

# File Copy



## CERTIFICATE OF INCORPORATION OF A PRIVATE LIMITED COMPANY

Company No. 8447142

The Registrar of Companies for England and Wales, hereby certifies that

BRILLIANT BEGINNINGS LIMITED

is this day incorporated under the Companies Act 2006 as a private company, that the company is limited by shares, and the situation of its registered office is in England and Wales

Given at Companies House, Cardiff, on 15th March 2013



\*N08447142H\*



THE OFFICIAL SEAL OF THE  
REGISTRAR OF COMPANIES



*Companies House*  
— for the record —

The above information was communicated by electronic means and authenticated by the Registrar of Companies under Section 1115 of the Companies Act 2006



**Companies House**  
— for the record —

# IN01(ef)

## Application to register a company

*Received for filing in Electronic Format on the: 15/03/2013*



X247UJTC

*Company Name  
in full:*

**BRILLIANT BEGINNINGS LIMITED**

*Company Type:*

**Private limited by shares**

*Situation of Registered  
Office:*

**England and Wales**

*Proposed Register  
Office Address:*

**19 GLASSHOUSE STUDIOS, FRYERN COURT ROAD  
BURGATE  
FORDINGBRIDGE  
HAMPSHIRE  
UNITED KINGDOM  
SP6 1QX**

*I wish to adopt entirely bespoke articles*

*Company Director*    **1**

*Type:*                            **Person**

*Full forename(s):*            **NATALIE CATHERINE**

*Surname:*                      **GAMBLE**

*Former names:*

*Service Address:*            **19 GLASSHOUSE STUDIOS, FRYERN COURT ROAD  
BURGATE  
FORDINGBRIDGE  
HAMPSHIRE  
UNITED KINGDOM  
SP6 1QX**

*Country/State Usually Resident:*    **UNITED KINGDOM**

*Date of Birth:*    **26/04/1977**                            *Nationality:*    **BRITISH**

*Occupation:*    **SOLICITOR**

*Consented to Act:*    **Y**                      *Date authorised:*    **15/03/2013**                      *Authenticated:*    **YES**

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*Company Director* 2

*Type:* **Person**

*Full forename(s):* **MS HELEN MELANIE**

*Surname:* **PROSSER**

*Former names:*

*Service Address:* **19 GLASSHOUSE STUDIOS, FRYERN COURT ROAD  
BURGATE  
FORDINGBRIDGE  
HAMPSHIRE  
UNITED KINGDOM  
SP6 1QX**

*Country/State Usually Resident:* **UNITED KINGDOM**

*Date of Birth:* **22/08/1963**

*Nationality:* **BRITISH**

*Occupation:* **DIRECTOR**

*Consented to Act:* **Y**

*Date authorised:* **15/03/2013**

*Authenticated:* **YES**

## Statement of Capital (Share Capital)

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<b>Class of shares</b>	<b>ORDINARY</b>	<i>Number allotted</i>	<b>2</b>
		<i>Aggregate nominal value</i>	<b>2</b>
<i>Currency</i>	<b>GBP</b>	<i>Amount paid per share</i>	<b>1</b>
		<i>Amount unpaid per share</i>	<b>0</b>

### *Prescribed particulars*

THE SHARES HAVE ATTACHED TO THEM FULL VOTING, DIVIDEND AND CAPITAL DISTRIBUTION (INCLUDING ON WINDING UP) RIGHTS; THEY DO NOT CONFER ANY RIGHTS OF REDEMPTION.

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## Statement of Capital (Totals)

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<i>Currency</i>	<b>GBP</b>	<i>Total number of shares</i>	<b>2</b>
		<i>Total aggregate nominal value</i>	<b>2</b>

## Initial Shareholdings

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*Name:* NATALIE CATHERINE GAMBLE

<i>Address:</i>	19 GLASSHOUSE STUDIOS, FRYERN	<i>Class of share:</i>	ORDINARY
	COURT ROAD		
	BURGATE		
	FORDINGBRIDGE	<i>Number of shares:</i>	1
	HAMPSHIRE	<i>Currency:</i>	GBP
	UNITED KINGDOM	<i>Nominal value of each share:</i>	1
	SP6 1QX	<i>Amount unpaid:</i>	0
		<i>Amount paid:</i>	1

*Name:* HELEN MELANIE PROSSER

<i>Address:</i>	19 GLASSHOUSE STUDIOS, FRYERN	<i>Class of share:</i>	ORDINARY
	COURT ROAD		
	BURGATE		
	FORDINGBRIDGE	<i>Number of shares:</i>	1
	HAMPSHIRE	<i>Currency:</i>	GBP
	UNITED KINGDOM	<i>Nominal value of each share:</i>	1
	SP6 1QX	<i>Amount unpaid:</i>	0
		<i>Amount paid:</i>	1

## Statement of Compliance

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*I confirm the requirements of the Companies Act 2006 as to registration have been complied with.*

*Name:* NATALIE CATHERINE GAMBLE

*Authenticated:* YES

*Name:* HELEN MELANIE PROSSER

*Authenticated:* YES

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## *Authorisation*

*Authoriser Designation:* subscriber

*Authenticated:* Yes

**COMPANY HAVING A SHARE CAPITAL**

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**MEMORANDUM OF ASSOCIATION OF**

**Brilliant Beginnings Limited**

Each subscriber to this memorandum of association wishes to form a company under the Companies Act 2006 and agrees to become a member of the company and to take at least one share each.

