

COMPANY NO. 08442815

THE COMPANIES ACT 2006
COMPANY LIMITED BY SHARES
RESOLUTION
OF
TIVERTON 2 LIMITED
(the "Company")

On *26 June* 2019 the following resolution was passed as a special resolution:

SPECIAL RESOLUTION

That the new articles of association annexed to this resolution are adopted as the articles of association of the Company in substitution for, and to the exclusion of, the existing articles of association of the Company.

Dated *26 June* 2019


.....
Director

SATURDAY



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28/09/2019
COMPANIES HOUSE

THE COMPANIES ACT 2006

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

of

TIVERTON 2 LIMITED

(Adopted by a special resolution passed on 26 June 2019)

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Company No. 08442815

THE COMPANIES ACT 2006

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

of

TIVERTON 2 LIMITED (the "Company")

(Adopted by a special resolution passed on 26 June 2019)

1. PRELIMINARY

1.1 In these Articles and (where appropriate) in Table A:

"A Shareholder"

any holder of A Shares,

"A Shares"

means A shares of £0.01 each in the share capital of the Company in issue from time to time;

"A Shareholder Proportion"

in relation to an A Shareholder and for the purposes of **article 5.8**, means such proportion of that Shareholder's holding of A Shares as is equal to the proportion of the total issued number of Shares in the Company which would be held by the proposed transferee following the proposed transfer by the Selling Founder(s) (but ignoring any Shares held by such proposed transferee prior to such transfer),

"Companies Act"

means the Companies Act 2006, as amended or re-enacted from time to time;

"Allocation Notice"

has the meaning given in **article 6.6**,

"Articles"

means these articles of association as amended from time to time;

"Auditors"

means the auditors from time to time of the Company,

"B Shareholder"

means any holder of B Shares,

"B Shares"

means B shares of £0.01 each in the share capital of the Company in issue from time to time;

"Bad Leaver"

means a Leaver who is neither a Good Leaver nor a person who has been dismissed for gross misconduct;

"Board"

means the board of directors of the Company (or, when the context requires, a subsidiary of the Company);

"Business"

means the business of the Company and any member of the Group from time to time;

"Business Day"

means a day other than Saturday, Sunday or a day on which banks are generally closed in the City of London;

"clear days"

in relation to the period of a notice, means that period excluding the day when the notice shall be served or deemed to be served and the day for which it shall be given or on which it shall take effect;

"Company"

means Tiverton 2 Limited (incorporated and registered in England and Wales under company number 08442815);

"Compulsory Purchase Notice"

has the meaning given in **article 9.1**;

"Compulsory Transfer Notice"

has the meaning given in **article 8**;

"Connected Person"

means in relation to a person, any other person:

- (a) who is a connected person (as defined in section 993 of the Income Tax Act 2007 or section 1122 of the Corporate Tax Act 2010) to the first mentioned person; or
- (b) with whom the first mentioned person is acting in concert (as defined in The City Code on Takeovers and Mergers);

"Consideration"

means any sum due to a Founder by any A Shareholder in respect of the sale by any Founder of shares in any subsidiary of the Company to such A Shareholder pursuant to any agreement made between that Founder and such A Shareholder;

"D Shareholder"

means any holder of D Shares;

"D Shares"

means D shares of £0.01 each in the share capital of the Company in issue from time to time;

"D Threshold Value"

means £17,880,775,

"Directors"

means the directors from time to time of the Company;

"Drag-Along Purchaser"

has the meaning given in **article 9.1**,

"Drag-Along Sellers"

has the meaning given in **article 9.1**,

"E Shareholder"

means any holder of E Shares;

"E Shares"

means E shares of £0.001 each in the share capital of the Company in issue from time to time;

"E Threshold Value"

means £16,000,000;

"e-mail"

means electronic mail,

"Excess Shares"

has the meaning given in **article 6.5**,

"executed"

includes any mode of execution;

"Expert"

in relation to any matters in these Articles, the Auditors, or if for any reason the Auditors are unable or unwilling to act in respect of such matter, an independent firm of chartered accountants appointed by the Board with the consent of the majority of the A Shareholders (in the case of an Expert appointed for the purposes of **articles 5.8 or 9.8**) or the Leaver (in the case of an Expert appointed for the purposes of **article 8.10**), and in the absence of such agreement, appointed upon the application of the Board to the President for the time being of the Institute of Chartered Accountants in England and Wales;

"Family Trusts"

means any trust established by a Founder where the beneficiaries of such trust comprise only the Founder and/or any Privileged Relation of the Founder;

"Founders"

means, for so long as they are the holders of A Shares (and subject to **article 5.7**), J.M. Thoday and R. Allen-Turner, and any persons to whom they may transfer all of their respective A Shares in accordance with **article 5.1**, and "Founder" shall be construed accordingly;

"Good Leaver"

means a Leaver who has ceased employment in circumstances where that Leaver:

- (a) suffers a physical or mental deterioration which, in the reasonable opinion of the Board, is sufficiently serious to prevent the Leaver from following his normal employment or which seriously prejudices his earning capacity;
- (b) retires at normal retirement age in accordance with his terms of employment;
- (c) is deemed by unanimous resolution of the Board (provided that the Leaver shall not be entitled to vote on any such resolution) to be a Good Leaver, notwithstanding any circumstances which would otherwise deem him to be a Bad Leaver; or
- (d) is dismissed where such dismissal is found by a tribunal or court of competent and final (except where any right of appeal is waived) jurisdiction to have been unfair (but provided that the Leaver did not materially contribute in any way to his dismissal) or wrongful;

"Group"

means the Company, its holding company, its subsidiaries and subsidiary undertakings and subsidiaries and subsidiary undertakings of its holding company from time to time and "**Group Company**" means any one of them from time to time;

"holder"

in relation to Shares means the Shareholder whose name is entered in the register of Shareholders of the Company as the holder of the Shares;

"holding company"

means a holding company as defined in section 1159 of the Act;

"Leaver Completion Date"

has the meaning given in **article 8**;

"Leaver's Shares"

has the meaning given in **article 8**,

"Listing"

means the admission of any of the shares in any Group Company or depository receipts representing such shares to the Official List of the UK Listing Authority and/or to trading on the London Stock Exchange plc's market for listed securities; or the admission to trading of any such shares on any other market regulated by the London Stock Exchange plc; or the listing or quotation of any such shares (or in the case of the New York Stock Exchange the listing or quotation of depository receipts representing such shares) on any other stock exchange or regulated securities market (including the New York Stock Exchange and NASDAQ); or the offering to the public in any jurisdiction of any such shares for sale or subscription,

"Member Applicant"

has the meaning given in **article 6.6**,

"Memorandum"

means the memorandum of association of the Company, as amended from time to time;

"Minority Shareholder"

has the meaning given in **article 9.1**,

"Net Proceeds"

has the meaning given in **article 4.1.1**;

"office"

means the registered office of the Company;

"Permitted Transfer"

a transfer of Shares authorised by **article 6**;

"Permitted Transferee"

a person, firm or unincorporated association to whom or which Shares have been, or may be, transferred pursuant to a Permitted Transfer;

"Privileged Relation"

means in relation to an individual member or deceased or former individual member, the husband or wife or the widower or widow of such member and all the lineal descendants and ascendants in direct line of such member and a husband or wife or widower or widow of any of the above persons and for such purposes, a

step-child or adopted child or illegitimate child of any person shall be deemed to be his or her lineal descendant;

"Proportionate Entitlement"

has the meaning given in **article 6.5**;

"Purchaser"

has the meaning given in **article 6.2.3**;

"Relevant Proportion"

in relation to a Shareholder and for the purposes of **article 9.8**, means such proportion of that Shareholder's holding of Shares (other than Unvested Shares) as is equal to the proportion of the total issued number of Shares in the Company which would be held by the proposed transferee following the proposed transfer by the Selling Shareholder(s);

"Sale"

means the transfer or other disposal (whether through a single transaction or a series of transactions) of the legal and/or beneficial interest or title to at least a majority of the A Shares, B Shares, D Shares and E Shares in issue taken together to a Third Party and/or any Connected Person and/or any other or person acting in concert with that Third Party as defined in the United Kingdom's City Code on Takeovers and Mergers);

"Sale Shares"

has the meaning given in **article 6.1**;

"seal"

means the common seal of the Company;

"Secretary"

means the secretary of the Company or any other person appointed to perform the duties of the secretary of the Company, including a joint, assistant or deputy secretary;

