

THE COMPANIES ACT 2006  
PRIVATE COMPANY LIMITED BY SHARES  
WRITTEN RESOLUTION  
of  
ADVANCED LASER TECHNOLOGY LIMITED  
(the Company)  
Company No. 07909238

TUESDAY



Circulation date: 10 April 2018

In accordance with the provisions of Chapter 2 of Part 13 of the Companies Act 2006 (the **Act**), the following resolution is proposed as a special resolution of the Company.

**SPECIAL RESOLUTION**

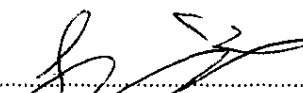
**THAT** the articles of association in the attached form be approved and adopted as the articles of association of the Company in substitution for, and to the exclusion of, the Company's existing articles of association.

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

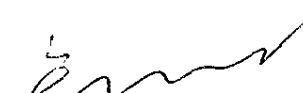
The undersigned, a person entitled to vote on the above resolution on the Circulation Date hereby irrevocably agrees to the resolution.

  
.....  
**EAMONN PATRICK FEARON**

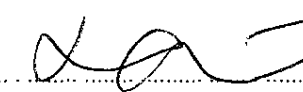
Date: 10 April 2018

  
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**WEI GUO**

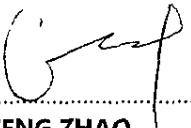
Date: 10 April 2018

  
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**YANG JIN**

Date: 10 April 2018

  
.....  
**LIN LI**

Date: 10 April 2018

  
.....  
**HUIFENG ZHAO**

Date: 10 April

2018

**NOTES:**

1. If you agree to the resolution, please sign and date this document to confirm your agreement and then return it to the Company using one of the following methods:
  - **By Hand:** delivering the signed copy to the registered office address
  - **Post:** returning the signed copy by post to the registered office address
2. If you do not agree to the resolution, you do not need to do anything: you will not be deemed to agree if you fail to reply.
3. Once you have indicated your agreement to the resolution, you may not revoke your agreement.
4. The resolution set out above will lapse if the required majority of eligible members have not signified their agreement to it within 28 days of the Circulation Date. If you agree to the resolution please ensure that your agreement reaches us before that date.

## **ADVANCED LASER TECHNOLOGY LIMITED**

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### **ARTICLES OF ASSOCIATION**

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**Company Number: 07909238**

**PRIVATE COMPANY LIMITED BY SHARES**

**ARTICLES OF ASSOCIATION**

**OF**

**ADVANCED LASER TECHNOLOGY LIMITED**

**(Adopted by special resolution passed on 10 April 2018)**

**INTRODUCTION**

**1. Interpretation**

1.1 The following definitions and rules of interpretation apply in these Articles unless the context requires otherwise:

<b>Act</b>	means the Companies Act 2006;
<b>Appointor</b>	has the meaning given in article 12.1;
<b>Articles</b>	means these articles of association of the Company as amended or varied from time to time;
<b>A Shares</b>	means the A ordinary shares of £1.00 each in the capital of the Company having the rights and being subject to the restrictions set out in these Articles;
<b>Associate</b>	means in respect of any person, any person, firm or company which is a connected person (as defined in section 1122 of Corporation Tax Act 2010) or which is an associated company of any such person within the meaning of section 449 of Corporation Tax Act 2010;
<b>Auditors</b>	means the auditors for the time being of the Company;
<b>Board</b>	means the board of directors of the Company;
<b>B Shares</b>	means the B ordinary shares of £1.00 each in the capital of the Company having the rights and being subject to the restrictions set out in these Articles;
<b>Business Day</b>	means any day other than a Saturday, Sunday or public holiday in England on which banks in London are open for business;
<b>Company</b>	means Advanced Laser Technology Limited registered in England and Wales with number 07909238;
<b>Conflict</b>	has the meaning given in article 8.1;
<b>Conflicted Director</b>	has the meaning given in article 7.3;
<b>Deemed Transfer</b>	means a Transfer Notice which is deemed to have been

<b>Notice</b>	served by any of the provisions of these Articles.
<b>Departing Employee</b>	means an Employee who ceases to be a director or employee of any Group Company and who does not continue as, or become, a director or employee of any Group Company;
<b>Eligible Director</b>	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);
<b>Employee</b>	means an individual who is, or has been, a director and/or an employee of any Group Company;
<b>Fair Price</b>	has the meaning given in article 25.3;
<b>Group</b>	the Company, any subsidiary or any holding company from time to time of the Company, and any subsidiary from time to time of a holding company of the Company from time to time and <b>Group Company</b> shall be construed accordingly;
<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>Purchase Price</b>	means in respect of any Share, <ul style="list-style-type: none"> <li>(a) where the Seller acquired the Share by way of a new allotment from the Company, the subscription price paid (or agreed to be paid) in respect of that Share by the Seller, including any share premium; or</li> <li>(b) where the Seller acquired the Share by way of transfer from a member of the Company (the <b>Transferor</b>) the price paid by the Seller to the Transferor for that Share.</li> </ul>
<b>Relevant Shares</b>	means in relation to an Employee means all Shares held by the Employee in question including any Shares acquired by any such person after the date the relevant Transfer Notice is deemed given but before completion of the transfer of Shares pursuant to the relevant Deemed Transfer Notice.
<b>Share</b>	means any share in the capital of the Company;
<b>Shareholder</b>	means the registered holder of any Share; and
<b>Termination Date</b>	means: <ul style="list-style-type: none"> <li>(a) where employment ceases by virtue of notice given by the employer to the employee, the date on which such notice expires;</li> <li>(b) where a contract of employment is terminated by the employer and a payment is made in lieu of notice, the date on which notice of termination was served;</li> <li>(c) where an Employee dies, the date of his death;</li> <li>(d) where the Employee concerned is a director but not an employee, the date on which his service agreement (or other terms of appointment) with the relevant Group</li> </ul>

- Company is terminated; or
- (e) in any other case, the date on which the employment or holding of office is terminated.