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Name of each subscriber

Authentication by each subscriber

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Natalie Catherine Gamble

Helen Melanie Prosser

Dated 15 March 2013



**THE COMPANIES ACT 2006**  
**PRIVATE COMPANY LIMITED BY SHARES**  
**ARTICLES OF ASSOCIATION OF BRILLIANT BEGINNINGS LIMITED (THE “COMPANY”)**

**1 INTERPRETATION**

1.1 In these Articles, unless the context otherwise requires, the following definitions apply:

<b>“Act”</b>	the Companies Act 2006;
<b>“Articles”</b>	the Company's articles of association for the time being in force;
<b>“business days”</b>	any day (other than a Saturday, Sunday or a bank or public holiday in the United Kingdom) on which clearing banks in the city of London are generally open for business;
<b>“Civil Partner”</b>	in relation to an individual member, a civil partner as defined in the Civil Partnerships Act 2004;
<b>“Conflict Situation”</b>	any situation or matter in which any director has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company;
<b>“eligible director”</b>	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>“Equity Securities”</b>	shall have the meaning given in section 560(1) of the Act;
<b>“Family Trust”</b>	a trust which permits the settled property or the income from it to be applied only for the benefit of an individual member (the <b>“Settlor”</b> ) and/or any Privileged Relation of that Settlor and under which no power or control is capable of being exercised over the votes of any shares which are the subject of the trust, by any person other than the trustees or the Settlor or any Privileged Relations of the Settlor;
<b>“Group Company”</b>	the Company, a subsidiary or holding company from time to time of the Company and any subsidiary from time to time of any such holding company;
<b>“Group Conflict Situation”</b>	in respect of each director, all or any of the following situations existing at any time while such person is a director:  (a) being employed or otherwise engaged by any Group Company;  (b) holding office, including (but not limited to) office as director, of any Group Company;  (c) being a member of any pension scheme operated from time to time by any Group Company;  (d) being a member of any Group Company;

(e) participating in any share option, bonus or other incentive schemes operated from time to time by any Group Company;

(f) participating in any benefit provided by an employee benefit trust of which the director is a beneficiary.

<b>“Model Articles”</b>	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 on which these Articles become binding on the Company;
<b>“Objects”</b>	the objects of the Company as set out in Article 3;
<b>“Privileged Relation”</b>	Civil Partner, spouse, widow or widower of the member and the member's children and grandchildren (including legitimate, illegitimate, step and adopted children and their issue);
<b>“Qualifying Person”</b>	shall have the meaning given in section 318 of the Act; and
<b>“Shares”</b>	shares in the capital of the Company.

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 In these Articles, reference to a “subsidiary” or “holding company” is to be construed in accordance with section 1159 of the Act.

1.4 Headings in the Articles are used for convenience only and shall not affect the construction or interpretation of these Articles.

1.5 A reference in these Articles to an “Article” is a reference to the relevant article of these Articles unless expressly provided otherwise.

1.6 Unless expressly provided otherwise, a reference to a statute, statutory provision or subordinate legislation is a reference to it as it is in force from time to time, taking account of:

1.6.1 any subordinate legislation from time to time made under it; and

1.6.2 any amendment or re-enactment and includes any statute, statutory provision or subordinate legislation which it amends or re-enacts.

1.7 Any phrase introduced by the terms “including”, “include”, “in particular” or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.

## **2 MODEL ARTICLES**

2.1 The Model Articles shall apply to the Company, except in so far as they are modified or excluded by these Articles. If any provisions of these Articles conflict with any provisions of the Model Articles, these Articles shall prevail.

## **3 OBJECTS**

3.1 The objects of the Company are:

- 3.1.1 to provide products, services, information and support to UK individuals creating families through alternative forms of conception and family creation, including surrogacy and egg donation;
- 3.1.2 to provide products, services, information and support to families which have been created through alternative forms of conception and family creation, including surrogacy and donation, and in alternative structures;
- 3.1.3 to educate and raise awareness about alternative families and alternative forms of conception and family creation, including surrogacy and egg donation; and
- 3.1.4 to influence UK and international policy, law, and public attitudes to benefit the individuals involved in alternative family creation, including parents, children, surrogates and donors.

#### **4 NON PROFIT MAKING ORGANISATION**

- 4.1 The Company is a non profit making organisation and its income and property shall be applied solely towards the promotion of its Objects.
- 4.2 No dividends, bonus, profit, drawings or other benefits shall accrue or be paid, and no capital shall be returned (save as set out in Article 27.3) to the members. For the avoidance of doubt, the Company's directors may not receive any profit from the Company (in any form) but may, in each case in good faith, be:
  - 4.2.1 Remunerated by the Company at a reasonable and proper rate for services actually rendered to the Company in accordance with Article 15;
  - 4.2.2 reimbursed by the Company for expenses actually and reasonably incurred in accordance with Article 16;
  - 4.2.3 paid interest by the Company at a rate not exceeding a fair commercial rate on any money they lend to the Company; and/or
  - 4.2.4 paid rent by the Company at a rate not exceeding a fair market rent for premises let to the Company for the Company's use in furthering its Objects.
- 4.3 Paragraphs 30 to 36 (inclusive) of the Model Articles shall not apply to the Company.