"Security Interest"

means any interest or equity of any person (including, without prejudice to the generality of the foregoing, any right to acquire, option or right of pre-emption (other than pursuant to these Articles)) or any mortgage, charge, pledge, lien or assignment, or any other encumbrance, priority or security interest or arrangement of whatsoever nature over or in the relevant property;

"Selling Founder"

has the meaning given in **article 5.8**;

"Selling Shareholder"

has the meaning given in **article 6.1**,

"Share" or "Shares"

means any share or shares in the capital of the Company;

"Shareholder"

means any holder for the time being of a Share or Shares;

"Subscription Price"

means the price paid upon subscription for or purchase of a Share subscribed for or purchased by a Shareholder (or in the event of the conversion, sub-division and/or re-designation of such share, the subscription price originally paid for such share from which the shares arising on such conversion, sub-division and/or re-designation derive) and where any A Share has been or is issued to an A Shareholder in consideration of the transfer to the Company by such A Shareholder of any share(s) in any Subsidiary, **"Subscription Price"** shall mean the price paid by such A Shareholder upon subscription for or purchase of such share(s) in such Subsidiaries;

"subsidiary"

means a subsidiary as defined in section 1159(1) of the Act,

"subsidiary undertaking"

shall have the meaning ascribed to such expression by section 1162(2) of the Act;

"Table A"

Table A in the schedule to the Companies (Table A-F) Regulations 1985 (SI 1985/805), as amended by the Companies (Tables A-F) (Amendment) Regulations 2007 (SI 2007/2541) and the Companies (Table A-F) (Amendment) (No. 2) Regulations 2007 (SI 2004/2826);

"Third Party"

in relation to a Sale, means a person other than: (a) an existing A Shareholder; (b) any Connected Person of such A Shareholder; or (c) any person who appoints or allows any existing shareholder in any group company or any Connected Person of such shareholder to exercise management and control over the Company after completion of the Sale,

"Transfer Notice"

has the meaning given in **article 6.2**;

"Transfer Price"

has the meaning given in **article 6.2**,

"Unvested Shares"

means, in respect of any B Shares, D Shares or E Shares, such number of B Shares, D Shares or E Shares as are treated for the purposes of these Articles as unvested pursuant to any agreement made between a B Shareholder, a D Shareholder or an E Shareholder and the Company; and

"Whole Interest"

means, in relation to a Share, the entire legal and beneficial interest in and rights in respect of such Share.

- 1.2 A reference to any statute or statutory provision is to be construed as a reference to such statute or provision as amended, consolidated or re-enacted from time to time and to any orders, regulations, instruments or other subordinate legislation (and relevant codes of practice) made under the relevant statute for the time being in force
- 1.3 Unless the context otherwise requires:
 - 1.3.1 words in the singular include the plural, and vice versa,
 - 1.3.2 words importing one gender include the other gender;
 - 1.3.3 a reference to a person includes a reference to a body corporate and to an unincorporated body of persons; and
 - 1.3.4 (unless already defined in these Articles) words or expressions contained in these Articles bear the same meaning as in the Companies Act to the extent in force from time to time.
- 1.4 The headings are inserted for convenience only and do not affect the construction of these Articles.
- 1.5 Any reference in these Articles to a Shareholder shall be deemed to include a reference to their Permitted Transferee, unless the context requires otherwise.
- 1.6 The following regulations of Table A shall not apply to the Company: 1, 3, 4, 5, 12, 14, 16, 24, 25, 26, 29 to 32 (inc.), 34 to 55 (inc.), 57, 59 to 62 (inc.), 64 to 81 (inc.), 84 to 98 (inc.), 109, 111, 112, and 115. In addition to the remaining regulations of Table A as varied hereby, the following shall be the Articles of the Company. If there is any inconsistency between these Articles and Table A, the provisions of these Articles shall prevail.

2. SHAREHOLDERS' LIABILITY AND SHARE CAPITAL

- 2.1 The liability of the Shareholders is limited to the amount, if any, unpaid on the shares held by them.
- 2.2 The issued share capital of the Company must not exceed:
 - 2.2.1 1,000,000 A Shares,
 - 2.2.2 100,000 B Shares;
 - 2.2.3 30,004 D Shares; and
 - 2.2.4 30,309 E Shares.
- 2.3 The Shares shall entitle the holders of those Shares to the rights and privileges and subject them to the restrictions and provisions set out in these Articles.
- 2.4 The rights conferred upon the holders of the Shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the Shares of that class, be deemed to be varied by the creation or issue of further Shares ranking *pari passu* therewith.

- 2.5 The special rights attached to any class of Share or Shares may not be varied nor abrogated without the consent in writing of the holders of 75 per cent. or more of the issued Shares of that class or an extraordinary resolution passed at a separate general meeting of the holders of the class sanctioning that variation or abrogation
- 2.6 Except as required by law, and even when the Company shall have express notice of that fact, no person shall be recognised by the Company as holding any Share upon any trust and (except as otherwise provided by the Articles or by law) the Company shall not be bound by or recognise any interest in any Share except an absolute right to the entirety of such Share in the holder.

3. CALLS ON SHARES

- 3.1 Subject to the terms of allotment, the Directors may make calls upon the Shareholders in respect of any sums whether in respect of nominal value or premium that are unpaid on their Shares and are not payable at fixed times under the said terms of allotment. Each Shareholder shall, subject to receiving at least 14 clear days' notice specifying when and where payment is to be made, pay to the Company as required by the notice the amount so called on his Shares. A call may be revoked in whole or part before receipt by the Company of any sum due thereunder and payment of a call may be postponed in whole or part as the Directors think fit
- 3.2 The holder of a Share at the time a call is due to be paid shall be the person liable to pay the call, and in the case of joint holders they shall be jointly and severally liable.
- 3.3 If any amount payable in respect of a Share on allotment or at a fixed date, whether in respect of nominal value or premium or as an instalment of a call, is not paid, the provisions of these Articles and (in so far as applicable) Table A shall apply as if that amount had become due and payable by virtue of a call.

4. RIGHTS ATTACHING TO THE SHARES

4.1 Capital

The A Shares, B Shares, D Shares and E Shares shall be entitled to the following capital rights

- 4.1.1 Subject to **article 4.1.2**, on return of assets on a liquidation or a winding-up, reduction of capital, or otherwise the assets of the Company remaining after payment of such of its liabilities as it is necessary to discharge to effect the distribution ("**Net Proceeds**") shall be distributed as follows:
- (a) to each of the holders of the A Shares and the B Shares in proportion to the number of A Shares or B Shares held by them respectively up to the amount of the E Threshold Value;
 - (b) thereafter, the balance of the Net Proceeds, if any, shall be distributed to each of the holders of the A Shares, the B Shares and the E Shares in proportion to the number of A Shares, B Shares or E Shares held by them respectively up to the amount of the D Threshold Value;

- (c) thereafter, the balance of the Net Proceeds, if any, shall be distributed to each of the holders of the A Shares, the B Shares, the D Shares and the E Shares in proportion to the number of A Shares, B Shares, D Shares or E Shares held by them respectively

4.1.2 A D Shareholder or E Shareholder shall not be entitled to receive any sale proceeds in respect of any of his D Shares or E Shares which are Unvested Shares

4.1.3 In the event of a Sale, the proceeds of such sale shall be distributed between the Selling Shareholders in the manner set out in **article 4.1.1** as if the same constituted a liquidation of the Company.

4.2 Voting in general meetings

4.2.1 The holders of the A Shares shall be entitled to receive notice of and to attend and vote at general meetings of the Company, every holder of A Shares who (being an individual) is present in person or by proxy or (being a corporation) is present by a duly authorised representative or by proxy, shall have one vote on a show of hands and on a poll every holder of A Shares so present shall have one vote for each A Share held by him.

4.2.2 The holders of all other Shares shall not be entitled to receive notice of, nor to attend or vote at general meetings of the Company.

4.3 Income

4.3.1 No dividend shall be payable on any Shares in respect of any financial period of the Company unless there are sufficient profits of the Company available for distribution.

4.3.2 The A Shares, the B Shares, D Shares and the E Shares shall be treated as separate classes of Shares for the purposes of all distributions and accordingly the Company or the Board (as the case may be, as required pursuant to the Companies Act) shall not be under any obligation to make any distribution to one class of Shares if it makes a distribution to another class of Shares, nor shall the Company or the Board be under any obligation to pay the same amount by way of dividend on each class of Shares and any distribution shall be treated as separate classes of Shares.