**Transfer Notice** has the meaning given in article 21.1.

- 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 Act 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 in these Articles to a numbered "article" is a reference to that numbered article of these Articles and a reference in these Articles to a numbered "Model Article" is a reference to that numbered article in the Model Articles
- 1.5 Unless the context otherwise requires, a reference to one gender shall include a reference to the other genders.
- 1.6 A **person** includes a natural person, corporate or unincorporated body (whether or not having separate legal personality).
- 1.7 Unless expressly provided otherwise, a reference to a statute or statutory provision is a reference to it as amended, extended or re-enacted from time to time.
- 1.8 A reference to a statute or statutory provision shall include all subordinate legislation made from time to time under that statute or statutory provision.
- 1.9 Any words following the terms **including**, **include**, **in particular** or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms.
- 1.10 Where the context permits, **other** and **otherwise** are illustrative and shall not limit the sense of the words preceding them.
- 1.11 A reference to a holding **company** or a **subsidiary** means a holding company or a subsidiary (as the case may be) as defined in section 1159 of the Act.

## **2. Model Articles**

- 2.1 The Model Articles shall apply to the Company, except in so far as they are modified or excluded by, or are inconsistent with, these Articles.
- 2.2 Model Articles 8, 9(1), 11(2) and 11(3), 13, 14(1), 14(2), 14(3) and 14(4), 17(2), 18(e), 21, 44(2), 49, 52 and 53 shall not apply to the Company.
- 2.3 Model Article 7 shall be amended by:
- 2.3.1 the insertion of the words "for the time being" at the end of article 7(2)(a); and
- 2.3.2 the insertion in article 7(2) of the words "(for so long as he remains the sole director)" after the words "and the director may".
- 2.4 Model Article 20 shall be amended by the insertion of the words "(including alternate directors) and the secretary" before the words "properly incur".
- 2.5 In Model Article 25(2)(c), the words "evidence, indemnity and the payment of a

reasonable fee" shall be deleted and replaced with the words "evidence and indemnity"

- 2.6 Model Article 29 shall be amended by the insertion of the words ", or the name of any person(s) named as the transferee(s) in an instrument of transfer executed under Model Article 28(2)," after the words "the transmittee's name".
- 2.7 Model Articles 31(1)(a) to (c) (inclusive) shall be amended by the deletion, in each case, of the words "either" and "or as the directors may otherwise decide". Model Article 31(c) shall be amended by the deletion of the words "either" and "or by such other means as the directors decide".
- 2.8 Model Article 32(b) shall be amended by the insertion of the words "the articles of association of the Company from time to time or" after the words "the provisions of".
- 2.9 Model Article 44(3) shall be amended by the insertion of the words "A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made" as a new paragraph at the end of that Model Article.

## **DIRECTORS**

### **3. Unanimous decisions**

- 3.1 Without prejudice to the provisions of Model Article 7 in respect of majority decisions, the directors may make a decision unanimously in accordance with this article 3.
- 3.2 A decision of the directors is taken in accordance with this article when all Eligible Directors indicate to each other by any means (including by electronic mail) that they share a common view on a matter.
- 3.3 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.
- 3.4 A decision may not be taken in accordance with this article if the Eligible Directors would not have formed a quorum at such a meeting.

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

Any director may call a directors' meeting by giving notice of the meeting to the directors or by authorising the company secretary (if any) to give such notice. Details of the content of such notice are set out in Model Article 9(2).

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

- 5.1 Subject to article 5.2, the quorum for the transaction of business at a meeting of directors is any two Eligible Directors, or where there is only one director in office for the time being, that director.
- 5.2 For the purposes of any meeting (or part of a meeting) held pursuant to article 8 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.
- 5.3 If the total number of directors in office for the time being is less than the quorum required, the directors must not take any decision other than a decision:
  - 5.3.1 to appoint further directors; or
  - 5.3.2 to call a general meeting so as to enable the Shareholders to appoint further



directors.

## **6. Casting vote**

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

## **7. Directors' interests in transactions or other arrangements**

7.1 Subject to sections 177(5) and 177(6) and sections 182(5) and 182(6) of the Act, where a director is in any way directly or indirectly interested in an existing or proposed transaction or arrangement with the Company, he must declare the nature and extent of such interest in accordance with section 177 and 182 of the Act.

7.2 Subject to article 7.3 below, and provided he has declared the nature and extent of his interest in accordance with the requirements of the Act, a director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the Company:

7.2.1 may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise (directly or indirectly) interested;

7.2.2 shall be an Eligible Director for the purposes of any proposed decision of the directors (or committee of directors) in respect of such existing or proposed transaction or arrangement in which he is interested;

7.2.3 shall be entitled to vote at a meeting of directors (or of a committee of the directors) or participate in any unanimous decision, in respect of such existing or proposed transaction or arrangement in which he is interested,

7.2.4 may act by himself or his firm in a professional capacity for the Company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a director;

7.2.5 may be a director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate in which the Company is otherwise (directly or indirectly) interested; and

7.2.6 shall not, save as he may otherwise agree, be accountable to the Company for any benefit which he (or a person connected with him (as defined in section 252 of the Act)) derives from any such transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the Act.

