B is the number of shares held by the member.

C is the number of shares held by all members.

D is the number of Offer Shares or, after the first iteration, the number of Offer Shares remaining unallocated by previous iterations.

If, in any iteration, a member would be allocated all or more than all of the Offer Shares for which he applied (including allocations from previous iterations) then any excess will not be allocated to that member. That member will cease to take part in any further iterations and the excess Offer Shares will be available for allocation in the next iteration.

2.2.4. The Company shall notify each member who applied for Offer Shares of the number of Offer Shares that have been allocated to him and the other persons to whom the Offer Shares have been allocated and upon receipt from such person of the appropriate subscription price for such Offer Shares, that person will be allotted the Offer Shares allocated to him.

2.3. Any Shares which are not allocated to members pursuant to Article 2.2 shall be at the disposal of the Directors who may (within the period of 3 months from the expiry of the invitation made under Article 2.1) allot, grant options over or otherwise dispose of those Shares to any person and on any terms, but the price per share and other terms offered to such a person cannot be more favourable than the price and terms offered to the members.

- 2.4. Article 2.1 will also apply (with the necessary changes) to the grant of any right to subscribe for Shares of any class.
- 2.5. In accordance with section 567 of the Companies Act 2006, all the requirements of sections 561 and 562 of the Companies Act 2006 are excluded generally in relation to the allotment by the Company of equity securities (as defined in section 560(1) of the Companies Act 2006).
- 2.6. The Directors have a general and unconditional authority, pursuant to and in accordance with section 551 of the Companies Act, to exercise all powers of the Company to allot Shares in the Company or to grant rights to subscribe for or to convert any security into Shares in the Company for a period expiring on the fifth anniversary of the date of adoption of this Article unless previously renewed, varied or revoked by the Company. The maximum nominal value of Shares which may be allotted pursuant to the authority conferred by this Article is £525,000.
- 2.7. By the authority conferred by Article 2.6, or by any renewal of the authority, the Directors may allot Shares, or grant rights to subscribe for or to convert any security into Shares, after the authorisation has expired if the Shares are allotted, or the rights granted, in pursuance of an offer or agreement made by the Company before the authorisation expired.
- 2.8. The Company may pay any person a commission in consideration for that person:
- 2.8.1. subscribing, or agreeing to subscribe, for shares; or
- 2.8.2. procuring, or agreeing to procure, subscriptions for shares.
- 2.9. Any such commission (referred to in Article 2.8 above) may be paid:
- 2.9.1. in cash, or in fully paid or partly paid shares or other securities, or partly in one way and partly in the other; and
- 2.9.2. in respect of a conditional or an absolute subscription.
3. **Transfer of Shares – General**
- 3.1. The Directors shall refuse to register any transfer of Shares which contravenes these Articles but subject to Article 3.3 below may not otherwise refuse to register any transfer of Shares.
- 3.2. To ensure that a particular transfer of Shares is permitted under these Articles, the Directors may ask the transferor, or the person named as transferee in any transfer lodged for registration, to give the Company any information and evidence that the Directors reasonably think is necessary or relevant. If that information or evidence is not furnished to the satisfaction of the Directors within 28 days after the request, the Directors may refuse to register the transfer in question.
- 3.3. In addition to the Directors' right in Article 3.1 above to refuse to register any transfer of Shares which contravenes these Articles, the Directors may refuse to register the transfer of a Share if:
- 3.3.1. the Share is not fully Paid;

- 3.3.2. the transfer is not lodged at the Company's registered office or such other place as the Directors have appointed;
- 3.3.3. the transfer is not accompanied by the certificate for the Shares to which it relates, or such other evidence as the Directors may reasonably require to show the transferor's right to make the transfer, or evidence of the right of someone other than the transferor to make the transfer on the transferor's behalf;
- 3.3.4. the transfer is in respect of more than one class of Share; or
- 3.3.5. the transfer is in favour of more than four transferees.

4. **Permitted Transfers**

Notwithstanding the provisions of any other Article, but subject to Article 4.5, the transfers set out in this Article 4 shall be permitted without restriction and the provisions of Articles 5 and 7 shall have no application to any such transfer.

4.1. **Permitted Transfers**

Any Shareholder who is a body corporate shall be entitled to transfer all or any of its Shares to any other body corporate which is for the time being its subsidiary or holding company or another subsidiary of its holding company (each such body corporate being a "Related Company") but if a Related Company whilst it is a Holder of Shares shall cease to be a Related Company in relation to the body first holding the relevant Shares it shall, within 15 Business Days of so ceasing, transfer the shares held by it to such body or any Related Company of such body and failing such transfer the holder shall be deemed to have given a Transfer Notice.

4.2. **Permitted Transfers by Individuals**

- 4.2.1. Subject to Articles 4.2.2 to 4.2.4 inclusive, any Holder who is an individual may at any time transfer Shares held by him to a person or persons shown to the reasonable satisfaction of the Board to be either a Family Member of his or hers or a trustee of his or her Family Trust.
- 4.2.2. No Shares shall be transferred under Article 4.2.1 by an individual who previously acquired those Shares by way of transfer under Article 4.2.1 save to another individual who is a Family Member of the original holder of such Shares, or in the case of a trustee of a Family Trust, to the original holder of such Shares, or another individual who is a Family Member of the original holder of such Shares or to a new (or remaining) trustee upon a change of trustees of a Family Trust.
- 4.2.3. If:
 - 4.2.3.1. any person has acquired Shares as a Family Member of a Holder by way of one or more transfers permitted under this Article 4.2; and
 - 4.2.3.2. that person ceases to be a Family Member of that Holder

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

- 4.2.4. If the personal representatives of a deceased Holder are permitted under these Articles to become registered as the Holders of any of the deceased Holder's Shares and elect to do so, those Shares may at any time be transferred by those personal representatives under Article 4.2.1 to any person to whom the deceased Holder could have transferred such Shares under this Article if he had remained the Holder of them. No other transfer of such Shares by personal representatives shall be permitted under this Article 4.