4.3.3 Any distribution payable to the holders of the B Shares, D Shares or the E Shares shall not be paid in respect of any Unvested Shares.

4.3.4 Every dividend payable shall be distributed to the appropriate Shareholders *pro rata* according to the number of Shares (other than any Unvested Shares) held by them respectively.

5. GENERAL PROVISIONS RELATING TO THE TRANSFER OF A SHARES BY THE FOUNDERS

5.1 A Founder shall be entitled at any time to transfer the Whole Interest in all or any of his A Shares as follows:

5.1.1 (where such Founder is not a holder of the A Shares concerned in the capacity of such a trustee of any Family Trusts) to a Privileged Relation of such Founder; or

5.1.2 to trustees to be held upon Family Trusts related to such Founder.

- 5.2 Where A Shares have been issued to trustees of Family Trusts or transferred under **article 5.1** to trustees of Family Trusts, the trustees and their successors in office may transfer the Whole Interest in all or any of such A Shares:
- 5.2.1 to the trustees for the time being of the Family Trust concerned on any change of trustees;
 - 5.2.2 to the trustees for the time being of any other trusts being Family Trusts in relation to the same Founder pursuant to the terms of such Family Trusts or to any discretion vested in the trustees of such Family Trusts or any other person; or
 - 5.2.3 to the relevant Founder or any Connected Person of the relevant Founder who has thereby become entitled to the A Shares proposed to be transferred on the total or partial termination of or pursuant to the terms of the Family Trusts concerned or in consequence of the exercise of any such power or discretion.
- 5.3 If and whenever any of the A Shares come to be held otherwise than upon Family Trusts, except in circumstances where a transfer of those A Shares is to be made pursuant to **article 5.2** to be and is to be made to the person or persons entitled thereto, it shall be the duty of the trustees holding such A Shares to notify the Board in writing that such event has occurred and the trustees shall be bound, if and when required by notice in writing from the Board so to do, to transfer their whole Interest in such A Shares back to the relevant Founder, and if no such transfer shall have been presented to the Board for registration within 21 days of such written notice, the Board shall be entitled to serve a Compulsory Transfer Notice on the registered holders of such A Shares and the provisions of **articles 6.4 to 6.9** (inclusive) (Compulsory Transfers of Shares) shall apply to such A Shares, and the price for any resulting transfer shall be the Subscription Price.
- 5.4 If a person to whom A Shares have been transferred pursuant to **article 5.1.1** shall cease to be a Privileged Relation of the Founder who transferred the A Shares pursuant to **article 5.1.1**, it shall be the duty of the person holding such A Shares to notify the Board in writing that such event has occurred and such person shall be bound, if and when required by notice in writing from the Directors so to do, to transfer all of its interest in, and rights in respect of its entire holding of A Shares back to such Founder or to another Privileged Relation of such Founder and if no such transfer shall have been presented to the Board for registration within 21 days of such written notice, the Board shall be entitled to serve a Compulsory Transfer Notice on the registered holders of such A Shares and the provisions of **articles 6.4 to 6.9** (inclusive) (Compulsory Transfers of Shares) shall apply to such A Shares, and the price for any resulting transfer shall be the Subscription Price.
- 5.5 If at any time a Founder wishes to transfer all or any A Shares, other than pursuant to **article 5.1**, he shall be treated as a Selling Shareholder for the purposes of **article 6** and shall first offer to sell his Sale Shares to the remaining Founder in accordance with the provisions of **article 6**.
- 5.6 The provisions of **article 8** shall not apply to the Founders. Where A Shares are transferred pursuant to **article 5.1**, and the Founder who transferred such Shares is declared bankrupt, the provisions of **article 8.1** shall apply to the Shareholder to whom the A Shares were transferred (as if the Founder were still the registered holder of such Shares)
- 5.7 In the event of a death of a Founder, the person entitled to the A Shares upon the death of such Founder (and any person to whom such Founder had at any time transferred A Shares pursuant to **article 5.1**) shall, with effect from the date of death of such Founder, cease to be

deemed to be Founders for all purposes of these articles with the intent that no such persons shall have any of the rights conferred upon a Founder pursuant to these articles

- 5.8 Without prejudice to the provisions of **article 9.8**, in the event that all Founders (the "**Selling Founders**") wish to transfer any A Shares to any person (other than a transfer pursuant to **article 5.1** or **5.5**, but including a transfer pursuant to **article 6.9**), such Selling Founders shall, prior to making any such transfer, procure the making by the proposed transferee of an offer to all of the other holders of A Shares (other than any person to whom any Selling Founder has at any time transferred A Shares pursuant to **article 5.1**) on terms that they shall each be entitled to (a) sell the A Shareholder Proportion of their A Shares (provided that any Consideration due to any Selling Founder in respect of the Shares comprising the A Shareholder Proportion and sold pursuant to this **article 5.8** has been paid in full), and (b) receive for their A Shares (provided that any Consideration due to any Selling Founder in respect of the Shares comprising the A Shareholder Proportion and sold pursuant to this **article 5.8** has been paid in full) a consideration equal to the price per A Share payable by the relevant third party for any of the shares to be transferred by the Selling Founders (which price shall be deemed to include any consideration (whether in cash or otherwise) paid or payable by the relevant third party (or any connected person) which, having regard to the substance of the transaction as a whole, would reasonably be regarded as an addition to the price so paid or payable). The value of any non-cash consideration or cash consideration payable on deferred terms shall be determined by the Expert who shall, if so requested, certify that value as at the date of completion of the sale of the relevant shares and such determination by the Expert shall, in the absence of manifest error, be conclusive and binding for all purposes relating to the transfer of the Selling Founder's shares.

6. PERMITTED TRANSFERS OF A SHARES

The following transfers shall be Permitted Transfers:

- 6.1 An A Shareholder (a "**Selling Shareholder**") who wishes to accept an offer from or enter into any agreement with any person for the sale or transfer of its Whole Interest in all or part of its holding of A Shares (the "**Sale Shares**") may only do so in accordance with the procedure set out in **articles 6.2** to **6.9**, unless the Founders agree otherwise in writing.
- 6.2 Any Selling Shareholder shall give notice in writing (the "**Transfer Notice**") to the Company of his wish specifying:
- 6.2.1 the number of Sale Shares which he wishes to transfer;
- 6.2.2 the proportion of the Selling Shareholder's aggregate total holding of A Shares which the Sale Shares represent;
- 6.2.3 the name of the third party (if any) to whom he proposes to sell the Sale Shares (the "**Purchaser**"); and
- 6.2.4 the price at which he wishes to transfer the Sale Shares (the "**Transfer Price**").
- 6.3 The Transfer Notice shall constitute the Company the agent of the Selling Shareholder for the sale of the Sale Shares at the Transfer Price.
- 6.4 Following receipt by the Company of a Transfer Notice the Board shall give notice in writing to each of the Founders (other than where a Founder is the Selling Shareholder, in which case

the notice shall be given just to the other Founder, and the remaining provisions of this **article 6** shall be construed accordingly) informing them of the number of Sale Shares that are remaining available to purchase and of the Transfer Price. Such notice shall invite each Founder to state, in writing within 20 Business Days from the date of such notice (which date shall be specified in such notice), whether he is willing to purchase any and, if so, how many of the remaining Sale Shares.

6.5 Sale Shares shall be offered on terms that, in the event of competition, the Sale Shares offered shall be sold to the holders accepting the offer in proportion (as nearly as may be) to their existing holdings of Shares (the "**Proportionate Entitlement**") It shall be open to each such holder to specify if he is willing to purchase Sale Shares in excess of his Proportionate Entitlement ("**Excess Shares**") and, if the holder does so specify, he shall state the number of Excess Shares.