7.3 If a director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the Company and such interest would involve the director breaching his duty under section 175 of the Act to avoid conflicts of interest, then such director (**Conflicted Director**) shall not be an Eligible Director for the purposes of any proposed decision of the directors (or committee of directors) in respect of such existing or proposed transaction or arrangement in which he has a Conflict.

## **8. Directors' conflicts of interest**

8.1 The directors may, in accordance with the requirements set out in this article,

authorise any matter or situation proposed to them by any director which would, if not authorised, involve a Conflicted Director breaching his duty under section 175 of the Act to avoid conflicts of interest (a **Conflict**).

- 8.2 Any authorisation under this article 8 will be effective only if:
- 8.2.1 to the extent permitted by the Act, the matter in question shall have been proposed by any director for consideration in the same way that any other matter may be proposed to the directors under the provisions of these Articles or in such other manner as the directors may determine;
  - 8.2.2 any requirement as to the quorum for consideration of the relevant matter is met without counting the Conflicted Director or any other Conflicted Director; and
  - 8.2.3 the matter was agreed to without the Conflicted Director voting or would have been agreed to if the Conflicted Director's and any other Conflicted Director's vote had not been counted.
- 8.3 Any authorisation of a Conflict under this article 8 may (whether at the time of giving the authorisation or subsequently):
- 8.3.1 extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised;
  - 8.3.2 provide that the Conflicted Director be excluded from the receipt of documents and information and the participation in discussions (whether at meetings of the directors or otherwise) related to the Conflict;
  - 8.3.3 provide that the Conflicted Director shall or shall not be an Eligible Director in respect of any future decision of the directors in relation to any resolution related to the Conflict;
  - 8.3.4 impose upon the Conflicted Director such other terms for the purposes of dealing with the Conflict as the directors think fit;
  - 8.3.5 provide that, where the Conflicted Director obtains, or has obtained (through his involvement in the Conflict and otherwise than through his position as a director of the Company) information that is confidential to a third party, he will not be obliged to disclose that information to the Company, or to use it in relation to the Company's affairs where to do so would amount to a breach of that confidence; and
  - 8.3.6 permit the Conflicted Director to absent himself from the discussion of matters relating to the Conflict at any meeting of the directors and be excused from reviewing papers prepared by, or for, the directors to the extent they relate to such matters.
- 8.4 Where the directors authorise a Conflict, the Conflicted Director will be obliged to conduct himself in accordance with any terms and conditions imposed by the directors in relation to the Conflict.
- 8.5 The directors may revoke or vary such authorisation at any time, but this will not affect anything done by the Conflicted Director, prior to such revocation or variation, in accordance with the terms of such authorisation.
- 8.6 A director is not required, by reason of being a director (or because of the fiduciary relationship established by reason of being a director), to account to the Company for any remuneration, profit or other benefit which he derives from or in connection with a relationship involving a Conflict which has been authorised by the directors or by

the Company in general meeting (subject in each case to any terms, limits or conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds.

**9. 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 written form and kept with the Company's records in accordance with Model Article 15.

**10. Number of directors**

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

**11. Appointment of directors**

In any case where, as a result of death or bankruptcy, the Company has no Shareholders and no directors, the transmittee(s) of the last Shareholder to have died or to have a bankruptcy order made against him (as the case may be) have the right, by notice in writing, to appoint a natural person (including a transmittee who is a natural person), who is willing to act and is permitted to do so, to be a director.

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

12.1 Any director may appoint as an alternate any other director, or any other person approved by resolution of the directors, to:

12.1.1 exercise that director's powers; and

12.1.2 carry out that director's responsibilities,

in relation to the taking of decisions by the directors, in the absence of that appointing director.

12.2 Any appointment or removal of an alternate must be effected by notice in writing to the Company signed by the Appointor who is appointing or removing his alternate (as applicable), or in any other manner approved by the directors.

12.3 The notice must:

12.3.1 identify the proposed alternate or the alternate being removed (as applicable);

12.3.2 in the case of a notice to remove an alternate, state the date upon which such removal takes effect; and

12.3.3 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.

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

13.1 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.

13.2 Except as these Articles specify otherwise, alternate directors:

13.2.1 are deemed for all purposes to be directors;

13.2.2 are liable for their own acts and omissions;

- 13.2.3 are subject to the same restrictions as their Appointors; and
- 13.2.4 are not deemed to be agents of or for their Appointors

and, in particular, 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.

- 13.3 A person who is an alternate director but not a director:
  - 13.3.1 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);
  - 13.3.2 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
  - 13.3.3 shall not be counted as more than one director for the purposes of this article 13.3.
- 13.4 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).
- 13.5 An alternate director may be paid expenses and may be indemnified by the Company to the same extent as his Appointor but shall not be entitled to receive any remuneration from the Company for serving as an alternate director except such part of the alternate's Appointor's remuneration as the Appointor may direct by notice in writing made to the Company.

#### **14. Termination of alternate directorship**

- 14.1 An alternate director's appointment as an alternate terminates:
  - 14.1.1 when the alternate's Appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate;
  - 14.1.2 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;
  - 14.1.3 on the death of the alternate's Appointor; or
  - 14.1.4 when the alternate's Appointor's appointment as a director terminates.