4.3. **Permitted Transfers of Shares held by NomineeCo**

- 4.3.1. Where NomineeCo holds a Share on trust for another person (**Crowdcube Beneficial Owner**) that Crowdcube Beneficial Owner shall be entitled at any time to transfer their entire beneficial interest in the Shares held on trust for him by NomineeCo without restriction to any person, provided that the legal title in such Shares continues to be held by NomineeCo and the transferee is (or becomes prior to the completion of the transfer) a member of the crowdfunding platform operated by Crowdcube Capital Limited.

- 4.3.2. NomineeCo may transfer any Share it holds on trust for a Crowdcube Beneficial Owner to a substitute or additional trustee provided such trustee holds the Shares on the same basis that NomineeCo held them and the additional or substitute trustee is a third party trust company whose identity has been approved in writing by the Board (such approval not to be unreasonably withheld or delayed).

4.4. **Transfer with a the approval of a Special Resolution**

A transfer of any Shares approved by a Special Resolution may be made without restriction as to price or otherwise.

4.5. **Restricted Transfers**

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

5. **NOT USED**

6. **Pre-emption Rights**

6.1. **Transfer Notices**

- 6.1.1. Save as otherwise provided in these Articles, every member who desires to transfer any Shares shall give the Company notice in writing of that desire. The Transfer Notice must state to whom the member wants to transfer the Shares (if anyone) (except in the case of a Deemed Transfer Notice).
- 6.1.2. Transfer Notices and deemed Transfer Notices both constitute the Company as the Vendor's agent for the sale of the Transfer Shares in one or more lots at the discretion of the Directors at the Transfer Price.
- 6.1.3. If:
 - 6.1.3.1. a member gives a Transfer Notice (not being a Deemed Transfer Notice); and
 - 6.1.3.2. a Deemed Transfer Notice is subsequently deemed to be given by the same member before their Shares are transferred

the original Transfer Notice will immediately be cancelled. Any offers made by the Company on behalf of the Vendor under that original Transfer Notice will automatically be withdrawn and will have no effect, even if accepted.

6.2. Calculation of the Transfer Price

- 6.2.1. The Transfer Price shall be the price agreed by the Vendor and the Board (excluding the Vendor and any other Director who holds Shares which are the subject of a Transfer Notice. If the Vendor and the Board are unable to agree a price within 21 days of the Transfer Notice being given (or being deemed to have been given), or such later date as may be agreed between the Vendors and the Board the Transfer Price will instead be the price which the Independent Expert shall certify to be in his opinion a fair value of the Transfer Shares (the "Fair Value"). In arriving at his opinion, the Independent Expert will value the Transfer Shares:
 - 6.2.1.1. as at the date the Transfer Notice is given or is deemed to have been given;
 - 6.2.1.2. on a going concern basis as between a willing seller and a willing buyer;
 - 6.2.1.3. ignoring any reduction in value which may be ascribed to the Transfer Shares by virtue of the fact that:
 - 6.2.1.3.1. they represent a minority interest; and
 - 6.2.1.4. on the assumption that the Transfer Shares are capable of transfer without restriction.

The decision of the Independent Expert as to the Fair Value shall be final and binding.

6.2.2. If an Independent Expert is appointed under this Article 6 or under any other provision of these Articles, each member will sign an engagement letter from the Independent Expert in the form agreed between that expert, and the Company. Each member acknowledges that the engagement letter will include a waiver of claims against the Independent Expert and similar 'hold harmless' provisions arising out of the expert's performance of its role. If a member fails to sign the letter within 3 days of it being delivered to him, the Board (excluding the Vendor and any other Director who holds shares which are the subject of a Transfer Notice) may authorise some person to sign it as attorney for the member.

6.3. Total Transfer Condition

A Transfer Notice (but not a Deemed Transfer Notice) may contain a Total Transfer Condition. A Total Transfer Condition shall be binding on the Company.

6.4. Certification of Fair Value and right of Vendor to Cancel

- 6.4.1. If the Independent Expert is asked to certify the Fair Value, his certificate shall be delivered to the Company. As soon as the Company receives the certificate it shall deliver a copy of it to the Vendor. Unless the Shares are to be sold under a Deemed Transfer Notice, the Vendor may, by notice in writing to the Company within 7 days of the service on him of the copy certificate, cancel the Company's authority to sell the Transfer Shares.
- 6.4.2. The cost of obtaining the certificate shall be paid by the Company unless:
- 6.4.2.1. the Vendor cancels the Company's authority to sell; or
- 6.4.2.2. the sale is pursuant to a Deemed Transfer Notice, and the Fair Value certified by the Independent Expert is less than the price (if any) offered by the Directors to the Vendor for the Transfer Shares before the Independent Expert was instructed

in which case the Vendor shall bear the cost.

Offer to Members

- 6.4.3. Within 14 days of the Transfer Price being agreed or determined, the Transfer Shares will be offered to the Company, which may accept the offer itself. The Company has 21 days from the date of the offer within which to accept it.
- 6.4.4. If the Company does not accept the offer referred to in Article 6.4.3, or only accepts the offer in part, the Transfer Shares (or those that have not been taken up by the Company) will be offered to all Holders of Shares (other than the Vendor) in accordance with the following Articles.
- 6.4.5. The offer under Article 6.4.4 shall be in writing, specifying:
- 6.4.5.1. the number of Transfer Shares on offer and the Transfer Price;
- 6.4.5.2. whether the Transfer Shares on offer are subject to a Total Transfer Condition;
- 6.4.5.3. either:
- 6.4.5.3.1. the person (if any) the Vendor wants to transfer the Transfer Shares to; or
- 6.4.5.3.2. the fact that the sale is pursuant to a Deemed Transfer Notice

(as the case may be); and

6.4.5.4. the date by which the application to purchase the Transfer Shares has to be received by the Company (being a date not less than 14 days and no more than 21 days after the date of the notice).

The notice shall invite each member to apply in writing to the Company for as many of the Transfer Shares (if any) as that member would like to purchase.

6.5. Basis of Allocation to Members

6.5.1. The Transfer Shares shall be allocated by the Directors in satisfaction of the applications received in accordance with the procedures set out in this Article.

6.5.2. If the total number of Transfer Shares applied for by the members is equal to or less than the number of Transfer Shares available, the Transfer Shares shall be allocated in satisfaction of the applications received from members holding shares .

6.5.3. If the total number of Transfer Shares applied for is more than the number of Transfer Shares available, the Directors shall allocate Transfer Shares in satisfaction of each member's application for Transfer Shares in accordance with the following formula (rounded down to the nearest whole number of shares). This formula shall be applied repeatedly until there are no Transfer Shares left to be allocated. Each application of the formula is an 'iteration'.

$$A = \frac{B}{C} \times D$$

A is the number of Transfer Shares to be allocated to the relevant member in the iteration.

B is the number of Shares held by the member.

C is the number of Shares held by all members to whom the iteration is being applied.

D is the number of Transfer Shares or, after the first iteration, the number of Transfer Shares remaining unallocated by previous iterations.

If, in any iteration, a member would be allocated all or more than all of the Transfer Shares for which he applied (including allocations from previous iterations) then any excess will not be allocated to that member. That member will cease to take part in any further iterations and the excess Transfer Shares will be available for allocation in the next iteration.

- 6.5.4. The Company shall notify the Vendor and each member who applied for Transfer Shares of the number of Transfer Shares that have been allocated and the persons to whom they have been allocated. The notification shall include the place and time (being not later than 14 days after the date by which applications had to be received) at which the sale of the Transfer Shares shall be completed.

6.6. Transfer Procedure for Pre-Emptive Offers

If the Company finds purchasers for all or any of the Transfer Shares under Article 6.5, the Vendor shall, on receipt of the Transfer Price, transfer the Transfer Shares (or those Transfer Shares for which the Company has found purchasers) to those purchasers. If the Vendor does not perform his obligations under this Article 6.6, the Company shall:

- 6.6.1. (if so required by the persons willing to purchase the Transfer Shares) receive and give a good discharge for the purchase money on behalf of the Vendor;
- 6.6.2. authorise any Director of the Company to execute transfers of the Transfer Shares in favour of the purchasers and the purchase contract; and
- 6.6.3. enter the names of the purchasers in the Company's register of members as the Holder of the Transfer Shares that were transferred to them.

6.7. Transfers Free of Pre-Emption

If the Company does not find purchasers for all of the Transfer Shares under this Article 6, the Vendor may, within six months after the date of the offer by the Company to its members, sell and transfer the Transfer Shares that have not been sold under this Article 6 to the persons specified in the Transfer Notice at a price which is no less than the Transfer Price provided that the Vendor has obtained the prior written consent of the Board to such transfer. However, if the Transfer Shares were:

6.7.1 subject to a Total Transfer Condition, a sale may only be made of all the Transfer Shares and not some of them; or

6.7.2 offered under a Deemed Transfer Notice, they may not be sold or transferred to any third party unless:

6.7.2.1 the transfer is permitted under Article 4.3 or

6.7.2.2 the member serves a new Transfer Notice under Article 5.

6.8. Effect of Non-Compliance

Any purported transfer of Shares which is not in accordance with these Articles is void.

7. Transfer of Control

7.1. Transfer Prohibited Absolutely

Save for transfers permitted under Article 4, no sale or transfer of the legal or beneficial interest in any shares in the Company may be made or validly registered if, as a result of that sale or transfer and registration, a Controlling Interest would be obtained in the Company by a company in which one or more of the members of the Company (or persons acting in concert with them) has a Controlling Interest.

7.2. Tag Along

Save for transfers permitted under Article 4 or 7.4, no sale, transfer or subscription of the legal or beneficial interest in any shares in the Company may be made or validly registered if, as a result of that sale, transfer or subscription and registration, a Controlling Interest would be obtained in the Company by any person (or persons acting in concert with them) unless the proposed transferees or subscribers or their nominees:

- 7.2.1. are independent third parties acting in good faith; and
- 7.2.2. have offered to purchase all the Shares (issued and to be issued) at the Specified Price.

7.3. Calculation of the Specified Price

The 'Specified Price' means the sum of:

- 7.3.1. the consideration (in cash or otherwise) per Share equal to that offered or paid or payable by the proposed transferee or subscriber or his or their nominees for the Shares being acquired or subscribed,
- 7.3.2. but excluding any consideration attributable to arrears or accruals of dividends.

If there is a disagreement, the calculation of the Specified Price shall be referred to an Independent Expert whose decision shall be final and binding.

7.4. Drag Along

If, a Buyer, having made a subject to contract offer (the "Offer"), to all members of the Company which is acceptable to Shareholders in the Company that hold 75% or more of the voting rights attaching to all Shares in the Company (such persons being the "Accepting Shareholders") then the Accepting Shareholders that wish to transfer their shares shall have the option to require all the Called Shareholders to sell and transfer all their Shares to the Buyer (or as the Buyer shall direct) in accordance with Articles 7.4.1 to 7.4.8.

- 7.4.1. The Accepting Shareholders may exercise the Drag Along Option by giving notice in writing to that effect at any time before the transfer of the Shares held by the Accepting Shareholders to the Buyer. A Drag Along Notice shall specify:

- 7.4.1.1. that the Called Shareholders are required to transfer all their Called Shares under Article 7.4;
 - 7.4.1.2. the person to whom they are to be transferred;

- 7.4.1.3. the consideration for which the Called Shares are to be transferred (calculated in accordance with Article 7.4.3); and
 - 7.4.1.4. the proposed date of transfer.
- 7.4.2. Drag Along Notices shall be irrevocable but will lapse if the shares held by the Accepting Shareholders are not sold to the Buyer within 60 days after the date the Drag Along Notice was served. The Accepting Shareholders may serve further Drag Along Notices if any particular Drag Along Notice lapses.
- 7.4.3. The form (in cash or otherwise) and amount of the consideration payable for each Called Share shall be the consideration to be paid by the Buyer for each Share held by the Accepting Shareholders (the "Offer Consideration").
- 7.4.4. The sale of the Called Shares shall be completed on the date proposed for completion of the sale of the shares held by the Accepting Shareholders or such other date as may be specified by the Accepting Shareholders in the Drag Along Notice, unless the Holders of 50% of the Called Shares agree otherwise.
- 7.4.5. The restrictions on transfer set out in Articles 4.3, 6.1, 7.1 and 7.2 shall not apply to any transfer of Shares to a Buyer (or as he may direct) pursuant to the exercise of the Drag Along Option.
- 7.4.6. If any Holder of Called Shares does not on completion of the sale of Called Shares execute transfers in respect of all his Called Shares, that Holder shall be deemed to have irrevocably appointed any person nominated for the purpose by the Accepting Shareholders or to be his agent and attorney to:
 - 7.4.6.1. execute all necessary documents and transfers on his behalf in order to effect the sale of the Called Shares to the Buyer; and
 - 7.4.6.2. against receipt by the Company (on trust for the Holder) of the purchase monies or any other consideration payable for the Called Shares, deliver those transfers to the Buyer (or as he may direct).
- 7.4.7. On completion of the sale of the Called Shares, the Directors shall (subject only to stamping any stock transfer forms, if required) immediately register the Buyer (or as he may direct) as the Holder of the Called Shares and, after the Buyer (or his nominee) has been registered as the Holder, the validity of those proceedings shall not be questioned by any person. A person may be registered as the Holder of the Called Shares under this Article 7.4.7 even if no certificate for those shares has been produced.

7.4.8. If any person becomes a member of the Company (a 'New Member') pursuant to the exercise of a pre-existing option or other right to acquire Shares in the Company after a Drag Along Notice has been served, the New Member will be bound to sell and transfer all shares acquired by him to the Buyer or as the Buyer may direct. The provisions of Articles 7.4.1 to 7.4.7 shall apply (with the necessary changes) to the New Member, save that if the Shares are acquired after the sale of the Called Shares has been completed, completion of the sale of the New Member's Shares shall take place immediately on the New Member acquiring the Shares.

7.5. Interpretation of this Article

In this Article 7 only:

'transfer' and 'transferee' shall include respectively the renunciation of a renounceable letter of allotment and the beneficiary under such a letter of allotment; and

'shares' and/or 'Shares' includes bearer shares, warrants, depository receipts and any other security or instrument into which shares may be converted with a view to a sale.

7.6. Primacy of Article

All other regulations of the Company relating to the transfer of Shares and the rights to registration of transfers shall be read subject to this Article 7.

8. Return of capital

On a return of capital on liquidation or capital reduction or otherwise, the assets of the Company and profits shall be distributed amongst the Holders of the Shares in proportion to the number of Shares held by them respectively.

9. Directors to Take Decisions Collectively

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 10.

10. Unanimous Decisions

- 10.1. A decision of the Directors is taken in accordance with this Article when all Eligible Directors indicate to each other by any means and in any form of words, that they share a common view on a matter and wish that common view to take effect as a decision of the Directors.
- 10.2. 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.
- 10.3. A decision may not be taken in accordance with this Article if the Eligible Directors would not have formed a quorum at such a meeting.

11. Calling a Directors' Meeting

- 11.1. Any Director may call a Directors' meeting by giving not less than ten Business Days notice of the meeting or to such lesser notice as all the Directors may agree to the Directors or by authorising the company secretary (if any) to give such notice.
- 11.2. Notice of any Directors' meeting shall be given in Writing and must indicate:
- 11.2.1. its proposed date and time;
 - 11.2.2. where it is to take place; and
 - 11.2.3. 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.
- 11.3. Notice of a Directors' meeting (including the matters set out in Article 11.2 above) must be given to each Director, but need not be in Writing.
- 11.4. 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.

12. Quorum for a Directors' Meeting

- 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 for the transaction of business at a meeting of Directors is any three Eligible Directors or their respective alternates present throughout the meeting at which the business is to be transacted (or where only two Directors have been appointed, the quorum shall be two Eligible Directors).. If within two hours from the time appointed for the meeting a quorum is not present, the Director or Directors and/or alternate Director or alternate directors present shall be a quorum and will constitute a valid meeting for all purposes.
- 12.3. For the purposes of any meeting (or part of a meeting) held pursuant to Article 14 to authorise a Director's conflict, if there is only one Eligible Director in office other than the conflicted Director(s), the quorum for such meeting (or part of a meeting) shall be one Eligible Director.
- 12.4. If the total number of Directors for the time being is less than the quorum required, the Directors must not take any decision other than a decision:
- 12.4.1. to appoint further Directors;
 - 12.4.2. to call a general meeting of Shareholders or circulate a written resolution to Shareholders so as to enable further Directors to be appointed.

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 has a casting vote.
- 14.2. But Article 14.1 does not apply 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. Directors' Interests in Transactions and Other Arrangements

- 15.1. Provided that he has declared to the Directors, in accordance with the provisions of these Articles and the Companies Act 2006, the nature and extent of his interest a Director (or a person connected with him), notwithstanding his office:
 - 15.1.1. may have an interest as a party to or may be in any way directly or indirectly interested in any existing or proposed contract or arrangement or transaction with any Relevant Undertaking;
 - 15.1.2. may have an interest as a director, partner, member or employee or other office holder of any Relevant Undertaking or otherwise be interested (including without limitation by the holding of shares or loan notes or options to acquire shares or loan notes) in any Relevant Undertaking;
 - 15.1.3. may hold and be remunerated in respect of any office or place of profit (other than the office of auditor) in any Relevant Undertaking;
 - 15.1.4. may act (or any undertaking of which he is a director, partner, member or employee or other office holder may act) in a professional capacity for any Relevant Undertaking (other than as auditor) whether or not he or it is remunerated for this;
 - 15.1.5. shall be an Eligible Director for the purposes of any proposed decision of the Directors (or committee of Directors) in respect of such contract or proposed contract in which he is interested;
 - 15.1.6. shall be entitled to vote at a meeting of Directors (or a committee of the Directors) or participate in any unanimous decision in respect of such contract or proposed contract in which he is interested; and

- 15.1.7. may have any other interest authorised by ordinary resolution of the Company.
- 15.2. Notwithstanding the provisions of Article 15.1 where a situation arises (which does not relate to a transaction or arrangement with the Company) in which a Director has, or can have, a direct or indirect interest that conflicts, or possibly may conflict with the interests of the Company, which can reasonably be regarded as likely to give rise to a conflict of interest (a "**Conflict Situation**"), the Director may take such additional steps as may be necessary or desirable for the purpose of managing such Conflict Situation, and in particular must comply with any procedures laid down from time to time by the Directors for the purpose of managing conflicts of interest generally and/or any specific procedures approved by the Directors for the purpose of or in connection with the Conflict Situation or matter in question, including without limitation:
- 15.2.1. declaring to the other Directors the nature and extent of his interest in the Conflict Situation (except where Article 15.5 applies);
- 15.2.2. absenting himself from any meetings of the Directors (or part thereof) at which the Conflict Situation or matter falls to be considered; and
- 15.2.3. not reviewing documents and/or information made available to the Directors generally in relation to such Conflict Situation and/or arranging for such documents and/or information to be reviewed by a professional adviser to ascertain the extent to which it might be appropriate for him to have access to such documents or information.
- and 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 the Conflict Situation.
- 15.3. Subject to Article 15.4 (and without prejudice to any equitable principle or rule of law which may excuse or release the Director from disclosing information, in circumstances where disclosure may otherwise be required under this Article), if a Director, otherwise than by virtue of his position as Director, receives information in respect of which he owes a duty of confidentiality to a person other than the Company, he shall not be required:
- 15.3.1. to disclose such information to the Company or to the Directors, or to any director, officer or employee of the Company; or
- 15.3.2. otherwise to use or apply such confidential information for the purpose of or in connection with the performance of his duties as a Director.
- 15.4. Where such duty of confidentiality arises out of a Conflict Situation Article 15.3 shall apply only if the conflict arises out of a matter which falls within Article 15.2 above to the extent that the Directors have laid down procedures under Article 15.2 or has been authorised under Article 15.5
- 15.5. Without prejudice to the provisions of Articles 15.1 and 15.2, the Directors may authorise a Conflict Situation in accordance with s175(5)(a) of the Companies Act 2006 on such terms as they may determine. For the avoidance of doubt, such authorisation shall be effective only if:

- 15.5.1. any requirement as to the quorum at the meeting at which the matter is considered is met without counting the Director(s) in question and any other interested Directors; and
 - 15.5.2. the matter was agreed to without the votes of the Director(s) in question and any other interested Directors or would have been agreed to if those votes had not been counted.
- 15.6. Any authorisation of a Conflict Situation under Article 15.5 may (whether at the time of giving the authorisation or subsequently):
- 15.6.1. extend to any Conflict Situation which may reasonably be expected to arise out of the Conflict Situation so authorised;
 - 15.6.2. be subject to such terms and for such duration, or impose such limits or conditions as the Directors may determine;
 - 15.6.3. be terminated or varied by the Directors at any time.
- This will not affect anything done by the Director prior to such termination or variation in accordance with the terms of the authorisation.
- 15.7. Without prejudice to the obligation of each Director to declare an interest in accordance with sections 177 or 182 of the Companies Act 2006 or these Articles and subject to the terms of any authorisation or restriction imposed pursuant to Articles 15.2 or 15.5, a Director may vote at any meeting of the Directors or of any committee of the Directors on any resolution concerning a matter in which he has an interest, whether direct or indirect, or in relation to which he has a duty. Having so declared any interest he may have, the Director shall be counted in the quorum present when any such resolution is under consideration and if he votes on such resolution his vote shall be counted, subject to the terms of any authorisation or restriction imposed pursuant to Articles 15.2 or 15.5.
- 15.8. In any case permitted by this Article 15 (save as otherwise agreed by him) a Director (or a person connected with him) may retain for his own absolute use and benefit all remuneration, profits or advantages accruing to him under or in consequence of his acts and no such contract, arrangement or transaction shall be avoided on the grounds of any such interest or benefit nor shall the receipt of such remuneration, profits or advantages constitute a breach of the director's duty under section 176 of the Companies Act 2006.
- 15.9. As soon as reasonably practicable, a Director shall declare the nature and extent of any interest permitted by this Article 15 at a meeting of the Directors, or by notice in accordance with section 184 (notice in writing) or section 185 (general notice) of the Companies Act 2006 or in such other manner as the Directors may determine, except that no declaration of interest shall be required by a Director in relation to an interest:
- 15.9.1. if it is an interest, or a transaction or arrangement giving rise to an interest, of which the Director is not aware;
 - 15.9.2. if such interest cannot reasonably be regarded as likely to give rise to a conflict of interest;

- 15.9.3. if, or to the extent that, the other Directors are already aware of such interest (and for this purpose the other Directors are treated as aware of anything of which they ought reasonably to be aware); or
 - 15.9.4. if, or to the extent that, it concerns the terms of his service contract (as defined by section 227 of the Companies Act 2006) that have been or are to be considered by a meeting of the Directors, or by a committee of Directors appointed for the purpose under these Articles.
- 15.10. Subject to section 239 of the Companies Act 2006, the Company may by Ordinary Resolution ratify any contract, transaction or arrangement, or other proposal, not properly authorised by reason of a contravention of any provisions of this Article.
- 15.11. For the purposes of:
- 15.11.1. Articles 15.2 and 15.5 a conflict of interest includes a conflict of interest and duty and a conflict of duties;
 - 15.11.2. this Article 15 section 252 of the Companies Act 2006 shall determine whether a person is connected with a Director;
 - 15.11.3. this Article 15 "**Relevant Undertaking**" shall mean the Company, a subsidiary undertaking of the Company, any parent undertaking of the Company or a subsidiary undertaking of any such parent undertaking;
 - 15.11.4. a general notice to the Directors that a Director has an interest in a specified body corporate or firm or is connected with a specified person other than a body corporate or firm is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be treated to be a notice that the Director has an interest in any such transaction of the nature and extent so specified.

16. Methods of Appointing and Removing Directors

- 16.1. The Directors may appoint a person who is willing to act as a Director, either to fill a vacancy or as an additional Director.
- 16.2. The Holders of more than 50% of the votes attaching to the Shares may by notice to the Company remove any or all of the Directors of the Company.
- 16.3. On receipt of a notice given under Article 16.2, the Company shall serve a copy of it on the Director to whom the notice relates, either in person or at the address(es) of the Director as shown in the statutory books of the Company at the time. If no address is shown, the notice may be sent to any address which the Company reasonably considers to be the Director's then current address. Any failure on the part of the Company to comply with this Article 16.3 shall not affect the validity of the Director's removal under Article 16.2.
- 16.4. The office of a Director shall be vacated if he ceases to be an employee or a consultant of a Group Company and does not continue in that capacity in relation to any Group Company.

17. Appointment of Alternate Directors

17.1. Any Director (an "appointer") may appoint, as an alternate, any other Director, or any other person approved by resolution of the Directors, to:

17.1.1. exercise that Director's powers; and

17.1.2. carry out that Director's responsibilities,

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

17.2. Any appointment must be effected by notice in writing to the Company signed by the appointor, or in any other manner approved by the Directors.

17.3. The notice referred to in Article 17.1 above must:

17.3.1. identify the proposed alternate; and

17.3.2. 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.

18. Rights and Responsibilities of Alternate Directors

18.1. 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.

18.2. Except as the Articles specify otherwise, alternate Directors:

18.2.1. are deemed for all purposes to be Directors;

18.2.2. are liable for their own acts and omissions;

18.2.3. are subject to the same restrictions as their appointors; and

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

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

18.3. A person who is an alternate Director but not a Director:

18.3.1. 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);

18.3.2. 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

18.3.3. shall not be counted as more than one Director for the purposes of Articles 18.2.1 and 18.2.2.

- 18.4. 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.
- 18.5. 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.

19. **Termination of Alternate Directorship**

- 19.1. An alternate director's appointment as an alternate terminates:
- 19.1.1. when the alternate's appointor revokes the appointment by notice to the Company in Writing specifying when it is to terminate;
 - 19.1.2. 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;
 - 19.1.3. on the death of the alternate's appointor; or
 - 19.1.4. when the alternate's appointor's appointment as a Director terminates.

20. **Secretary**

The Directors may appoint any person who is willing to act as 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.

21. **Transmittees Bound by Prior Notices**

If a notice is given to a Shareholder in respect of Shares and a transmittee is entitled to those Shares, the transmittee is bound by the notice if it was given to the Shareholder before the transmittee's name, or the name of any person(s) named as the transferee(s) in an instrument of transfer executed under article 28 of the Model Articles has been entered in the register of members.

22. **Procedure for Declaring Dividends**

- 22.1. The Company may by Ordinary Resolution declare dividends, and the Directors may decide to pay interim dividends.
- 22.2. A dividend must not be declared unless the Directors have made a recommendation as to its amount. Such a dividend must not exceed the amount recommended by the Directors.
- 22.3. No dividend may be declared or paid unless it is in accordance with Shareholders' respective rights.

- 22.4. Any distributions must be paid by reference to each Shareholder's holdings of shares on the date of the resolution or decision to declare to pay it.
- 22.5. If the Company's share capital is divided into different classes, no interim dividend may be paid on Shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrear.
- 22.6. The Directors may pay at intervals any dividend payable at a fixed rate if it appears to them that the profits available for distribution justify the payment.
- 22.7. If the Directors act in good faith, they do not incur any liability to the holders of Shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on Shares with deferred or non-preferred rights.

23. **Voting: General**

- 23.1. 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 these Articles.
- 23.2. Subject to any special rights or restrictions as to voting attached to any Shares by or in accordance with these Articles, each Share shall carry one vote per Share.
- 23.3. Votes on Shares may be exercised:
 - 23.3.1. on a show of hands by every member who (being an individual) is present in person or by proxy or (being a corporation) is present by a representative, not being himself a member (in which case each member holding Shares with votes shall have one vote); and
 - 23.3.2. on a poll by every member 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 member holding Shares with votes shall have the votes attaching to the Shares held by him, as set out in this Article).

24. **Poll Votes**

- 24.1. A poll on a resolution may be demanded:
 - 24.1.1. in advance of the general meeting where it is to be put to the vote; or
 - 24.1.2. 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.
- 24.2. A poll may be demanded by:
 - 24.2.1. any qualifying person (as defined in section 318 of the Companies Act 2006) present and entitled to vote at the meeting;
 - 24.2.2. the Chairman of the Meeting; or
 - 24.2.3. the Board
- 24.3. A demand for a poll may be withdrawn if:

24.3.1. the poll has not yet been taken; and

24.3.2. the Chairman of the Meeting consents to the withdrawal.

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

24.4. Polls must be taken immediately and in such manner as the Chairman of the Meeting directs.

25. **Content of Proxy Notices**

25.1. Proxies may only validly be appointed by a notice in Writing (a "proxy notice") which:

25.1.1. states the name and address of the Shareholder appointing the proxy;

25.1.2. identifies the person appointed to be that Shareholder's proxy and the general meeting in relation to which that person is appointed;

25.1.3. is signed by or on behalf of the Shareholder appointing the proxy, or is authenticated in such manner as the Directors may determine; and

25.1.4. is delivered to the Company:

25.1.4.1. at its registered office 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, or

25.1.4.2. at the meeting or adjourned meeting at which the right to vote is to be exercised,

and in accordance with any instructions contained in the notice of the general meeting (or adjourned meeting) to which they relate and a proxy notice which is not delivered in such manner shall be invalid, unless the Directors, in their discretion, accept the notice at any time before the meeting.

25.2. The Company may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes.

25.3. 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.

25.4. Unless a proxy notice indicates otherwise it must be treated as:

25.4.1. 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

25.4.2. 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.

26. **No right to Inspect Accounts and Other Records**

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.

27. **Data Protection**

27.1. Each of the members and Directors of the Company (from time to time) consent to the processing of their personal data by the Company or its members and Directors (each a 'Recipient') for the following purposes:

- 27.1.1. conducting due diligence;
- 27.1.2. compliance with applicable laws, regulations and procedures; and
- 27.1.3. the exchange of information amongst themselves.

27.2. A Recipient may process that personal data either electronically or manually. The personal data which may be processed for these purposes under this Article 27 shall include any information which may have a bearing on the prudence or commercial merits of investing, or disposing of any shares (or other investment or security) in the Company. Other than as required by law, court order or regulatory authority, that personal data may not be disclosed by a Recipient or any other person except to its holding company and to subsidiaries of that holding company ('Recipient Group Companies') and to employees, directors and professional advisers of that Recipient or the Recipient Group Companies and funds managed by any of the Recipient Group Companies. Each of the Company's members and directors (from time to time) consent to the transfer of that personal data to the offices of a Recipient or the Recipient Group Companies both within and outside the European Economic Area for the purposes stated above, where it is necessary or desirable to do so.

28. **Indemnity**

28.1. Subject to Article 28.2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled, a relevant officer shall be indemnified out of the Company's assets against:

- 28.1.1. any liability incurred by that officer in connection with any negligence, default, breach of duty or breach of trust in relation to the Company or an associated company;
- 28.1.2. any liability incurred by that Director in connection with the activities of the Company or an associated company in its capacity as a trustee of an occupational pension scheme (as defined in section 235(6) of the Companies Act 2006);
- 28.1.3. any other liability incurred by that Director as an officer of the Company or an associated company.

28.2. 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.

28.3. In this Article:

- 28.3.1. companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate; and
- 28.3.2. 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 pensions 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.

29. **Insurance**

- 29.1. 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.

29.2. In this Article:

- 29.2.1. 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;
- 29.2.2. 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
- 29.2.3. companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate.

30. **Call notices**

- 30.1. Subject to the Articles and to 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 in respect of shares in the Company held by that Shareholder at the date when the Directors decide to send the Call Notice.

30.2. A Call Notice:

- 30.2.1. may not require a Shareholder to pay a Call which exceeds the total sum unpaid on that Shareholder's Shares (whether in respect of nominal value or premium);
- 30.2.2. must state when and how any Call to which it relates is to be paid; and
- 30.2.3. may permit or require the Call to be made in instalments.

30.3. 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.

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

30.4.1. revoke it wholly or in part; or

30.4.2. 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.

31. **Liability to pay Calls**

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

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

31.3. 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:

31.3.1. to pay Calls which are not the same; or

31.3.2. to pay Calls at different times.

32. **When Call Notice need not be issued**

32.1. 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 (whether in respect of nominal value or premium):

32.1.1. on allotment;

32.1.2. on the occurrence of a particular event; or

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

32.2. 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.

33. **Failure to comply with Call Notice: automatic consequences**

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

33.1.1. the Directors may issue a notice of intended forfeiture to that person; and

- 33.1.2. until the Call is paid, that person must pay the Company interest on the Call from the call payment date at the relevant rate.
- 33.2. For the purposes of this article 33:
- 33.2.1. the "call payment date" is, subject to article 30.3, the time when the Call Notice states that a Call is payable, unless the Directors give a notice specifying a later date, in which case the "call payment date" is that later date; and
- 33.2.2. the "relevant rate" is
- 33.2.2.1. the rate fixed by the terms on which the Share in respect of which the Call is due was allotted;
- 33.2.2.2. 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
- 33.2.2.3. if no rate is fixed in either of these ways, 5% per annum.
- 33.3. 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.
- 33.4. The Directors may waive any obligation to pay interest on a Call wholly or in part.
34. **Notice of intended forfeiture**
- A notice of intended forfeiture:
- 34.1.1. may be sent in respect of any share in respect of which a Call has not been paid as required by a Call Notice;
- 34.1.2. must be sent to the holder of that Share (or all the joint holders of that share) or to a transmittee of that holder;
- 34.1.3. must require payment of the Call and any accrued interest [and all expenses that may have been incurred by the company by reason of such non-payment] by a date which is not less than 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);
- 34.1.4. must state how the payment is to be made; and
- 34.1.5. 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.
35. **Directors' power to forfeit shares**
- 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.

36. Effect of forfeiture

36.1. Subject to the Articles, the forfeiture of a share extinguishes:

36.1.1. all interests in that Share, and all claims and demands against the Company in respect of it; and

36.1.2. all other rights and liabilities incidental to the Share as between the person whose share it was prior to the forfeiture and the Company.

36.2. Any Share which is forfeited in accordance with the Articles:

36.2.1. is deemed to have been forfeited when the Directors decide that it is forfeited;

36.2.2. is deemed to be the property of the Company; and

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

36.3. If a person's Shares have been forfeited:

36.3.1. the Company must send that person notice that forfeiture has occurred and record it in the register of Shareholders;

36.3.2. that person ceases to be a Shareholder in respect of those Shares;

36.3.3. that person must surrender the certificate for the Shares forfeited to the Company for cancellation;

36.3.4. 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

36.3.5. 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.

36.4. 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 and expenses due in respect of it and on such other terms as they think fit.

37. Procedure following forfeiture

37.1. 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.

37.2. 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:

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

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

37.3. 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.

37.4. 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:

37.4.1. was, or would have become, payable; and

37.4.2. 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.

38. **Surrender of shares**

38.1. A Shareholder may surrender any Share:

38.1.1. in respect of which the directors may issue a notice of intended forfeiture;

38.1.2. which the directors may forfeit; or

38.1.3. which has been forfeited.

38.2. The Directors may accept the surrender of any such Share.

38.3. The effect of surrender on a Share is the same as the effect of forfeiture on that Share.

38.4. A Share which has been surrendered may be dealt with in the same way as a Share which has been forfeited.

39. **Definitions and Interpretation**

39.1. In these Articles unless the context requires otherwise and, in the case of the articles contained in the Model Articles (to the extent incorporated into these Articles), these defined terms shall be deemed to apply irrespective of their use in either upper case or lower case form:

"Accepting Shareholders"	shall have the meaning ascribed to it in Article 7.4;
"acting in concert"	has the same meaning as in the City Code on Takeovers and Mergers from time to time;
"Articles"	means the Company's articles of association and an "Article" means an article of these Articles;
"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;
"Board"	the board of directors of the Company for the time being;
"Business Day"	any day (other than a Saturday or Sunday) on which banks are open in London, for normal banking business;
"Buyer"	a bona fide arm's length purchaser;
"Call"	has the meaning given in article 30.1;
"Call Notice"	has the meaning given in article 30.1;
"Called Shareholders"	the holders of Shares (other than those persons that comprise the Accepting Shareholders);
"Called Shares"	the shares held by the Called Shareholders;
"Chairman"	has the meaning given in Article 13.2;
"Chairman of the Meeting"	has the meaning given in Article 39.3 of the Model Articles;
"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;
"Controlling Interest"	an interest in shares (as defined in Schedule 1 of the Companies Act 2006) in a company conferring in the aggregate more than 50% of the total voting rights conferred by all the issued shares in that

	company;
"Deemed Transfer Notice"	a Transfer Notice which is deemed to have been given in accordance with these Articles;
"Director"	means a director of the Company, and includes any person occupying the position of director, by whatever named called;
"Drag Along Notice"	a notice to exercise the Drag Along Option given under Article 7.4;
"Drag Along Option"	the option referred to in Article 7.4;
"Document"	includes, unless otherwise specified, any document sent or supplied in Electronic Form;
"Electronic Form"	has the meaning given in section 1168 of the Companies Act 2006;
"Eligible Director"	means a Director who would be entitled to vote on the matter at a meeting of Directors (but excluding any Director whose vote is not to be counted in respect of the particular matter);
"Fair Value"	the fair value for the Transfer Shares determined in accordance with Article 6.2;
"Family Member"	as regards any particular individual member or deceased or former individual member:- <ul style="list-style-type: none"> (a) his spouse or civil partner or any former spouse or former civil partner; and (b) his surviving spouse or civil partner or any former spouse or former civil partner; and (c) all his lineal descendants and ascendants in direct line of that individual and their lineal descendants and a husband or wife or former husband or wife or widower or widow of any of the above persons. A step-child or adopted child or illegitimate child of any person shall be deemed to be a lineal descendant of such person and of the lineal ascendants of such person;

"Family Trust"	In relation to an individual Shareholder, a trust or settlement set up wholly for the benefit of that individual (settlor) and the settlor's Family Members;
"FSMA"	the Financial Services and Markets Act 2000;
"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;
"Group"	all the Group Companies;
"Group Company"	the Company and any company which is for the time being a subsidiary or holding company of the Company and any other subsidiary of such holding company;
"Hard Copy Form"	has the meaning given in section 1168 of the Companies Act 2006;
"Holder"	in relation to Shares means the person whose name is entered in the register of members as the holder of the Shares;
"Independent Expert"	an umpire (acting as an expert and not as an arbitrator) nominated by the parties concerned or, in the event of disagreement as to nomination, appointed at the request of any concerned party by the President for the time being of the Institute of Chartered Accountants in England and Wales;
"Instrument"	means a document in Hard Copy Form;
"NomineeCo"	means Crowdcube Nominees Limited (company number 09820478) or such replacement nominee to which it transfers its shares pursuant to Article 1.1
"Offer"	shall have the meaning ascribed to it in Article 7.4;
"Ordinary Resolution"	has the meaning given in section 282 of the Companies Act 2006;
"Paid"	means paid or credited as paid;
"Participate"	in relation to a Directors' meeting, has the meaning given in Article 10 of the Model Articles;

"Proxy Notice"	has the meaning given in Article 25;
"Sale"	means the sale of a Controlling Interest in the Company;
"Shareholder"	means a person who is the Holder of a Share;
"Shares"	<i>ordinary shares of £.010 (ten pence) each in the capital of the Company;</i>
"Special Resolution"	has the meaning given in section 283 of the Companies Act 2006;
"Specified Price"	the price calculated in accordance with Article 7.3;
"Total Transfer Condition"	a condition that unless all the shares specified in the Transfer Notice are sold under Article 6 none shall be sold;
"Transfer"	in relation to a transfer of shares, shall be deemed to include a transfer of any interest in shares (whether legal, beneficial or otherwise);
"Transfer Notice"	a notice given by a member who desires to transfer any shares under Article 6;
"Transfer Price"	the sale price of the Transfer Shares, determined in accordance with Article 6;
"Transfer Shares"	shares specified in the Transfer Notice, or in respect of which the Transfer Notice was deemed to have been given;
"Transmittee"	means a person entitled to a Share by reason of the death or Bankruptcy of a shareholder or otherwise by operation of law;
"Vendor"	the transferor under a Transfer Notice ;
"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.

39.2. In these Articles, a reference to a statute or statutory provision includes:

- 39.2.1. any subordinate legislation (as defined in section 21(1), Interpretation Act 1978) made under it;

- 39.2.2. any repeated statute or statutory provision which it re-enacts (with or without modification); and
- 39.2.3. any statute or statutory provision which modifies, consolidates, re-enacts or supersedes it, except to the extent that it would create or increase the liability of any member.
- 39.3. The headings in these Articles and the contents page are for convenience only and shall not affect its construction or interpretation.
- 39.4. Where the expression 'equity share capital' is used in these Articles, it shall have the meaning given to it in section 548 in the Companies Act 2006.
- 39.5. Unless the context otherwise requires:
 - 39.5.1. words denoting the singular shall include the plural and vice versa;
 - 39.5.2. words denoting a gender shall include all genders; and
 - 39.5.3. references to persons shall include corporations and firms.
- 39.6. The 'ejusdem generis' (of the same kind) rule will not apply to the interpretation of these Articles. Accordingly, 'include' and 'including' will be read without limitation.
- 39.7. Unless the context requires, other words or expressions contained in these Articles bear the same meaning as in the Companies Act 2006 as in force on the date when these Articles become binding on the Company.