6.6 After the expiry of the offer to be made pursuant to **article 6.4** (or sooner if all the Sale Shares offered shall have been accepted in the manner provided in **article 6.4**), the Board shall, in respect of each offer made to the categories of persons referred to in **article 6.4** allocate the Sale Shares in the following manner

6.6.1 if the total number of Shares applied for is equal to or less than the available number of Sale Shares, the Company shall allocate the number applied for in accordance with the applications, or

6.6.2 if the total number of Shares applied for is more than the available number of Sale Shares, each holder shall be allocated his Proportionate Entitlement (or such lesser number of Sale Shares for which he may have applied), applications for Excess Shares shall be allocated in accordance with such applications or, in the event of competition, (as nearly as may be) to each holder applying for Excess Shares in the proportion which the number Shares held by such holder bears to the total number of Shares held by all such holders applying for Excess Shares PROVIDED THAT such holder shall not be allocated more Excess Shares than he shall have stated himself willing to take,

and in each case the Company shall forthwith give notice of each such allocation (an "**Allocation Notice**") to the Selling Shareholder and each of the persons to whom Sale Shares have been allocated (a "**Member Applicant**") and shall specify in the Allocation Notice the place and time (being not earlier than 5 Business Days and not later than 10 Business Days after the date of the Allocation Notice) at which the sale of the Sale Shares shall be completed

6.7 Upon such allocations being made as aforesaid, the Selling Shareholder shall be bound, on payment of the Transfer Price, to transfer the Sale Shares comprised in the Allocation Notice to the Member Applicants named therein at the time and place therein specified. If he makes default in so doing:

6.7.1 the chairman for the time being of the Company or, failing him, one of the Directors, or some other person duly nominated by a resolution of the Board for that purpose, shall forthwith be deemed to be the duly appointed agent of the Selling Shareholder with full power to execute, complete and deliver in the name and on behalf of the Selling Shareholder all documents necessary to give effect to the transfer of the relevant Sale Shares to the Member Applicants;

6.7.2 the Board and/or any Director may receive and give a good discharge for the purchase money on behalf of the Selling Shareholder and (subject to the transfer being duly

stamped) enter the name of the Member Applicants in the register of members as the holder or holders by transfer of the Sale Shares so purchased by him or them; and

- 6.7.3 the Board shall forthwith pay the purchase money into a separate bank account in the Company's name and shall hold such money on trust (but without interest) for the Selling Shareholder until he shall deliver up his certificate or certificates for the relevant Sale Shares (or an indemnity, in a form reasonably satisfactory to the Board, in respect of any lost certificate) to the Company when he shall immediately be paid the purchase money (but without interest)
- 6.8 The appointment referred to in **article 6.7** shall be irrevocable and is given to secure the performance of the obligations of the relevant holder under these Articles
- 6.9 In the event of all the Sale Shares not being sold under the preceding paragraphs of this **article 6** the Selling Shareholder may at any time within 60 days after receiving confirmation from the Company that the pre-emption provisions contained in these Articles have been exhausted, transfer any Sale Shares (which have not been sold) to any person or persons at any price not less than the Transfer Price.

7. NO TRANSFER OF B SHARES, D SHARES OR E SHARES/TRANSFERS ONLY AS PERMITTED IN THESE ARTICLES

- 7.1 No person shall be entitled to transfer, dispose or effect any other dealing in any B Shares, D Shares or E Shares (or any interest whether legal, equitable or otherwise in such B Shares, D Shares or E Shares or any rights in respect of such B Shares, D Shares or E Shares), nor to create or grant any mortgage, charge, lien or encumbrance in, over, or in respect of any B Shares, D Shares or E Shares (or interest in or rights in such B Shares, D Shares or E Shares as described earlier in this article) other than by way of a Sale or pursuant to **article 8**, unless the Founders agree otherwise in writing.
- 7.2 The Directors shall refuse to register a proposed transfer of a Share other than a transfer made pursuant to or permitted by these Articles, but shall register any transfer made in accordance with these Articles.

8. COMPULSORY TRANSFERS OF SHARES

Bankruptcy of a Shareholder

- 8.1 A person entitled to a Share in consequence of the bankruptcy of a Shareholder shall be bound at any time, if and when required in writing by the Board (or, in the case of the bankruptcy of a Founder, if and when required in writing by the other Founder) to give a notice to the other Shareholders notifying that it is offering such Share(s) for transfer ("**Compulsory Transfer Notice**"). The provisions of **articles 8.4 to 8.10** shall apply *mutatis mutandis* in respect of such transfer save that.
- 8.1.1 "**Compulsory Sellers**" shall be the person entitled to a Share in consequence of the bankruptcy of a Shareholder;
- 8.1.2 "**Leaver's Shares**" shall be the Shares to which such person is entitled as a consequence of the bankruptcy of a Shareholder;
- 8.1.3 "**Offerees**" shall be the Founders; and

- 8.1.4 **"price per share"** shall be the market value of the Shares (as determined in accordance with **article 8.9** but in the case of the bankruptcy of a Founder without deducting an amount equal to the D Threshold Value or the E Threshold Value, as the case may be)

Death of a Shareholder

- 8.2 Upon the death of a Shareholder, he shall be deemed to have given a Compulsory Transfer Notice to the Company immediately prior to the date of his death. The provisions of **articles 8.4 to 8.10** shall apply *mutatis mutandis* in respect of such transfer save that:
- 8.2.1 **"Compulsory Sellers"** shall be the legal personal representative(s) of any deceased Shareholder;
- 8.2.2 **"Leaver's Shares"** shall be the Share(s) registered in the name of such deceased Shareholder,
- 8.2.3 **"Offerees"** shall be the Founders; and
- 8.2.4 **"price per share"** shall be the market value of the Shares (as determined in accordance with **article 8.9**)

Cessation of Employment

- 8.3 When a director or an employee who is a holder of Shares ("**Leaver**") ceases or has, at any time in the 24 months prior to the date of adoption of these Articles ceased, for any reason, to be a director or employee of (i) the Company, or (ii) of any Group Company, where the Leaver is not continuing as a director or employee of any Group Company and:
- 8.3.1 where the Leaver is a Good Leaver then within 18 months after the cessation of directorship or employment the Board shall be entitled to serve a notice on the Leaver requiring the Leaver to offer all of his Shares for transfer and the Leaver shall give a Compulsory Transfer Notice. The provisions of **articles 8.4 to 8.10** shall apply in respect of such transfer save that:
- (a) **"Compulsory Sellers"** shall be the Leaver,
 - (b) **"Leaver's Shares"** shall be the Shares registered in the name of the Leaver;
 - (c) **"Offerees"** shall be:
 - (i) a person or persons intended to take the Leaver's place, and/or
 - (ii) any of the existing employees of any Group Company (other than the Leaver), and/or
 - (iii) other participants or potential participants in, or trustees of an employees' share scheme of any Group Company (other than the Leaver); and/or
 - (iv) any other person or persons approved by the Founder (other than the Leaver); and/or
 - (v) the Company (subject always to the provisions of the Act), and/or
 - (vi) in the case of a Sale, to the purchaser, and
 - (d) **"price per share"** shall be the market value of the Shares (as determined in accordance with **article 8.9**), save that all Unvested Shares held by the Leaver shall be sold for £1.00 for all of such Unvested Shares.
- 8.3.2 where the Leaver is a Bad Leaver or the Leaver is dismissed for gross misconduct, within 24 months after the date of cessation of directorship or employment (whichever is the

later) the Board may resolve to offer all of the Leaver's Shares for transfer and he shall be deemed to have given a Compulsory Transfer Notice to the Company. The Board will not be required to give notice of its decision to the Leaver. The following provisions will apply in place of the provisions of **articles 8.4 to 8.9**:

- (a) the Leaver shall be deemed to offer their Shares to the Offerees free from all liens, charges and encumbrances together with all rights attaching to them on the terms set out in the remaining provisions of **article 8.3.2**;
- (b) the following definitions shall apply to the provisions of **articles 8.3.2 (a) to 8.3.2(g)**.
 - (i) **"Leaver's Shares"** shall be the Shares registered in the name of the Leaver;
 - (ii) **"Offerees"** shall be:
 - (A) a person or persons intended to take the Leaver's place, and/or
 - (B) any of the existing employees of any Group Company (other than the Leaver); and/or
 - (C) other participants or potential participants in, or trustees of an employees' share scheme of any Group Company (other than the Leaver); and/or
 - (D) any other person or persons approved by the Founder (other than the Leaver); and/or
 - (E) the Company (subject always to the provisions of the Act); and/or
 - (F) in the case of a Sale, to the purchaser; and
 - (iii) **"price per share"** shall be:
 - (A) where the Leaver is a Bad Leaver the aggregate Subscription Price paid for the Shares by the Leaver save that all Unvested Shares held by the Leaver shall be sold for £1.00 for all of such Unvested Shares; and
 - (B) where the Leaver is dismissed for gross misconduct, £1.00 for all of the Leaver's Shares (including all Unvested Shares);
- (c) the Company shall notify each Offeree of the number of Leaver's Shares on offer to him and shall specify the price per share;
- (d) each Offeree shall pay to the Company the price for the number of Leaver's Shares offered to him and the Company shall hold the funds received in trust for the Leaver without any obligation to pay interest. The Company's receipt for the price shall be a good discharge to each Offeree;
- (e) the Board shall appoint a director to transfer the Leaver's Shares on the Leaver's behalf to each Offeree to the extent the Offeree has put the Company in funds to pay the price for the Leaver's Shares offered to him;
- (f) the Board shall authorise registration of the transfer after receipt of the stock transfer forms for the Leaver's Shares and once appropriate stamp duty has been paid; and
- (g) the Board shall then notify the Leaver of the sale of the Leaver's Shares and shall pay to him the price for the Leaver's Shares.