#### **15. Secretary**

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

### **SHARES**

#### **16. Share Capital**

- 16.1 The Shares of each class of shall entitle the holders of those Shares to the respective rights and obligations set out in these Articles. Subject to article 26 and save as otherwise provided in these Articles, the A Shares and the B Shares shall confer the same rights upon the holders of those Shares.

- 16.2 On a return of capital or a winding up, each holder of B Shares is entitled to receive a sum equal to the nominal capital paid up or credited as paid up thereon but only after the aggregate sum of £10,000,000 has been paid to the holders of the A Shares, and the holders of the B Shares shall not be entitled to any further participation in the assets or profits of the Company.

## **17. Further issues of Shares**

- 17.1 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.

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

- 17.3 Unless otherwise agreed by special resolution, if the Company proposes to allot any equity securities, those equity securities shall not be allotted to any person unless the Company has first offered them to all Shareholders on the date of the offer on the same terms, and at the same price, as those equity securities are being offered to other persons on a pari passu and pro rata basis to the number of Shares held by those holders (as nearly as possible without involving fractions). The offer:

17.3.1 shall be in writing, shall be open for acceptance for a period of 20 Business Days from the date of the offer and shall give details of the number and subscription price of the relevant equity securities; and

17.3.2 may stipulate that any Shareholder who wishes to subscribe for a number of equity securities in excess of the proportion to which he is entitled shall, in his acceptance, state the number of excess equity securities (**Excess Securities**) for which he wishes to subscribe.

- 17.4 Any equity securities not accepted by Shareholders pursuant to the offer made to them in accordance with article 17.3 shall be used for satisfying any requests for Excess Securities made pursuant to article 17.3. If there are insufficient Excess Securities to satisfy such requests, the Excess Securities shall be allotted to the applicants pro rata to the number of Shares held by the applicants immediately before the offer was made to Shareholders in accordance with article 17.3 (as nearly as possible without involving fractions or increasing the number of Excess Securities allotted to any Shareholder beyond that applied for by him). After that allotment, any Excess Securities 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.

## **18. Dividends and other distributions**

Subject to the Act and these Articles, the Company may by ordinary resolution declare dividends to be paid to Shareholders according to their respective rights and interests in the profits of the Company. However, no dividend shall exceed the amount recommended by the board of directors of the Company.

## **19. Purchase of own shares**

- 19.1 Subject to the Act but without prejudice to any other provision of these Articles, the Company may purchase its own shares in accordance with Chapter 4 of Part 18 of the Act, including out of capital up to any amount in a financial year not exceeding the lower of:

19.1.1 £15,000; and

- 19.1.2 the nominal value of 5% of the Company's fully paid share capital at the beginning of each financial year of the Company.
- 19.2 The Company purchasing any B Shares for no or nominal consideration shall not constitute a variation, modification or abrogation of the rights attaching to the B Shares. Accordingly, the B Shares may at any time be purchased for no or nominal consideration in accordance with the Act without sanction on the part of the holders of the B Shares.
- 20. Prohibited transfers**
- Any person who holds, or becomes entitled to, any Share shall not effect a transfer, except a transfer in accordance with article 19 (*Purchase of own shares*), article 21 (*Pre-emption*), article 22 (*Drag Along*) (by Accepting Shareholders or Other Shareholders) or article 24 (*Tag Along*), of such Shares.
- 21. Pre-emption**
- 21.1 Except in the case of a transfer pursuant to article 19 (*Purchase of own shares*), article 22 (*Drag Along*) or article 24 (*Tag Along*) a Shareholder who wishes to transfer any Shares (**Seller**) shall give notice in writing of such wish to the Company (**Transfer Notice**). Each Transfer Notice shall:
- 21.1.1 specify the number and class of Shares which the Seller wishes to transfer (**Sale Shares**);
- 21.1.2 specify the identity of any person to whom the Seller wishes to transfer the Sale Shares (**Proposed Transferee**);
- 21.1.3 specify the price per Share (**Transfer Price**) at which the Seller wishes to transfer the Sale Shares; and
- 21.1.4 whether the Transfer Notice is conditional on all, or a specific number of, the Sale Shares being sold to Shareholders (**Minimum Transfer Condition**).
- 21.2 Once given (or deemed to have been given) under these Articles, a Transfer Notice may not be withdrawn.
- 21.3 A Transfer Notice (or Deemed Transfer Notice) constitutes the Company as the agent of the Seller for the sale of the Sale Shares in accordance with the provisions of these Articles.
- 21.4 If the Seller has provided a Minimum Transfer Condition in the Transfer Notice, such provision shall be binding on the Company. Notwithstanding the other provisions of this article, if the Transfer Notice contains a Minimum Transfer Condition the Company may not make any allocation of Sale Shares unless and until it has found buyers for the minimum number specified in the Minimum Transfer Condition.
- 21.5 As soon as practicable following the receipt of a Transfer Notice, the Board shall offer the Sale Shares for sale in the manner set out in the remaining provisions of this article at the Transfer Price. Each offer shall be in writing and give details of the number and Transfer Price of the Sale Shares offered.
- 21.6 The Board shall offer the Sale Shares to all Shareholders other than the Seller (the **Continuing Shareholders**), inviting them to apply in writing within the period from the date of the offer to the date 20 Business Days after the offer (both dates inclusive) (the **First Offer Period**) for the maximum number of Sale Shares they wish to buy.
- 21.7 If the Sale Shares are subject to a Minimum Transfer Condition, any allocation made under article 21.8 to article 21.11 shall be conditional on the fulfilment of the

Minimum Transfer Condition.