#### **5 SURROGACY AND EMBRYOLOGY LAW RESTRICTIONS**

- 5.1 The Company shall conduct its activities so as to operate lawfully within the framework of the Surrogacy Arrangements Act 1985 and the Human Fertilisation and Embryology Act 1990 (as amended). The Company understands that criminal offences apply to individuals and organisations which breach these Acts.

#### **6 POWERS**

- 6.1 Subject to Article 5, the Company may do all such lawful things as are incidental to or conducive to the pursuit or attainment of any of its Objects, and (without being exhaustive) this includes the power to:
  - 6.1.1 raise funds, including by borrowing, taking any mortgage and giving any security,
  - 6.1.2 buy, lease, hire or otherwise acquire any property of any kind;
  - 6.1.3 sell, lease, rent or otherwise dispose of any property of any kind;

- 6.1.4 cooperate with, merge with, or acquire any other organisation;
- 6.1.5 set aside income for reserves, and invest those reserves;
- 6.1.6 employ and remunerate staff, and pay for any goods or services;
- 6.1.7 open and operate a bank account;
- 6.1.8 make donations to other non profit making or charitable organisations;
- 6.1.9 insure the Company, its property and its activities;
- 6.1.10 indemnify the directors;
- 6.1.11 pay out of the funds of the Company the costs of forming the Company; and
- 6.1.12 lobby, advertise, publish, educate, examine, research and survey in respect of all matters of law, regulation, economics, accounting, governance, politics and/or other issues and to hold meetings, events and other procedures and co-operate with or assist any other body or organisation in each case in such way or by such means as may, in the opinion of the directors, affect or advance the Objects in any way.

## **7 DIRECTORS – DIRECTORS TO TAKE DECISIONS COLLECTIVELY**

- 7.1 The general rule about decision making is that any decision of the directors must be either a majority decision at a meeting or a decision taken in accordance with Article 8.1.
- 7.2 If the Company has only one director for the time being the general rule does not apply, and the director may (for so long as he remains the sole director) take decisions without regard to any of the provisions of these Articles relating to directors' decision making.
- 7.3 Paragraph 7 of the Model Articles shall not apply to the Company.

## **8 DIRECTORS – UNANIMOUS DECISIONS**

- 8.1 A decision of the directors is taken in accordance with this Article when all eligible directors indicate to each other by any means that they share a common view on a matter.
- 8.2 Such a decision may take the form of a resolution in writing where each eligible director has signed one or more copies of it, or to which each eligible director has otherwise indicated agreement in writing.
- 8.3 A decision may not be taken in accordance with this Article if the eligible directors would not have formed a quorum at such a meeting.
- 8.4 Paragraph 8 of the Model Articles shall not apply to the Company.

## **9 DIRECTORS – NUMBER AND QUORUM**

- 9.1 Unless otherwise determined by ordinary resolution, the number of directors is not subject to any maximum and the minimum number of directors is one.
- 9.2 Subject to Article 7.2, the quorum for the transaction of business at a meeting of directors may be fixed from time to time by ordinary resolution of the members but it must never be less than two eligible directors, and unless otherwise so fixed, it is two eligible directors.

9.3 For the purposes of any meeting (or part of a meeting) held pursuant to Article 11 to authorise a director's conflict of interest, 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.

9.4 Paragraph 11(2) of the Model Articles shall not apply to the Company.

## **10 DIRECTORS – CASTING VOTE**

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

10.2 Paragraph 13 of the Model Articles shall not apply to the Company.

## **11 DIRECTORS - POWERS TO AUTHORISE CONFLICTS OF INTEREST**

11.1 The directors may authorise, to the fullest extent permitted by law, any matter which would otherwise result in a director infringing his duty to avoid a Conflict Situation provided that, for this purpose, the director in question and any other interested Director are not counted in the quorum at any board meeting at which such matter is authorised and it is agreed to without their voting or would have been agreed to if their votes had not been counted.

11.2 Any authorisation given under Article 11.1 may (whether at the time of giving the authorisation or subsequently) extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the conflict so authorised.

11.3 Where the directors give authority under Article 11.1:

11.3.1 they may (whether at the time of giving the authority or subsequently) require that the relevant director is excluded from the receipt of information, participation in discussion and/or the making of decisions (whether at directors' meetings or otherwise) related to the matter that is the subject of the authorisation and impose upon the relevant director such other terms for the purpose of the authorisation as they think fit and:

- a) the relevant director will be obliged to conduct himself in accordance with any terms imposed by the directors in relation to the authorisation; and
- b) the relevant director will not infringe any duty he owes to the Company by virtue of sections 171 to 177 of the Companies Act 2006 provided he acts in accordance with such terms;

11.3.2 they may provide that where the relevant director obtains (otherwise than through his position as a director of the Company) information that is confidential to a third party, the director will not be obliged to disclose that information to the Company, or to use or apply the information in relation to the Company's affairs, where to do so would amount to a breach of that confidence; and

11.3.3 the directors may revoke or vary the authority at any time but this will not affect anything done by the relevant director prior to such revocation in accordance with the terms of such authority.