Compulsory Transfer Procedure

- 8.4 The Leaver shall or shall be deemed to offer their Shares to the Offerees free from all liens, charges and encumbrances together with all rights attaching to them on the terms set out in the remaining provisions of this **article 8**.
- 8.5 Within 7 days of the Board serving notice on the Compulsory Sellers or a Compulsory Transfer Notice being served (whichever is the earlier):
- 8.5.1 the Company shall notify the Compulsory Sellers of the names and addresses of the Offerees and the number of Leaver's Shares to be offered to each,
- 8.5.2 the Company shall notify each Offeree of the number of Leaver's Shares on offer to him; and
- 8.5.3 the Company's notices shall specify the price per share and state a date, between 7 and 14 days on which the sale and purchase of the Leaver's Shares is to be completed PROVIDED ALWAYS that where the Offeree is the Company such time period shall be extended to such reasonable period as is necessary to permit the Company to comply with the relevant provisions of the Act ("**Leaver Completion Date**")
- 8.6 By the Leaver Completion Date the Compulsory Sellers shall deliver stock transfer forms for the Leaver's Shares, with the relevant share certificates, to the Company. On the Leaver Completion Date the Company shall pay the Compulsory Sellers, on behalf of each of the Offerees, the agreed or certified price for the Leaver's Shares to the extent only that the Offerees have put the Company in the requisite funds. The Company's receipt for the price shall be a good discharge to the Offerees. The Company shall hold the funds received in trust for the Compulsory Sellers without any obligation to pay interest.
- 8.7 To the extent that Offerees have not, by the Leaver Completion Date, put the Company in funds to pay the agreed or certified price, the Compulsory Sellers shall be entitled to the return of the stock transfer forms and share certificates for the relevant Leaver's Shares and the Compulsory Sellers shall have no further rights or obligations under this **article 8** in respect of those Leaver's Shares.
- 8.8 If a Compulsory Seller fails to deliver stock transfer forms for Leaver's Shares to the Company by the Leaver Completion Date, the Directors may (and shall, if requested by the Founders) authorise any Director to transfer the Leaver's Shares on the Compulsory Seller's behalf to each Offeree to the extent the Offeree has, by the Leaver Completion Date, put the Company in funds to pay the agreed or certified price for the Leaver's Shares offered to him. The Directors shall then authorise registration of the transfer once appropriate stamp duty has been paid. The defaulting Compulsory Seller shall surrender his share certificate for the Leaver's Shares to the Company. On surrender, he shall be entitled to the agreed or certified price for the Leaver's Shares.
- 8.9 The market value of a Leaver's Shares (as referred to in this **article 8**) shall be such value as may be agreed between the Compulsory Sellers and the Board, and in the event of a failure to agree within 7 days, the market value of a Leaver's Shares shall be determined by the Expert (acting as expert and not arbitrator) who shall.
- 8.9.1 determine the sum using the same bases, assumptions and methods of calculation as those used to calculate the D Threshold Value and the E Threshold Value (as applicable),

- 8.9.2 deduct from the resultant figure an amount equal to.
- (a) in the case of a D Shareholder, the D Threshold Value, and
 - (b) in the case of an E Shareholder, the E Threshold Value.
- 8.9.3 multiply the resultant figure by the proportion of the total number of Shares in the Company which those Leaver's Shares represent
- No adjustment shall be made to reflect any discount arising in relation to the size of the holding the subject of the transfer, in relation to any restrictions on the transferability of the Shares and/or in relation to respective rights of the holders of any shares (whether under the Subscription Agreement, these Articles or otherwise)
- 8.10 Shares may not be transferred whilst subject to a Compulsory Transfer Notice served pursuant to **articles 8.1, 8.2 or 8.3** or where the Board has resolved to offer all of the Leaver's Shares for transfer pursuant to **article 8.3.2**.
- 8.11 No Sale or Listing (other than of the Company's Shares) shall be completed until the provisions of **articles 8.3.2, 8.4 to 8.9** have been fully complied with.

9. DRAG ALONG TRANSFERS/TAG ALONG TRANSFERS

Drag Along Transfers

- 9.1 Where the Founders (the "**Drag-Along Sellers**") wish to transfer all of the A Shares (or any interest or rights in such A Shares) registered in their names to a Third Party, the transferee in respect of such transfer (the "**Drag-Along Purchaser**") may, by serving a notice (the "**Compulsory Purchase Notice**") on each other Shareholder ("**Minority Shareholder**"), require all the Minority Shareholders to sell all their Shares and beneficial interests and rights in such Shares to the Drag-Along Purchaser (or such other person or persons as the Drag-Along Purchaser shall specify) in accordance with the provisions of this **article 9**
- 9.2 The price per Share for the Shares held by the Minority Shareholders shall equal the price per Share offered by the Drag-Along Purchaser to the Drag-Along Sellers (or to which the Minority Shareholders are entitled under **article 4.1.2**) (provided that any discharge by the Drag-Along Purchaser of any costs of sale shall not for these purposes be treated as part of the price per Share offered by the Drag-Along Purchaser to the Drag-Along Sellers if such discharge has been agreed to by the Drag-Along Sellers). For the purposes of this Article, "costs of sale" means the professional and advisory fees and expenses incurred by the Company, the Drag-Along Sellers or any other person in connection with the sale of the Company.
- 9.3 Within seven days of the Drag-Along Purchaser serving a Compulsory Purchase Notice on the Minority Shareholders, the Minority Shareholders shall deliver stock transfer forms for their Shares, together with the relevant share certificates, to the Company. On the expiration of such seven-day period the Company shall pay the Minority Shareholders, on behalf of the Drag-Along Purchaser, the amounts they are due pursuant to **article 9.7** to the extent only that the Drag-Along Purchaser has put the Company in the requisite funds. The Company's receipt for the price shall be a good discharge to the Drag-Along Purchaser. The Company shall hold the amounts due to the Minority Shareholders pursuant to **article 9.7** in trust for the Minority Shareholders without any obligation to pay interest

- 9.4 To the extent that the Drag-Along Purchaser has not, upon the expiration of such seven day period, put the Company in funds to pay the price calculated in accordance with **article 9.2**, the Minority Shareholders shall be entitled to the return of the stock transfer forms and share certificates for the relevant Shares and the Minority Shareholders shall have no further rights or obligations under this **article 9.1** in respect of their Shares
- 9.5 If a Minority Shareholder fails to deliver stock transfer forms for their Shares to the Company upon the expiration of such seven day period, the Directors shall, if requested by the Drag-Along Purchaser, be considered to be (and hereby are) authorised by such Minority Shareholder to transfer such Minority Shareholder's Shares on such Minority Shareholder's behalf to the Drag-Along Purchaser (or its nominee(s)) to the extent that the Drag-Along Purchaser has, upon the expiration of such seven day period, put the Company in funds to pay the price for such Minority Shareholder's Shares offered to him. The Board shall then authorise registration of the transfer once appropriate stamp duty has been paid. The defaulting Minority Shareholder shall surrender his share certificate for his Shares to the Company. On surrender, he shall be entitled to the amount due to him pursuant to **article 9.7**.
- 9.6 While the provisions of **article 9.1** apply to a Minority Shareholder's Shares, those Shares may not be transferred otherwise than under **article 9.1**
- 9.7 The proceeds of a Sale arising pursuant to the terms of **articles 9.1 to 9.5** shall be distributed in the manner and order of priority set out in **article 4.1.2**.

Tag Along Transfers

- 9.8 If the effect of any transfer of A Shares (or of any interest or rights in A Shares) by any holder or holders of Shares (a "**Selling Shareholder**") would, if completed, be to enable any Third Party (a "**Proposed Transferee**") to obtain such number of A Shares (or of any interest or rights in Shares) which in aggregate confer more than 50 per cent of the total number of Shares in the Company (the "**Relevant Proportion**"), the Selling Shareholder shall, prior to making any such transfer (the "**Proposed Transfer**"), procure the making by the Proposed Transferee of an offer to all of the other holders of Shares (other than any person or persons connected with each other or acting in concert with each other who shall as a consequence of the Proposed Transfer obtain the Relevant Percentage) on terms that they shall each be entitled to (a) sell the Relevant Proportion of their Shares (other than Unvested Shares), and in the case of any A Shares provided that any Consideration due to any Founder from the relevant A Shareholder has been paid in full; and (b) receive for their Shares (other than Unvested Shares), and in the case of any A Shares provided that any Consideration due to any Founder from the relevant A Shareholder has been paid in full; a consideration equal to the highest price per A Share payable by the relevant third party for any of the shares to be transferred by the Selling Shareholder (which price shall be deemed to include any consideration (whether in cash or otherwise) paid or payable by the relevant third party (or any connected person) which, having regard to the substance of the transaction as a whole, would reasonably be regarded as an addition to the price so paid or payable). The proceeds of a Sale arising pursuant to the terms of this **article 9.8** shall be distributed in the manner and order of priority set out in **article 4.1.2**. The value of any non-cash consideration or cash consideration payable on deferred terms shall be determined by the Expert who shall, if so requested, certify that value as at the date of completion of the sale of the relevant shares and such determination by the Expert shall, in the absence of manifest error, be conclusive and binding for all purposes relating to the transfer of the Selling Shareholder's shares.

10. ISSUE OF SHARES

- 10.1 Subject to the provisions of the Companies Act and these Articles (including, without limitation, **article 2.2** and this **article 10**), the Directors are generally and unconditionally authorised for a period of 5 years from the date of adoption of these Articles to allot, grant rights, options or warrants to subscribe or otherwise dispose of the Shares of the classes and up to the number referred to in **article 2.2** to such persons, at such times, and on such terms as they think proper.
- 10.2 Where the Directors propose to issue any Shares, the Founders shall be entitled to require all or any portion of such Shares, first to be offered to the Founders and the remaining Shareholders in proportion as nearly as may be to the number of existing Shares held by them respectively (*pari passu* as if the A Shares, B Shares, D Shares and E Shares were all the same class) and at the same price at which the Shares on offer are proposed to be issued PROVIDED THAT:
- 10.2.1 if any B Shareholder acquires any new Shares pursuant to this **article 10** at a time when such B Shareholder holds any Unvested Shares, the number of new Shares equal to the percentage which that B Shareholder's Unvested Shares bears to the total number of existing B Shares held by such B Shareholder shall be deemed to be Unvested Shares for all of the purposes of these Articles;
- 10.2.2 if any D Shareholder acquires any new Shares pursuant to this **article 10** at a time when such D Shareholder holds any Unvested Shares, the number of new Shares equal to the percentage which that D Shareholder's Unvested Shares bears to the total number of existing D Shares held by such D Shareholder shall be deemed to be Unvested Shares for all of the purposes of these Articles;
- 10.2.3 if any E Shareholder acquires any new Shares pursuant to this **article 10** at a time when such E Shareholder holds any Unvested Shares, the number of new Shares equal to the percentage which that E Shareholder's Unvested Shares bears to the total number of existing E Shares held by such E Shareholder shall be deemed to be Unvested Shares for all of the purposes of these Articles.
- The offer shall be made by notice specifying the number of Shares offered and the price, and limiting a period (not being less than fourteen days) within which the offer, if not accepted in writing, will be deemed to be declined
- 10.3 Any shares not accepted pursuant to **article 10.2** or not capable of being offered except by way of fractions shall for a period of two months thereafter be under the control of the Directors, who may allot, grant options over or otherwise dispose of the same to such persons, on such terms, and in such manner as they think fit, provided that, in the case of shares not accepted, such Shares shall only be allotted or otherwise disposed of on terms which are no more favourable in any respect to the subscribers therefor than the terms on which they were offered to the holders of the Shares and the Directors may not allot, grant options over or otherwise dispose of the Shares after such period of two months without re-offering such Shares in accordance with this **article 10**
- 10.4 Regulation 4 of Table A and, in accordance with section 570 of the Act, section 561 of the Act shall not apply to the Company.

11. NOTICE OF GENERAL MEETINGS

- 11.1 The Directors may call General Meetings.
- 11.2 General Meeting shall be called by at least 15 Business Days' notice or shorter notice if it is so agreed:
 - 11.2.1 in the case of an Annual General Meeting, by all the Shareholders entitled to attend and vote at such meeting; or
 - 11.2.2 in the case of any other meeting by a majority in number of the Shareholders having a right to attend and vote being a majority together holding not less than 95 per cent. in nominal value of the Shares giving that right
- 11.3 The notice shall specify the time and place of the meeting and the general nature of the business to be transacted and, in the case of an Annual General Meeting, shall specify the meeting as such.
- 11.4 Subject to the provisions of these Articles and to any restrictions imposed on any Shares, the notice shall be given to all Shareholders, to all persons entitled to a Share in consequence of the death or bankruptcy of a Shareholder and to the Directors and Auditors for the time being of the Company
- 11.5 The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate the proceedings at that meeting

12. PROCEEDINGS AT GENERAL MEETINGS

- 12.1 No business shall be transacted at any general meeting unless a quorum is present. The quorum for general meetings shall be two persons entitled to vote upon the business to be transacted, each being a Shareholder or a proxy for a Shareholder or a duly authorised representative of a Shareholder being a corporation. If a notice of a meeting of Shareholders has been given and a quorum is not present within half an hour after the time and place of the meeting, such meeting shall be adjourned for the same day in the next week at the same time and in the same place or as near to the same time and in the same place as is practicable and if at the adjourned meeting a quorum is not present within half an hour of the time set for such meeting or ceases to be present the meeting shall be deemed to be quorate
- 12.2 The Chairman, if any, of the Board of Directors shall preside as Chairman of the Meeting, but if neither the Chairman nor such other Director (if any) be present within 30 minutes after the time appointed for holding the meeting and willing to act, the Directors present shall elect one of their number to be Chairman and, if there is only one Director present and willing to act, he shall be Chairman. If no Director is willing to act as Chairman, or if no Director is present within 30 minutes after the time appointed for holding the meeting, the Shareholders present and entitled to vote shall choose one of their number to be Chairman
- 12.3 A Director shall, notwithstanding that he is not a Shareholder, be entitled to attend and speak at any General Meeting and at any separate meeting of the holders of any class of Shares in the Company.

12.4 The Chairman may, with the consent of a meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place but no business shall be transacted at any adjourned meeting other than business which might properly have been transacted at the meeting had the adjournment not taken place. When a meeting is adjourned for 14 days or more, at least 7 clear days' notice shall be given specifying the time and the place of the adjourned meeting and the general nature of the business to be transacted. Otherwise it shall not be necessary to give any such notice.

12.5 A resolution put to the vote of a meeting shall be decided on a show of hands unless before, or on declaration of the result of, the show of hands a poll is duly demanded.

Subject to the provisions of the Companies Act, a poll may be demanded:

12.5.1 by the Chairman; or

12.5.2 by a Shareholder or Shareholders representing not less than one tenth of the total voting rights of all the Shareholders having the right to vote at the meeting; or

12.5.3 by a Shareholder or Shareholders holding Shares conferring the right to vote at the meeting being Shares on which an aggregate sum has been paid up equal to not less than one tenth of the total sum paid up on all the Shares conferring that right;

and a demand by a person as proxy for a Shareholder shall be the same as a demand by the Shareholder.

12.6 Unless a poll is duly demanded a declaration by the Chairman that a resolution has been carried or carried unanimously, or by a particular majority, or lost, or not carried by a particular majority shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.

12.7 The demand for a poll may, before the poll is taken, be withdrawn but only with the consent of the Chairman and a demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made.

12.8 A poll shall be taken as the Chairman directs and he may appoint scrutineers (who need not be Shareholders) and fix a time and place for declaring the result of the poll. The result of the poll (unless it was held at an adjourned meeting) shall be deemed to be the resolution of the meeting at which the poll was demanded.

12.9 In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman shall not be entitled to a casting vote in addition to any other vote he may have.

12.10 A poll demanded on the election of a Chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken either forthwith or at such time and place as the Chairman directs not being more than 10 days after the poll is demanded. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than a question on which the poll was demanded. If a poll is demanded before the declaration of the result of a show of hands and the demand is duly withdrawn with the consent of the Chairman, the meeting shall continue as if the demand had not been made. No notice need be given of a poll not taken forthwith if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case at least 7 clear days' notice shall be given specifying the time and place at which the poll is to be taken.