- 21.8 If:
- 21.8.1 at the end of the First Offer Period, the total number of Sale Shares applied for is equal to or exceeds the number of Sale Shares, the Board shall allocate the Sale Shares to each Continuing Shareholder who has applied for Sale Shares in the proportion which his existing holding of Shares bears to the total number of Shares held by those Continuing Shareholders who have applied for Sale Shares. Fractional entitlements shall be rounded down to the nearest whole number (save where such rounding would result in not all Sale Shares being allocated, in which case the allocation of any such fractional entitlements among the Continuing Shareholders who have applied for Sale Shares shall be determined by the Board). No allocation shall be made to a Continuing Shareholder of more than the maximum number of Sale Shares which he has stated he is willing to buy.
  - 21.8.2 not all Sale Shares are allocated following allocations in accordance with article 21.8.1 but there are applications for Sale Shares that have not been satisfied, the Board shall allocate the remaining Sale Shares to such applicant(s) in accordance with the procedure set out in article 21.8.1. The procedure set out in this article 21.8.2 shall apply on any number of consecutive occasions until either all Sale Shares have been allocated or all applications for Sale Shares have been satisfied; and
  - 21.8.3 at the end of the First Offer Period, the total number of Sale Shares applied for is less than the number of Sale Shares, the Board shall allocate the Sale Shares to the Continuing Shareholders in accordance with their applications. The balance (the **Initial Surplus Shares**) shall be dealt with in accordance with article 21.9.
- 21.9 At the end of the First Offer Period, the Board shall offer the Initial Surplus Shares (if any) to all the Continuing Shareholders, inviting them to apply in writing within the period from the date of the offer to the date 20 Business Days after the offer (both dates inclusive) (the **Second Offer Period**) for the maximum number of Initial Surplus Shares they wish to buy.
- 21.10 If, at the end of the Second Offer Period, the number of Initial Surplus Shares applied for is equal to or exceeds the number of Initial Surplus Shares, the Board shall allocate the Initial Surplus Shares to each Continuing Shareholder who has applied for Initial Surplus Shares in the proportion that his existing holding of Shares (including any Sale Shares) bears to the total number of Shares (including any Sale Shares) held by those Continuing Shareholders who have applied for Initial Surplus Shares during the Second Offer Period. Fractional entitlements shall be rounded down to the nearest whole number (save where such rounding would result in not all Initial Surplus Shares being allocated, in which case, the allocation of any such fractional entitlements among the Continuing Shareholders shall be determined by the Board). No allocation shall be made to a Continuing Shareholder of more than the maximum number of Initial Surplus Shares which he has stated he is willing to buy.
- 21.11 If, at the end of the Second Offer Period, the number of Initial Surplus Shares applied for is less than the number of Initial Surplus Shares, the Board shall allocate the Initial Surplus Shares to the Continuing Shareholders in accordance with their applications.
- 21.12 If the Transfer Notice includes a Minimum Transfer Condition and the total number of Sale Shares applied for is less than the number of Sale Shares specified in the

Minimum Transfer Condition, the Board shall notify the Seller and all those to whom Sale Shares have been conditionally allocated under article 21.8 to article 21.11, stating that the Minimum Transfer Condition has not been met and that the relevant Transfer Notice has lapsed with immediate effect.

21.13 If:

21.13.1 the Transfer Notice includes a Minimum Transfer Condition and such Minimum Transfer Condition has been satisfied, or the Transfer Notice does not include a Minimum Transfer Condition; and

21.13.2 allocations under article 21.8 to article 21.11 have been made in respect of some or all of the Sale Shares,

the Board shall give written notice of allocation (an **Allocation Notice**) to the Seller and each Continuing Shareholder to whom Sale Shares have been allocated (each an **Applicant**). The Allocation Notice shall specify the number of Sale Shares allocated to each Applicant, the amount payable by each Applicant for the number of Sale Shares allocated to him (**Consideration**) and the place and time for completion of the transfer of the Sale Shares (which shall be at least 10 Business Days, but not more than 15 Business Days, after the date of the Allocation Notice).

21.14 On the date specified for completion in the Allocation Notice, the Seller shall, in consideration for payment of the Consideration, execute and deliver a transfer of the Sale Shares allocated to such Applicant, in accordance with the requirements specified in the Allocation Notice.

21.15 If the Seller fails to comply with article 21.14:

21.15.1 the Chairman of the Company (or, failing him, one of the other directors, or some other person nominated by a resolution of the Board) may, as agent on behalf of the Seller:

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

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

21.16 The restrictions imposed by this article may be waived in relation to any proposed transfer of Sale Shares with the consent (in writing) of all the Shareholders who, but for the waiver, would or might have been entitled to have such Sale Shares offered to them in accordance with this article.

## **22. Compulsory transfers**

22.1 A person entitled to a Share in consequence of the bankruptcy of a Shareholder (or



equivalent procedure in any jurisdiction outside England and Wales) shall be deemed to have given a Transfer notice in respect of that Share at such time as the directors may determine.