11.4 A director shall not, by reason of his office, be accountable to the Company for any benefit which he derives from any matter which has been authorised by the directors pursuant to Article 11.1 (subject in any case to any limits or conditions to which such approval was subject).

- 11.5 For the purposes of section 175 and 180(4) of the Companies Act 2006 and for all other purposes, and notwithstanding the provisions of Articles 11.1 to 11.4, it is acknowledged that a Director may be or become subject to a Group Conflict Situation or Group Conflict Situations.
- 11.6 A Director's duties to the Company arising from his holding office as director shall not be breached or infringed as a result of any Group Conflict Situation having arisen or existing in relation to him and such Group Conflict Situation shall, for the purposes of section 180(4) of the Companies Act 2006, be deemed authorised.
- 11.7 Any Director the subject of a Group Conflict Situation shall:
- 11.7.1 not be held accountable to the Company for any benefit he directly or indirectly derives from his involvement in any Group Company;
  - 11.7.2 be entitled to receive notice (including any relevant board papers) of, attend, count in the quorum towards and vote at board meetings relating in any way to, and deal generally with, matters concerning, connected with or arising from the Group Conflict Situation concerned; and
  - 11.7.3 be entitled to keep confidential and not disclose to the Company any information which comes into his possession as a result of such Group Conflict Situation where such information is confidential as regards any third party.

## **12 DIRECTORS – TRANSACTIONS OR OTHER ARRANGEMENTS WITH THE COMPANY**

- 12.1 Subject to sections 177(5) and 177(6) and sections 182(5) and 182(6) of the Act 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:
- 12.1.1 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;
  - 12.1.2 shall be an eligible director for the purposes of any proposed decision of the directors (or committee of directors) in respect of such transaction or arrangement or proposed transaction or arrangement in which he is interested;
  - 12.1.3 shall be entitled to vote at a meeting of directors or of a committee of the directors, or participate in any unanimous decision, in respect of such transaction or arrangement or such proposed transaction or arrangement.
- 12.2 Paragraphs 14(1) to 14(4) inclusive of the Model Articles shall not apply to the Company.

## **13 DIRECTORS – METHODS OF APPOINTING DIRECTORS**

- 13.1 In any case where, as a result of death or bankruptcy, the Company has no shareholders and no directors, the transmittee(s) of the last shareholder to have died or to have a bankruptcy order made against him (as the case may be) 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.
- 13.2 For the purposes of Article 13.1, where two or more shareholders die in circumstances rendering it uncertain who was the last to die, a younger shareholder is deemed to have survived an older shareholder.
- 13.3 Paragraphs 17(2) and 17(3) of the Model Articles shall not apply to the Company.

## **14 DIRECTORS – ALTERNATE DIRECTORS**

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

14.1.1 exercise that director's powers; and

14.1.2 carry out that director's responsibilities

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

14.2 Any appointment or removal of an alternate must be effected by notice in writing to the Company signed by the appointor or in any other manner approved by the directors.

14.3 The notice must:

14.3.1 identify the proposed alternate, and

14.3.2 in the case of a notice of appointment, contain a statement signed by the proposed alternate that the proposed alternate is willing to act as the alternate of the director giving the notice.

14.4 An alternate director may act as an 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.

14.5 Except as the Articles specify otherwise, alternate directors:

14.5.1 are deemed for all purposes to be directors;

14.5.2 are liable for their own acts and omissions;

14.5.3 are subject to the same restrictions as their appointors; and

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

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

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

14.6.1 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);

14.6.2 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

14.6.3 shall not be counted as more than one director for the purposes of Articles 14.6.1 and 14.6.2.

14.7 A director who is also an alternate director is entitled, in the absence of his appointor, to a separate vote on behalf of his appointor, in addition to his own vote on any decision of the directors (provided that his appointor is an eligible director in relation to that decision) but shall not count as more than one director for the purposes of determining whether a quorum is present.

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

14.9 An alternate director's appointment as an alternate terminates:

14.9.1 when the alternate's appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate;

14.9.2 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;

14.9.3 on the death of the alternate's appointor; or

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

## **15 DIRECTORS' REMUNERATION**

15.1 Directors may undertake any services for the company that the directors decide, and are entitled to such reasonable and fair market remuneration as the directors determine (with the consent of the members by the passing of an ordinary resolution) for any service which they undertake for the Company.

15.2 A director's remuneration may take any form (subject to the non profit making principles of the Company), and include any arrangements in connection with the payment of a pension, allowance or gratuity, or any death, sickness or disability benefits, to or in respect of that director.

15.3 Unless the directors decide otherwise, directors' remuneration accrues from day to day.

15.4 Unless the directors decide otherwise, directors are not accountable to the Company for any remuneration which they receive as directors or other officers or employees of any other companies or organisations.

15.5 Paragraph 19 of the Model Articles shall not apply to the Company.

## **16 DIRECTORS' EXPENSES**

16.1 The Company may pay any reasonable expenses which the directors (including alternate directors and, if it has one, the secretary (but so that nothing in this Article 16.1 shall require the Company to have a secretary) properly incur in connection with their attendance at:

16.1.1 meetings of directors or committees of directors;

16.1.2 general meetings; or

16.1.3 separate meetings of any holders of any class of shares or of debentures of the Company,

or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the Company.