13. MEMBERS' RESOLUTION IN WRITING

In addition to the provisions of sections 288-300 of the Act, a resolution in writing signed by or on behalf of all the members of the Company who would have been entitled to vote on it if it had been proposed at a general meeting at which he was present.

- 13.1 is as valid and effective as a resolution passed at a general meeting of the Company duly convened and held; and
- 13.2 may consist of several documents in the same form each signed by or on behalf of one or more of the members and execution in the case of a corporation which is a member shall be sufficient if made by an officer of such corporation or other person authorised so to execute.

14. VOTING AT GENERAL MEETINGS

- 14.1 No Shareholder shall be entitled to vote at any General Meeting or at any separate meeting of the holders of any class unless all calls or other sums presently payable by him in respect of Shares of the Company have been paid.
- 14.2 On a poll votes may be given either personally or by proxy.
- 14.3 An instrument appointing a proxy shall be in writing executed by or on behalf of the appointor (if a corporation, under the hand of a duly authorised officer of the corporation) and shall be in such form as the Directors may determine or, failing such determination, in any usual form.
- 14.4 *The instrument appointing a proxy and any authority under which it is executed or a copy of such authority certified notarially or in some other way approved by the Directors may:*
 - 14.4.1 be deposited at the registered office, or at such other place within the United Kingdom as is specified in the notice convening the meeting or in any instrument of proxy sent out by the Company in relation to the meeting, at least 2 business days before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote; or
 - 14.4.2 in the case of a poll taken more than 2 business days after it is demanded, be deposited as aforesaid after the poll has been demanded and not less than one business day before the time appointed for the taking of the poll; or
 - 14.4.3 where the poll is not taken forthwith but is taken not more than 48 hours after it was demanded, be delivered at the meeting at which the poll was demanded to the Chairman or to the Secretary or to any Director;and an instrument of proxy which is not deposited or delivered in the manner so permitted shall be invalid.
- 14.5 In the case of joint holders the vote of the senior who tenders a vote whether in person or by proxy shall be accepted to the exclusion of the votes of the other joint holders; and seniority shall be determined by the order in which the names of the holders stand in the Register of Shareholders

15. NUMBER OF DIRECTORS

- 15.1 The number of Directors shall not be less than two. There shall be no maximum number of Directors unless otherwise determined by ordinary resolution.
- 15.2 No Director shall be required to vacate his office as a Director nor shall any person be ineligible for appointment as a Director by reason of his having attained any particular age.
- 15.3 The Directors shall not be liable to retire by rotation.

16. DIRECTORS' APPOINTMENTS

The remuneration of a Managing Director or any Director who may be appointed to any other office in the management, administration or conduct of the business of the Company shall from time to time (subject to the provisions of any agreement between him and the Company) be fixed by the Directors, and may be by way of fixed salary, or commission on the dividends, profits, sales or turnover of the Company, or of any other company in which the Company is interested, or other participation in any such profits, or by way of or provision for a pension or pensions for himself or his dependants, or by all or any of these modes, and (subject as aforesaid) the remuneration so fixed shall be additional to any ordinary remuneration to which he may be entitled as a Director of the Company.

17. ALTERNATE DIRECTORS

- 17.1 Each Director shall have power by written notice to nominate either another Director or any other person willing to act as his alternate Director, and at his discretion to remove such alternate Director by notice in writing to the Company. An alternate Director shall have the same entitlement as his appointor to receive notices of meetings of the Directors and to attend, vote and be counted for the purpose of a quorum at any meeting at which his appointor is not personally present, and generally in the absence of his appointor at such meeting to exercise and discharge all the functions, powers and duties of his appointor.
- 17.2 Save as otherwise provided in these Articles an alternate Director shall during his appointment be deemed to be a Director for the purposes of these Articles, shall not be deemed to be an agent of his appointor, shall alone be responsible to the Company for his own acts or defaults and shall be entitled to be indemnified by the Company to the same extent as if he were a Director.
- 17.3 An alternate Director shall not in respect of his office of alternate Director be entitled to receive any remuneration from the Company nor to appoint another person as his alternate. The appointment of an alternate Director shall *ipso facto* determine if his appointor ceases for any reason to be a Director or on the happening of an event which, if he were a Director, would cause him to vacate the office of Director, or if by written notice to the Company he shall resign such appointment.

18. POWERS OF DIRECTORS

- 18.1 Subject to the provisions of the Companies Act, the Memorandum and these Articles and to any directions given by special resolution, the business of the Company shall be managed by

the Directors who may exercise all the powers of the Company. No alteration of the Memorandum or Articles and no such direction shall invalidate any prior act of the Directors which would have been valid if that alteration had not been made or that direction had not been given

18.2 The Directors may, by power of attorney or otherwise, appoint any person to be the agent of the Company for such purposes and on such conditions as they determine, including authority for the agent to delegate all or any of his powers.

18.3 The Directors may establish and maintain, or procure the establishment and maintenance of, any pension or superannuation funds (whether contributory or otherwise) for the benefit of, and give or procure the giving of donations, gratuities, pensions, allowances and emoluments to, any persons (including Directors and other officers) who are or were at any time in the employment or service of the Company, or of any company which is or was a subsidiary of the Company or allied to or associated with the Company or any such subsidiary, or of any of the predecessors in business of the Company or of any such other company as aforesaid, and the spouses, widows, widowers, families and dependants of any such persons, and make payments to, for or towards the insurance of or provide benefits otherwise for any such persons as aforesaid

19. DELEGATION OF DIRECTORS' POWERS

The Directors may delegate any of their powers to any committee consisting of two or more Directors. They may also delegate to any Managing Director, or any Director holding any other executive office such of their powers as they consider desirable to be exercised by him. Any such delegation may be made subject to any conditions the Directors may impose and may be revoked or altered. Subject to any such conditions, the proceedings of a committee with three or more members shall be governed by the Articles regulating the proceedings of Directors so far as they are capable of applying.

20. DISQUALIFICATION AND REMOVAL OF DIRECTORS

20.1 The office of a Director shall be vacated in any of the following events namely:

20.1.1 if he resigns his office by notice in writing to the Company,

20.1.2 if he becomes bankrupt or makes any arrangement or composition with his creditors generally,

20.1.3 if he is, or may be, suffering from mental disorder and either

(a) he is admitted to hospital in pursuance of an application for admission for treatment under the Mental Health Act 1983 or, in Scotland, an application for admission under the Mental Health (Scotland) Act 1960, or

(b) an order is made by a Court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder for his detention or for the appointment of a receiver, curator bonis or other person to exercise powers with respect to his property or affairs, or

20.1.4 if he becomes prohibited by law from being a Director

21. DIRECTORS' INTERESTS AND CONFLICTS

- 21.1 The Directors may (subject to such terms and conditions, if any, as they may think fit to impose from time to time, and subject always to their right to vary or terminate such authorisation) authorise, to the fullest extent permitted by law, any matter which would otherwise result in a Director infringing his duty to avoid a situation in which he has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company and which may reasonably be regarded as likely to give rise to a conflict of interest (including a conflict of interest and duty or conflict of duties), provided that the authorisation is only effective if:
- 21.1.1 any requirement as to the quorum at the meeting at which the matter is considered is met without counting the director in question or any other interested director; and
 - 21.1.2 the matter was agreed to without their voting or would have been agreed to if their votes had not been counted.
- 21.2 If a matter has been authorised by the Directors in accordance with **article 21.1** (an **"Approved Matter"**) then (subject to such terms and conditions, if any, as the Directors may think fit to impose from time to time, and subject always to their right to vary or terminate such authorisation or the provisions set out below), the relevant Director:
- 21.2.1 shall not be required to disclose any confidential information relating to the Approved Matter if to make such a disclosure would result in a breach of a duty or obligation of confidence owed by him in relation to or in connection with that Approved Matter;
 - 21.2.2 may be required by the Company to maintain in the strictest confidence any confidential information relating to the Approved Matter which also relates to the Company;
 - 21.2.3 may be required by the Company not to attend any part of a meeting of the Directors at which anything which may be relevant to the Approved Matter is to be discussed;
 - 21.2.4 may absent himself from discussions, whether in meetings of the Directors or otherwise, and exclude himself from information, which may be relevant to the Approved Matter,
 - 21.2.5 shall not, by reason of his office as a Director of the Company, be accountable to the Company for any benefit which he derives from the Approved Matter
- 21.3 A Director may, notwithstanding his office or the existence of an actual or potential conflict between the interests of the Company and those of a Group Company (or such other undertaking as all of the A Shareholders shall approve in writing) which would be caught by section 175(1) of the Act, be a director or other officer of, or employed by or otherwise interested in, whether directly or indirectly, any other Group Company (or such other undertaking as all of the A Shareholders shall approve in writing) (a **"Group Company Interest"**) and the Director in question.
- 21.3.1 shall be entitled to be counted in the quorum and to attend any meeting or part of a meeting of the Directors or a committee of the board of Directors at which any matter which is or may be relevant to the Group Company Interest may be discussed, and to vote on any resolution of the Directors or a committee of the board of Directors relating to such matter or to sign any written resolution pursuant to **article 22.9** relating to such matter, and any board or committee papers relating to such matter shall be provided to the Director in question at the same time as the other Directors;