- 22.2 If a Shareholder which is a body corporate either suffers or resolves to appoint a liquidator, administrator or administrative receiver over it, or any material part of its assets (other than a voluntary liquidation for the purpose of a bona fide scheme of solvent amalgamation or reconstruction) or suffers or takes any equivalent action in any jurisdiction outside England and Wales, that Shareholder shall be deemed to have given a Transfer Notice in respect of all Shares held by it at such time as the directors may determine.
- 22.3 If there is a change in control (as 'control' is defined in section 1124 of the Corporation Tax Act 2010) of any Shareholder which is a company, it shall be bound at any time, if and when required in writing by the directors to do so, to give (or procure the giving in the case of a nominee) a Transfer Notice in respect of all the Shares registered in its name (or the name of its nominee(s)).
- 22.4 If an Employee becomes a Departing Employee a Transfer Notice shall, unless the directors otherwise direct in writing in respect of any particular Relevant Shares prior to or within 40 Business Days after the relevant Termination Date, be deemed to have been served on the relevant Termination Date in respect of all Relevant Shares (a **Compulsory Employee Transfer**) and any Transfer Notice served in respect of any of such Relevant Shares before the date such Employee becomes a Departing Employee shall automatically lapse.
- 22.5 Notwithstanding any other provisions of these Articles, the Transfer Price in respect of a Compulsory Employee Transfer shall be the aggregate Purchase Price for such Sale Shares.
- 22.6 Forthwith upon a Transfer Notice being deemed to be served under article 22 the Shares subject to the relevant Deemed Transfer Notice shall cease to confer on the holder of them any rights:
- 22.6.1 to vote (whether on a show of hands, on a poll or otherwise and whether in person, by proxy or otherwise), including in respect of any resolution of any class of Shares;
- 22.6.2 to receive dividends or other distributions otherwise attaching to those Shares; or
- 22.6.3 to participate in any future issue of Shares issued in respect of those Shares.

The directors may reinstate the rights referred to in article 22.6 at any time and, in any event, such rights shall be reinstated in respect of any Shares transferred pursuant to article 22 on completion of such transfer.

## **23. Drag along**

- 23.1 In these Articles a **Qualifying Offer** shall mean an offer in writing by or on behalf of any person (**Offeror**) to the holders of the entire issued Shares to acquire all their Shares.
- 23.2 If the holders of not less than 75% in nominal value of the Shares then in issue (the **Accepting Shareholders**) wish to accept the Qualifying Offer, then the provisions of this article shall apply.
- 23.3 The Accepting Shareholders shall give written notice to the remaining holders of the Shares (the **Other Shareholders**) 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 Shareholders.

- 23.4 If any Other Shareholder shall not, within five 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 any 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.
- 23.5 Upon any person, following the issue of a notice pursuant to article 23.3, becoming a member of the Company (a **New Member**), a notice shall be deemed to have been served upon the New Member on the same terms as the previous notice who shall thereupon be bound to sell and transfer all such Shares acquired by him to the Offeror or as the Offeror may direct and the provisions of this article shall apply mutatis mutandis to the New Member save that completion of the sale of such Shares shall take place forthwith upon the notice being deemed served on the New Member.

#### **24. Tag along**

- 24.1 If at any time one or more Shareholders (**Proposed Sellers**) propose to sell, in one or a series of related transactions, at least 75% in nominal value of the Shares (**Majority Holding**) to any person (not being an Offeror for the purposes of article 23.1), the Proposed Sellers may only sell the Majority Holding if they comply with the provisions of this article.
- 24.2 The Proposed Sellers shall give written notice (**Proposed Sale Notice**) to the other holders of the Shares in the Company of such intended sale at least 15 Business Days prior to the date thereof. The Proposed Sale Notice shall set out, to the extent not described in any accompanying documents, the identity of the proposed buyer (**Proposed Buyer**), the purchase price and other terms and conditions of payment, the proposed date of sale (**Proposed Sale Date**) and the number of Shares proposed to be purchased by the Proposed Buyer (**Proposed Sale Shares**).
- 24.3 Any other holder of Shares shall be entitled, by written notice given to the Proposed Sellers within five Business Days of receipt of the Proposed Sale Notice, to be permitted to sell all of his Shares to the Proposed Buyer on the same terms and conditions as those set out in the Proposed Sale Notice.
- 24.4 If any other holder of Shares is not given the rights accorded him by the provisions of this article, the Proposed Sellers shall be required not to complete their sale and the Company shall be bound to refuse to register any transfer intended to carry such a sale into effect.

#### **25. Transmission of Shares**

- 25.1 Notwithstanding the provisions of Model Articles 27 and 28, the Board, in their absolute discretion can decide not to register the transmission of Shares to a transferee or the transfer of such Shares from the transferee directly or indirectly to another person if the Board reasonably considers that the transferee or transferee (as applicable) is a person (or a nominee for a person) who is a competitor with (or an Associate of a competitor with) the business of the Company or with a subsidiary of

the Company and the such transmittee or transferee (as applicable) shall, with effect from the date of the Board's decision, be deemed to have served a Transfer Notice in respect of all such Shares purported to have been transmitted or transferred to him (as applicable).

25.2 The provisions of articles 21.1 to 21.16 (inclusive) shall apply to any such Deemed Transfer Notice, provided that for these purposes:

25.2.1 the Sale Shares shall comprise the above-mentioned Shares;

25.2.2 no Proposed Transferee shall be specified in the Deemed Transfer Notice;

25.2.3 the Sale Price shall be the Fair Price determined in accordance with article 25.3;

25.2.4 there shall be no Minimum Transfer Condition; and

25.2.5 the reference to receipt of the Transfer Notice in article 21.5 shall be replaced by the date of determination of the Fair Price.