16.2 Paragraph 20 of the Model Articles shall not apply to the Company.



## **17 SECRETARY**

- 17.1 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. Nothing in this Article 17.1 shall require the Company to have a secretary.

## **18 SHARES**

- 18.1 Save as expressly set out herein, the Shares shall rank pari passu in all respects whether for voting, dividends or otherwise.

## **19 ISSUE OF SHARES – PRE-EMPTION RIGHTS**

- 19.1 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 made by the Company.
- 19.2 Unless otherwise agreed by special resolution, if the Company proposes to allot any Equity Securities (other than any Equity Securities to be held under an employees share scheme (as that expression is defined in section 1166 of the Act), 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:
- 19.2.1 shall be in writing, (made in hard copy or electronic form) shall be open for a period of 15 business days from the date of the offer and shall give details of the number and subscription price of the relevant Equity Securities; and
- 19.2.2 shall 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.
- 19.3 Any Equity Securities not accepted by shareholders pursuant to the offer made to them in accordance with Article 19.2 shall be used for satisfying any requests for Excess Securities made pursuant to Article 19.2. 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 19.2 (as nearly as possible without involving fractions or increasing the number of Excess Securities allotted to any shareholder beyond that applied for 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.
- 19.4 Subject to Articles 19.2 and 19.3 and to section 551 of the Act, any Equity Securities shall be at the disposal of the directors who may allot, grant options over or otherwise dispose of them to any persons at those times and generally on the terms and conditions they think proper.

## **20 TRANSFER OF SHARES - GENERAL**

- 20.1 For the purposes of Articles 20, 21, 22 and 23 any reference to a transfer of Shares includes a disposition of any interest in any Share (or the income or capital or other rights thereto) whether legal, beneficial or otherwise, including the entry into any option or other agreement (conditionally or otherwise) for the possible sale or transfer thereof or grant of any security thereover, and whether or not for consideration or by written disposition or otherwise.

- 20.2 No Share shall be transferred, and the directors shall not register any transfer of Shares, other than in accordance with these Articles and any transfer or purported transfer of any Share made otherwise than in accordance with these Articles shall be void and of no effect whatsoever. Paragraph 26 of the Model Articles shall be modified accordingly.
- 20.3 The directors may only, and in their absolute discretion, refuse to register a transfer of shares to an infant, bankrupt or person in respect of whom, by reason of that person's mental health, a court has made an order which wholly or partly prevents that person from personally exercising any powers or rights which that person would otherwise have. Paragraph 26(5) of the Model Articles shall be modified accordingly.

## **21 PERMITTED TRANSFERS**

- 21.1 Any member may, at any time, transfer any of his Shares to:
- 21.1.1 any person with the prior written consent of all the members of the Company; or
- 21.1.2 a Privileged Relation or Family Trust
- (each a "**Permitted Transfer**").
- 21.2 If a Family Trust ceases for any reason to be a Family Trust any Shares held by such trust shall be transferred (either directly or upon trust) to the Settlor of such Family Trust within 10 business days of so ceasing, failing which the provisions of Article 22 shall apply.
- 21.3 If a Privileged Relation to whom Shares have been transferred ceases to be a Privileged Relation of the member who made the transfer any Shares held by such Privileged Relation shall be transferred to the member who originally transferred him the Shares, failing which the provisions of Article 22 shall apply.
- 21.4 If a member holds Shares as a result of an earlier transfer under Article 21.2 or 21.3 that member may only transfer such Shares to the member who originally transferred him the Shares.

## **22 COMPULSORY TRANSFERS**

- 22.1 A Transfer Notice (as defined in Article 23.3) shall be deemed to have been served:
- 22.1.1 in respect of Shares held by a Family Trust, by the trustees of that Family Trust where the Shares held by that Family Trust are required to have, but have not been, transferred in accordance with Article 21.2;
- 22.1.2 in respect of Shares which have been transferred to a Privileged Relation, by that Privileged Relation where the Shares held by that Privileged Relation are required to have, but have not been, transferred in accordance with Article 21.3;
- 22.1.3 in respect of the relevant Shares held by a member, if that member transfers, attempts to transfer or agrees to transfer any Shares otherwise than in accordance with the provisions of these Articles (and so that a Transfer Notice shall be deemed served immediately before the transfer, attempt to transfer or agreement to transfer);
- 22.1.4 in respect of all the Shares held by a member (and any Shares which have been transferred by that member to a Privileged Relation or to a Family Trust of which the member is a Settlor) in any of the following circumstances:
- a) subject to Article 22.2 if that member dies;

- b) if that member is made bankrupt or proposes, or enters into, an individual voluntary arrangement or any other arrangement with his creditors or if a trustee, receiver, administrative receiver, administrator or liquidator or similar officer is appointed in respect of all or any part of the business or assets of that member; or
- c) if that member, being a director or employee of the Company, ceases to be a director or employee for any reason and does not continue as, or become, a director or employee of any subsidiary or holding company of the Company.