- 21.3.2 shall not be obliged to account to the Company for any benefit which he derives from a Group Company Interest;
- 21.3 3 shall not be obliged to disclose to the Company or use for the benefit of the Company, any confidential information received by him by virtue of his Group Company Interest and otherwise than by virtue of his position as a Director, if to do so would result in a breach of a duty or obligation of confidence owed by him to any other Group Company or third party.
- 21 4 The provisions of **articles 21.1 to 21.3** (inclusive) shall not apply to a conflict of interest which arises in relation to an existing or proposed transaction or arrangement with the Company but the following provisions of this **article 21.1** and **article 21.5** shall apply. Any Director may be interested in an existing or proposed transaction or arrangement with the Company provided that he complies with the Act and (if applicable) regulations 85 and 86 of Table A.
- 21.5 Without prejudice to the obligation of each Director to declare an interest in accordance with sections 177 and 182 of the Act, a Director may vote at a meeting of the board of Directors or of a committee of the board of directors on any resolution concerning a matter in which he has an interest, whether direct or indirect, which relates to a transaction or arrangement with the Company, or in relation to which he has a duty. Having so declared any such interest or duty 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.

22. PROCEEDINGS OF DIRECTORS

- 22.1 Subject to the provisions of these Articles, the Directors may regulate their proceedings as they think fit. A Director may, and the Secretary at the request of a Director shall, call a meeting of the Directors. Questions arising at a meeting shall be decided by a majority of votes. In the case of an equality of votes, the Chairman shall not have a second or casting vote. A Director who is also an alternate Director shall be entitled in the absence of his appointor to a separate vote on behalf of his appointor in addition to his own vote
- 22 2 Subject to **article 22.3**, notice of every meeting of the Directors shall be given to every Director and to his alternate (if any) and the non-receipt of notice by any Director or alternate Director shall invalidate the proceedings of the Directors. Unless all the Directors indicate their willingness to accept shorter notice of a meeting of Directors at least 10 Business Days' notice save in the case of emergency shall be given of the time place and purpose of the meeting. Every notice of a meeting of the Directors required to be given under these Articles shall be in writing and may be served personally or sent by prepaid letter post or facsimile to the address for the time being supplied for the purpose to the Secretary and shall be accompanied by an agenda specifying the business to be transacted. In the case of an emergency a notice period of less than 10 Business Days is permitted on the basis that before such emergency meeting is held a telephonic conference call shall be attempted with any Director not present at such meeting and in respect of whom no apology for non-attendance at such meeting has been received. Not fewer than 10 fixed meetings of the Board shall take place in each financial year of the Company on such dates as the Board shall agree prior to the start of each financial year of the Company
- 22 3 Any Director resident outside or for the time being absent from the United Kingdom shall be entitled to be given reasonable notice of meetings of the Directors to such address if any (whether inside or outside the United Kingdom) as the Director may from time to time notify to

the Company. Every notice of meeting referred to in **article 22.2** shall be sent to the Director resident outside the United Kingdom by pre paid letter by post or facsimile to the address or number for the time being supplied for the purpose to the Company.

- 22.4 The quorum necessary for the transaction of the business of the Directors shall be two persons present in person or represented by an alternate. An alternate Director who is not himself a Director may, if his appointor is not present, be counted towards the quorum
- 22.5 If a notice of meeting has been given and a quorum is not present within 30 minutes following the time of the meeting, such meeting shall be adjourned for the same day in the next week at the same time and in the same place or as near to the same time and in the same place as is practicable. If within 30 minutes following the time at which such meeting has been reconvened, a quorum is not present, the Directors present at the expiry of such 30-minute period shall constitute a valid quorum of the Board on that occasion
- 22.6 The continuing Directors or a sole continuing Director may act notwithstanding any vacancies in their number, but, if the number of Directors is less than the number fixed as the quorum, they or he may act only for the purpose of calling a general meeting.
- 22.7 All or any of the members of the Board or any committee of the Board may participate in a meeting of the Board or that committee by means of a telephonic conference or any communication equipment which allows all persons participating in the meeting to hear each other. A person so participating shall be deemed to be present in person at the meeting and shall be entitled to vote or be counted in a quorum accordingly. Such a meeting shall be deemed to take place where the largest group of those participating is assembled, or, if there is not such group, where the chairman of the meeting then is.
- 22.8 All acts done by a meeting of Directors, or of a committee of Directors, or by a person acting as a Director shall, notwithstanding that it be afterwards discovered that there was a defect in the appointment of any Director or that any of them were disqualified from holding office, or had vacated office, or were not entitled to vote, be as valid as if every such person had been duly appointed and was qualified and had continued to be a Director and had been entitled to vote.
- 22.9 A resolution in writing signed or approved by letter, fax or e-mail by all the Directors entitled to receive notice of a meeting of Directors or of a committee of Directors shall be as valid and effectual as if it had been passed at a meeting of Directors or (as the case may be) a committee of Directors duly convened and held and may consist of several documents in the same terms each signed by one or more Directors; but a resolution signed by an alternate Director need not also be signed by his appointor and, if it is signed by a Director who has appointed an alternate Director, it need not be signed by the alternate Director in that capacity.

23. DIVIDENDS

The following sentence shall be added to the end of Regulation 104 of Table A:

"The person entitled to any dividend shall be the holder (as defined in Table A) of the Share upon such date as may be determined by the resolution declaring the dividend (or in the case of any interim dividend, determined by the Directors) in respect of that Share "

24. NOTICES

- 24.1 A notice may be given by the Company to any Shareholder either personally or by sending it by pre-paid post or fax to his registered address or to any other address supplied by him to the Company for the giving of notice to him, but in the absence of such address the Shareholder shall not be entitled to receive from the Company notice of any meeting. A properly addressed and pre-paid notice sent by post shall be deemed to have been given, in the case of a meeting, upon the day following that on which the notice is posted and, in the case of notice of any other matter, at the time at which the notice would be delivered in the ordinary course of post. A Shareholder giving to the Company an address outside the United Kingdom shall be entitled to receive all notices by air mail (at the Company's option) or facsimile. A properly addressed and pre-paid notice by airmail shall be deemed to have been given at the expiry of 4 days from the date of posting.
- 24.2 A notice given by facsimile shall be deemed to have been given at the same time as it is transmitted.
- 24.3 In the case of joint holders of a Share, all notices shall be given to the joint holder whose name stands first in the Register of Shareholders in respect of the joint holding, and notice so given shall be sufficient notice to all the joint holders.
- 24.4 Except as otherwise provided herein, all notices to be given pursuant to these Articles shall be in writing.

25. ACCOUNTS

Every Shareholder shall have the right to inspect any accounting records or other books or documents of the Company

26. CAPITALISATION

In Regulation 110 of Table A the words "ordinary resolution" shall be replaced by the words "special resolution"

27. INDEMNITY

In addition to the indemnity contained in Regulation 118 of Table A and subject to and so far as may be permitted by the Companies Act every Director, agent, Auditor, Secretary and other officer of the Company shall be entitled to be indemnified out of the assets of the Company against all losses or liabilities incurred by him in the execution and discharge of the duties of his office.

28. PROVISION FOR EMPLOYEES ON CESSATION OF BUSINESS

The Directors may decide to make provision for the benefit of persons employed or formerly employed by the Company or any of its subsidiaries (other than a Director or former Director or shadow director) in connection with the cessation or transfer to any person of the whole or part of the undertaking of the Company or that subsidiary.