25.3 The Fair Price shall be determined by the Auditors as follows:

25.3.1 the Company shall immediately instruct the Auditors to determine the Fair Price on the basis which, in their opinion, represents a fair price for the Sale Shares at the date of instruction as between a willing seller and a willing buyer and, in making such determination, the Auditors shall take no account of whether the Sale Shares comprise a majority or minority interest in the Company or the fact that their transferability is restricted by these Articles (and, for the avoidance of doubt, ignoring the fact that such Sale Shares can be subject to the compulsory transfer requirements of article 22 (*Drag Along*));

25.3.2 the Auditors shall certify the Fair Price as soon as possible after being instructed by the Company and in so certifying the Auditors shall be deemed to be acting as experts and not as arbitrators and the Arbitration Act 1996 shall not apply;

25.3.3 the certificate of the Auditors shall, in the absence of manifest error, be final and binding; and

25.3.4 the Company shall procure that any certificate required hereunder is obtained with due expedition and the cost of obtaining such certificate shall be borne by the Company unless such an arrangement would not be permitted by the Act

## **DECISION MAKING BY SHAREHOLDERS**

### **26. Voting**

26.1 Where a resolution is put to the vote at a general meeting of the Company, then on a show of hands every Shareholder who (being an individual) is present in person or by proxy, or (being a corporation) is presented by a representative duly authorised under section 323 of the Act, shall have one vote and on a poll every Shareholder present in person, by representative or by proxy shall have one vote for every Share of which it is the holder save in either case for the holders of the B Shares who shall not have a right to vote in respect of the B Shares unless the resolution being put to the vote specifically relates to the variation of the rights attaching to their B Shares. On a written resolution every Member shall have one vote for each Share of which the Shareholder is the holder, save for the holders of the B Shares who shall not have a right to vote in respect of the B Shares unless the resolution being put to the vote

specifically relates to the variation of the rights attaching to their B Shares.

**27. Poll votes**

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

**28. Proxies**

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

**LIEN AND FORFEITURE**

**29. Company's lien over partly paid shares**

- 29.1 The Company has a lien (the **Company's Lien**) over every Share which is partly paid for any part of:
- 29.1.1 that Share's nominal value; and
- 29.1.2 any premium at which it was issued
- which has not been paid to the Company, and which is payable immediately or at some time in the future, whether or not a call notice has been sent in respect of it.
- 29.2 The Company's Lien over a Share:
- 29.2.1 takes priority over any third party's interest in that Share; and
- 29.2.2 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.
- 29.3 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.

**30. Enforcement of the Company's Lien**

- 30.1 Subject to the provisions of this article, if:
- 30.1.1 a lien enforcement notice has been given in respect of a Share; and
- 30.1.2 the person to whom the notice was given has failed to comply with it, the Company may sell that Share in such manner as the directors decide.
- 30.2 A lien enforcement notice:
- 30.2.1 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;
- 30.2.2 must specify the Share concerned;

- 30.2.3 must require payment of the sum within 14 clear days of the notice;
  - 30.2.4 must be addressed either to the holder of the Share or to a transmittee of that holder; and
  - 30.2.5 must state the Company's intention to sell the Share if the notice is not complied with.
- 30.3 Where Shares are sold under this article:
- 30.3.1 the directors may authorise any person to execute an instrument of transfer of the Shares to the purchaser or to a person nominated by the purchaser; and
  - 30.3.2 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.
- 30.4 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:
- 30.4.1 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
  - 30.4.2 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 over the Shares before the sale for any money payable (whether immediately or at some time in the future) after the date of the lien enforcement notice.
- 30.5 A statutory declaration by a director or the company secretary that the declarant is a director or the company secretary and that a Share has been sold to satisfy the Company's Lien on a specified date:
- 30.5.1 is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the Share; and
  - 30.5.2 subject to compliance with any other formalities of transfer required by the articles or by law, constitutes a good title to the Share.
- 31. Call notices**
- 31.1 Subject to the articles and the terms on which Shares are allotted, the directors may send a notice (a **call notice**) to a member requiring the member to pay the Company a specified sum of money (a **call**) which is payable in respect of his Shares at the date when the directors decide to send the call notice.
- 31.2 A call notice:
- 31.2.1 may not require a member to pay a call which exceeds the total sum unpaid on the Shares (whether as to nominal value or any amount payable to the Company by way of premium);
  - 31.2.2 must state when and how any call to which it relates is to be paid; and
  - 31.2.3 may permit or require the call to be made in instalments.
- 31.3 A member must comply with the requirements of a call notice, but no member is obliged to pay any call before 14 clear days have passed since the notice was sent.

- 31.4 Before the Company has received any call due under a call notice the directors may:
- 31.4.1 revoke it wholly or in part; or
  - 31.4.2 specify a later time for payment than is specified in the notice, by a further notice in writing to the member in respect of whose Shares the call is made.

**32. Liability to pay calls**

- 32.1 The liability to pay a call is not extinguished or transferred by transferring the Shares in respect of which it is required to be paid.
- 32.2 Joint holders of a Share are jointly and severally liable to pay all calls in respect of that Share.
- 32.3 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:
- 32.3.1 to pay calls which are not the same; or
  - 32.3.2 to pay calls at different times.

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

- 33.1 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:
- 33.1.1 on allotment;
  - 33.1.2 on the occurrence of a particular event; or
  - 33.1.3 on a date fixed by or in accordance with the terms of issue.
- 33.2 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.