22.2 If a member dies:

22.2.1 any Privileged Relation to whom that member has transferred Shares shall, if and to the extent required by the directors by notice in writing given to him at any time during the period of 12 months from the date of that member's death, be deemed to have served a Transfer Notice in respect of those Shares so transferred to him;

22.2.2 his legal personal representatives may elect (by notice in writing to the Company given at any time during the period of 3 months following the date of that member's death) to transfer his Shares to a Privileged Relation provided that a transfer of such Shares may only be made with the consent of the directors and, if no such notice shall have been given to the Company within that period or if the directors shall not have given their consent to such a transfer within that period, a Transfer Notice shall be deemed to have been served immediately on the expiry of that period.

22.3 Paragraphs 27(2)(a) and 28 of the Model Articles shall not apply to the Company.

## 23 PRE-EMPTION ON TRANSFER

23.1 A Transfer Notice (as defined in Article 23.3) which is given otherwise than as a result of the operation of Article 22 shall be a **"Voluntary Transfer Notice"**.

23.2 A Transfer Notice which is deemed given as a result of the operation of Article 22 shall be a **"Compulsory Transfer Notice"**.

23.3 Any person proposing to transfer any Shares (the **"Transferor"**) shall, where the transfer is not a Permitted Transfer, give notice in writing (a **"Transfer Notice"**) to the Company that he wishes to transfer the same. For the purposes of Articles 23.4 to 23.20 inclusive, the expression "Transferor" shall also include any member whose Shares are subject to a Compulsory Transfer Notice.

23.4 A Voluntary Transfer Notice shall be revocable only with the consent of all the other members and shall specify:

23.4.1 the number of Shares which the Transferor wishes to transfer;

23.4.2 if he wishes to transfer such Shares to a third party, the name of the third party; and

23.4.3 the price per Share at which he wishes to transfer such Shares.

23.5 A Compulsory Transfer Notice shall be irrevocable.

23.6 A Transfer Notice shall unconditionally constitute the Company as the agent of the Transferor for the sale of the entire legal and beneficial interest in the Shares specified or deemed comprised therein (the **"Sale Shares"**).

- 23.7 A Voluntary Transfer Notice may provide as a condition (a **"Total Transfer Condition"**) that unless all the Sale Shares are transferred pursuant to this Article 23, then none shall be transferred. If a Total Transfer Condition is so included and is not fulfilled then the directors shall notify in writing the Transferor and all members or other persons who have agreed to purchase the Sale Shares that the Total Transfer Condition has not been met and that the relevant Transfer Notice has lapsed with immediate effect.
- 23.8 The date of a Transfer Notice shall be:
- 23.8.1 in the case of a Voluntary Transfer Notice, the date on which it is given; or
- 23.8.2 in the case of a Compulsory Transfer Notice, the date on which the directors become aware of the relevant event giving rise to the Compulsory Transfer Notice.
- 23.9 The price for the Sale Shares shall be the price agreed between the Transferor and the directors or, if they are unable to agree a price within 20 business days of the date of the Transfer Notice, the directors shall instruct the auditor for the time being of the Company to certify in writing the price which they determine, in their opinion, to be a fair value for the Sale Shares. The price for the Sale Shares as so agreed or certified shall be the **"Sale Price"**.
- 23.10 The auditor shall, in making its determination under Article 23.9, be regarded as acting as expert and not arbitrator and shall value the Sale Shares on the basis that the fair value shall be the market value thereof as at the date when the relevant Transfer Notice was given or deemed to have been given (as the case may be) as between a willing buyer and a willing seller at arm's length but with no discount being made by reason of such shares constituting a minority or majority holding and the auditor shall be instructed accordingly.
- 23.11 As soon as reasonably practicable following the determination of the Sale Price, the Company shall, by notice in writing (the **"Offer Notice"**) offer the Sale Shares for sale to all the members of the Company (other than the Transferor or any person who remains a member but in respect of whose shares there has been deemed to have been served a Compulsory Transfer Notice) (the **"Remaining Members"**) pro rata (or as nearly as may be) to the respective number of Shares held by the Remaining Members.
- 23.12 The Offer Notice shall:
- 23.12.1 state the Sale Price per Sale Share;
- 23.12.2 identify the total number of Sale Shares being offered for sale to all the Remaining Members and the number of Sale Shares which that member is entitled to purchase (the **"Proportion"**);
- 23.12.3 invite each Remaining Member to state in writing the maximum number of Sale Shares they wish to purchase and identify that any Remaining Members who wish to purchase Sale Shares in excess of their Proportion may, in their acceptance, state how many Sale Shares in excess of that Proportion they wish to purchase (the **"Excess Claim"**);
- 23.12.4 specify a period within which the offer may be accepted (the **"Acceptance Period"**), being not less than 20 business days nor more than 30 business days after the date of the Offer Notice; and
- 23.12.5 if the Transfer Notice, being a Voluntary Transfer Notice, contained a Total Transfer Condition, state that the Offer Notice is subject to the condition that, unless all the Sale Shares are transferred pursuant to the Articles, then none shall be transferred.

- 23.13 For the purposes of Article 23.12.4 an offer shall be deemed to be accepted on the day on which the acceptance is received by the Company. Any offer not accepted within the Acceptance Period will lapse. If, during the period between the date of the Offer Notice and (following acceptance of an offer by a member) the date on which sale of the Sale Shares is completed, a Remaining Member is deemed to have given a Compulsory Transfer Notice then such Remaining Member shall be deemed not to have accepted such offer and the relevant Sale Shares shall be re-offered for sale (at the same Sale Price per Sale Share and as if such price had been determined on the date on which the Compulsory Transfer Notice is deemed to have been given).
- 23.14 If the Company receives acceptances for all or any of the Sale Shares within the Acceptance Period, the directors shall allocate the Sale Shares or such of them as are applied for amongst those Remaining Members who have so applied for any of the Sale Shares (as nearly as may be without involving fractions). Any outstanding Sale Shares shall then be allocated in satisfaction of the Excess Claims in proportion (or as nearly as may be without involving fractions) to the respective numbers of Shares already held by those Remaining Members, provided that no member shall be obliged to take more Sale Shares so allocated than identified in his own Excess Claim.
- 23.15 If, prior to the expiry of the Acceptance Period the Company shall, pursuant to Article 23.14, find Remaining Members to purchase some or all of the Sale Shares, the directors shall, within 5 business days of the expiry of the Acceptance Period give notice in writing thereof to the Transferor and the relevant Remaining Members (the "**Sale Notice**"). Each Sale Notice shall state:
- 23.15.1 the name and address of the Relevant Member;
- 23.15.2 the number of Sale Shares to be purchased by that Relevant Member; and
- 23.15.3 a place, time and date (not being less than 10 business days nor more than 20 business days after the date of the Sale Notice) at which the sale and purchase will be completed.
- 23.16 Upon the giving by the Company of a Sale Notice, the Transferor shall be unconditionally bound (subject only to due payment of the Sale Price) to complete the sale of the Sale Shares to which the Sale Notice relates in accordance with its terms.
- 23.17 If a Transferor (a "**Defaulting Transferor**") shall fail duly to transfer (or complete the transfer of) any Sale Shares to a Remaining Member in accordance with Article 23.16:
- 23.17.1 the Company shall, as the agent of the Transferor appointed pursuant to Article 23.6, be authorised to transfer, and complete the transfer of, those Sale Shares (including, without limitation of the generality of the foregoing, to execute and deliver any necessary stock transfer form in respect thereof);
- 23.17.2 the Company may receive the necessary monies in respect of the Sale Price in trust for the Defaulting Transferor and the receipt by the Company of those monies shall constitute a good and valid discharge to the relevant Remaining Member;
- 23.17.3 against receipt by the Company of those monies (in trust for the Defaulting Transferor) and, notwithstanding (if such is the case) that the Defaulting Transferor has failed to deliver up the relevant share certificate(s), the Company shall cause the relevant Remaining Member to be registered as the holder of those Sale Shares and, after such registration, the validity of the proceedings shall not be questioned by any person; and

- 23.17.4 the Company shall not be required to pay the monies received in respect of the Sale Price to the Defaulting Transferor until he shall, in respect of the Sale Shares, have delivered a share certificate, or suitable indemnity, and necessary transfers to the Company.
- 23.18 If any Sale Shares have not been the subject of a Sale Notice then the Company may, if permitted by law and subject to all relevant approvals being obtained, purchase any such Sale Shares at the Sale Price by notice in writing served on the Transferor such notice being given within 10 business days from the end of the Acceptance Period (the **"Buy Back Notice"**).
- 23.19 The Buy Back Notice shall state the number of the Sale Shares agreed to be purchased by the Company and shall specify a place and time and date at which the sale and purchase shall be completed. Upon the giving by the Company of any such Buy Back Notice the Transferor shall be unconditionally bound (subject only to due payment of the Sale Price) to complete the sale of the Sale Shares to which such notice relates in accordance with its terms.
- 23.20 If a Transferor (a **"Defaulting Seller"**) shall fail duly to transfer (or complete the transfer of) any Sale Shares to the Company in accordance with Article 23.19:
- 23.20.1 the Company shall, as the agent of the Transferor be appointed pursuant to Article 23.6, be authorised to transfer, and complete the transfer of, those Sale Shares (including, without limitation of the generality of the foregoing, to execute and deliver any necessary buy back agreement and any stock transfer form in respect thereof);
- 23.20.2 the Company shall pay the necessary monies in respect of the Sale Price into a separate account and hold the same on trust for the Defaulting Transferor;
- 23.20.3 notwithstanding (if such is the case) that the Defaulting Transferor has failed to deliver up the relevant share certificate(s), the Company shall cause the relevant Sale Shares subject to the Buy Back Notice to be cancelled and, after such cancellation, the validity of the proceedings shall not be questioned by any person; and
- 23.20.4 the Company shall not be required to pay the necessary monies in respect of the Sale Price to the Defaulting Transferor until he shall, in respect of the Sale Shares, have delivered a share certificate, or suitable indemnity, and necessary documentation (including any buy back agreement and any transfer) to the Company.
- 23.21 To the extent that shares included in any Transfer Notice are not the subject of a Sale Notice or a Buy Back Notice within the applicable time periods then the Transferor may transfer such shares to any other person approved by the directors at not less than the Sale Price within 20 business days of the final date that a Buy Back Notice can be given.

## **24 PROCEEDINGS AT GENERAL MEETINGS**

- 24.1 No business shall be transacted at a general meeting unless a quorum is present. Subject to Article 24.2, two Qualifying Persons shall be a quorum. Paragraph 38 of the Model Articles shall not apply to the Company.
- 24.2 If, and for so long as, the Company has only one member one Qualifying Person shall be a quorum at any general meeting of the Company.
- 24.3 If, at an adjourned meeting, a quorum is not present within half an hour from the time appointed for the meeting, the members present shall be a quorum. Paragraph 41 of the Model Articles shall be modified accordingly.

- 24.4 A poll on a resolution may be demanded by any person having the right to vote on the resolution. Paragraph 44 of the Model Articles shall be modified accordingly.

## **25 PROXIES**

- 25.1 Proxies may only be validly appointed by a notice in writing (a “**proxy notice**”) which:
- 25.1.1 states the name and address of the shareholder appointing the proxy;
  - 25.1.2 identifies the person appointed to be that shareholder's proxy and the general meeting in relation to which that person is appointed;
  - 25.1.3 is signed by or on behalf of the shareholder appointing the proxy, or is authenticated in such manner as the directors may determine; and
  - 25.1.4 is delivered to the Company in accordance with the Articles not less than 24 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
- and a proxy notice which is not delivered in such manner shall be invalid, unless the directors, in their discretion, accept the notice at any time before the meeting.
- 25.2 Paragraph 45(1) of the Model Articles shall not apply to the Company.

## **26 NOTICES**

- 26.1 Any notice, document or other information shall be deemed served on or delivered to the intended recipient:
- 26.1.1 if properly addressed and sent by prepaid United Kingdom first class post to an address in the United Kingdom, 48 hours after it was posted (or five business days after posting either to an address outside the United Kingdom or from outside the United Kingdom to an address within the United Kingdom if (in each case) sent by reputable international overnight courier addressed to the intended recipient, provided that delivery in at least five business days was guaranteed at the time of sending (and the sending party receives a confirmation of delivery from the courier service provider));
  - 26.1.2 if properly addressed and delivered by hand, when it was given or left at the appropriate address;
  - 26.1.3 if properly addressed and sent or supplied by electronic means, two hours after the document or information was sent or supplied; and
  - 26.1.4 if sent or supplied by means of a website, when the material is first made available on the website or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on the website.

For the purpose of this Article, no account shall be taken of any part of a day that is not a business day.

- 26.2 In proving that any notice, document or other information was properly addressed, it shall be sufficient to show that the notice, document or other information was addressed to an address permitted for the purpose by the Act.

## **27 DISSOLUTION**

- 27.1 The members of the Company may at any time before, and in expectation of, its dissolution resolve that any net assets of the Company after all its debts and liabilities have been paid, or provision has been made for them, shall on or before the dissolution of the Company be applied or transferred in any of the following ways:
- 27.1.1 directly for the Objects; or
  - 27.1.2 by transfer to any non profit making organisation or organisations for use for purposes similar to the Objects; or
  - 27.1.3 by transfer to any non profit making organisation or organisations for use for particular purposes that fall within the Objects.
- 27.2 Subject to any such resolution of the shareholders of the Company, the directors of the Company may at any time before and in expectation of its dissolution resolve that any net assets of the Company after all its debts and liabilities have been paid, or provision made for them, shall on or before dissolution of the Company be applied or transferred in any of the following ways:
- 27.2.1 directly for the Objects; or
  - 27.2.2 by transfer to any non profit making organisation or organisations for use for purposes similar to the Objects; or
  - 27.2.3 by transfer to any non profit making organisation or organisations for use for particular purposes that fall within the Objects.
- 27.3 In no circumstances shall the net assets of the Company be paid to or distributed among the members of the Company (except to a member that is itself a non profit making organisation and whose objects are similar to the Objects) and if no resolution in accordance with Article 27.1 is passed by the members or the directors the net assets of the Company shall be applied for charitable purposes as directed by the Court or the Charity Commission.

## **28 DIRECTORS' INDEMNITY**

- 28.1 Subject to the provisions of the Act (but so that this Article 28.1 does not extend to any matter insofar as it would cause this Article or any part of it to be void thereunder), the Company:
- 28.1.1 shall, without prejudice to any indemnity to which the person concerned may otherwise be entitled, indemnify any director or other officer (other than an auditor) of the Company and any associated company against all losses and liabilities incurred by him in the actual or purported execution, or discharge, of his duties in relation to:
    - a) the Company;
    - b) any associated company; and
    - c) any occupational pension scheme of which the Company or any associated company is a trustee

including (without prejudice to the generality of the foregoing) any liability incurred by him in defending any proceedings (whether civil or criminal) in which judgment is given in his favour (or the proceedings are otherwise disposed of without any finding of any material breach of duty on his part) or in which he is acquitted or in connection with any application in which the court grants him relief from liability for negligence, default, breach of duty or breach of trust in relation to the Company, any associated



company or any occupational pension scheme of which the Company or any associated company is a trustee; and

28.1.2 may, without prejudice to the provisions of Article 28.1.1, purchase and maintain insurance for any person who is or was a director or officer of the company or any associated company against any loss or liability which he may incur, whether in connection with any proven or alleged negligence, default, breach of duty or breach of trust or otherwise in relation to the Company, any associated company, any employees' share scheme of the Company or of any associated company or any occupational pension scheme of which the Company or any associated company is a trustee

where for the purposes of this Article 28.1, companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate.

28.2 Paragraphs 52 and 53 of the Model Articles shall not apply to the Company.