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

- 34.1 If a person is liable to pay a call and fails to do so by the call payment date:
- 34.1.1 the directors may issue a notice of intended forfeiture to that person; and
  - 34.1.2 until the call is paid, that person must pay the Company interest on the call from the call payment date at the relevant rate.
- 34.2 For the purposes of this article:
- 34.2.1 the **call payment date** is the time when the call notice states that a call is payable, unless the directors give a notice specifying a later date, in which case it is that later date; and
  - 34.2.2 the **relevant rate** is
    - (a) the rate fixed by the terms on which the Share in respect of which the call is due was allotted;
    - (b) such other rate as was fixed in the call notice which required payment of the call, or has otherwise been determined by the directors; or
    - (c) if no rate is fixed in either of these ways, 5 per cent per annum.
- 34.3 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.

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

**35. Notice of intended forfeiture**

35.1 A notice of intended forfeiture:

- 35.1.1 may be sent in respect of any Share in respect of which a call has not been paid as required by a call notice;
- 35.1.2 must be sent to the holder of that Share (or all the joint holders of that Share) or to a transmittee of that holder;
- 35.1.3 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;
- 35.1.4 must state how the payment is to be made; and
- 35.1.5 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.

**36. 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.

**37. Effect of forfeiture**

37.1 Subject to the articles, the forfeiture of a Share extinguishes:

- 37.1.1 all interests in that Share, and all claims and demands against the Company in respect of it; and
- 37.1.2 all other rights and liabilities incidental to the Share as between the person whose Share it was prior to the forfeiture and the Company.

37.2 Any Share which is forfeited in accordance with these Articles:

- 37.2.1 is deemed to have been forfeited when the directors decide that it is forfeited;
- 37.2.2 is deemed to be the property of the Company; and
- 37.2.3 may be sold, re-allotted or otherwise disposed of as the directors think fit.

37.3 If a person's Shares have been forfeited:

- 37.3.1 the Company must send that person notice that forfeiture has occurred and record it in the register of members;
- 37.3.2 that person ceases to be a member in respect of those Shares;
- 37.3.3 that person must surrender the certificate for the Shares forfeited to the Company for cancellation;
- 37.3.4 that person remains liable to the Company for all sums payable by that person under these Articles at the date of forfeiture in respect of those Shares, including any interest (whether accrued before or after the date of forfeiture); and
- 37.3.5 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.

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

**38. Procedure following forfeiture**

- 38.1 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.
- 38.2 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:
- 38.2.1 is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the Share; and
- 38.2.2 subject to compliance with any other formalities of transfer required by the articles or by law, constitutes a good title to the Share.
- 38.3 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.
- 38.4 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:
- 38.4.1 was, or would have become, payable; and
- 38.4.2 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.

**39. Surrender of Shares**

- 39.1 A member may surrender any Share:
- 39.1.1 in respect of which the directors have issued a call notice;
- 39.1.2 in respect of which the directors may issue a notice of intended forfeiture;
- 39.1.3 which the directors may forfeit; or
- 39.1.4 which has been forfeited.
- 39.2 The directors may accept the surrender of any such Share.
- 39.3 The effect of surrender on a Share is the same as the effect of forfeiture on that Share.
- 39.4 A Share which has been surrendered may be dealt with in the same way as a Share which has been forfeited.

**ADMINISTRATIVE ARRANGEMENTS**

**40. Information**

The Company shall supply each Shareholder with a copy of the accounts of the Company prepared in accordance with the laws applicable in, and the accounting



standards, principles and practices generally accepted in the United Kingdom.

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

41.1 Subject to article 41.2, any notice, document or other information shall be deemed served on, or delivered to, the intended recipient:

41.1.1 if delivered by hand, at the time the notice, document or other information is left at the address; or

41.1.2 if sent by fax, at the time of transmission; or

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

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

41.1.5 if sent by reputable international overnight courier to an address outside the country from which it is sent, on signature of a delivery receipt; or

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

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

41.1.8 if deemed receipt under the previous paragraphs of this article 41.1 would occur outside business hours (meaning 9.00 am to 5.30 pm Monday to Friday on a day that is not a public holiday in the place of deemed receipt), at 9.00 am on the day when business next starts in the place of deemed receipt. For the purposes of this article, all references to time are to local time in the place of deemed receipt.

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

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

41.2.2 if sent by fax, a transmission report was received confirming that the notice was successfully transmitted to the correct fax number; or

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

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

**42. Indemnity**

42.1 Subject to article 42.2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled:

42.1.1 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 in the actual or purported execution and/or discharge of his duties, or in relation to them including (in each case) any liability incurred by him in defending any civil or criminal proceedings, in which judgment is given in his favour or in which he is acquitted or the proceedings are otherwise disposed

of without any finding or admission of any material breach of duty on his part or in connection with any application in which the court grants him, in his capacity as a relevant officer, relief from liability for negligence, default, breach of duty or breach of trust in relation to the Company's (or any associated company's) affairs; and

- 42.1.2 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 42.1.1 and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure.
- 42.2 This article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Act or by any other provision of law.
- 42.3 In this article:
  - 42.3.1 companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate; and
  - 42.3.2 a "relevant officer" means any director or other officer or former director or other officer of the Company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act), but excluding in each case any person engaged by the Company (or associated company) as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor).

#### **43. Insurance**

- 43.1 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.
- 43.2 In this article:
  - 43.2.1 a "relevant officer" means any director or other officer or former director or other officer of the Company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act), but excluding in each case any person engaged by the Company (or associated company) as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor);
  - 43.2.2 a "relevant loss" means any loss or liability which has been or may be incurred by a relevant officer in connection with that relevant officer's duties or powers in relation to the Company, any associated company or any pension fund or employees' share scheme of the Company or associated company; and
  - 43.2.3 companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate.