

Articles of Association  
THE COMPANIES ACT 2006  
PRIVATE COMPANY LIMITED BY SHARES  
ARTICLES OF ASSOCIATION OF  
THE WESTBOURNE DRINKS COMPANY LIMITED  
Company Number: 08451776  
Adopted by Special Resolution passed on 22 September 2022

1 DEFINITIONS AND INTERPRETATION

1.1 The definitions set out in this Article 1.1 apply in these Articles.

“**Act**” the Companies Act 2006.

“**Adoption Date**” the date of adoption of these Articles.

“**Authorised Person**” any Director; the company secretary (if any); or any person authorised by the Directors for the purpose of signing documents to which the common seal is applied.

“**Chairman**” the chairman of the Company from time to time.

“**Chairman of the Meeting**” the person chairing the relevant general meeting in accordance with Article 53.

“**Company**” The Westbourne Drinks Company Limited.

“**Director**” a director of the Company, including any person occupying the position of director, by whatever name called.

“**Eligible Directors**” in relation to any matter, the Directors who would have been entitled to vote on, and whose votes would have been counted in respect of, that matter had it been proposed as a resolution at a Directors’ meeting.

“**Family Member**” any parents, siblings, spouse and children (including step and adopted children) provided in each case they are over the age of 18 of a Shareholder.

“**Family Trust**” in relation to a Shareholder, a trust:

- (a) of which a Shareholder is the settlor; and
- (b) which does not permit any of the settled property or the income from it to be applied otherwise than for the benefit of:
  - (i) A Shareholder and/or a Family Member of the Shareholder; or
  - (ii) any charity or charities as default beneficiaries (meaning that such charity or charities have no immediate beneficial interest in any of the settled property or the income from it when the trust is created but may become so interested if there are no other beneficiaries from time to time except another such charity or charities);

and “**trust**” includes a trust arising under a settlement, or declaration of trust, inter vivos but excludes testamentary disposition or a trust arising on an intestacy.

“**Founder**” George Frost.

**“Fully Paid”** in relation to a Share, that the nominal value and any premium to be paid to the Company in respect of that Share have been Paid to the Company.

**“Holder”** in relation to a Share, the person whose name is entered in the register of members as the holder of that Share from time to time.

**“Majority Decision”** a decision carried by a majority of the Directors and taken at a Directors’ meeting or by way of a written resolution signed by all the Eligible Directors.

**“a Member of the same Group”** as regards to any company, a company which is from time to time a parent undertaking or a subsidiary undertaking of that company or a subsidiary undertaking of any such parent undertaking.

**“Paid”** paid or credited as paid.

**“Permitted Transfer”** means a transfer of Shares made in accordance with Article 38.

**“Permitted Transferee”** any Family Member or any Family Trust.

**“Qualifying Company”** a company in which a Shareholder or Trustee(s) holds the entire issued share capital and over which that shareholder or Trustee(s) exercises control (within the meaning of Section 1124 of the CTA 2010).

**“Qualifying Representative”** in relation to a Shareholder:

- (b) a person authorised under section 323 of the Act to act as the representative of that Shareholder in relation to the relevant general meeting; or
- (c) a person appointed as proxy of that Shareholder in relation to the relevant general meeting.

**“Relevant Director”** any director or former director of the Company.

**“Relevant Loss”** any loss or liability which has been or may be incurred by a Relevant Director in connection with his duties or powers in relation to the Company or any pension fund or employees’ share scheme the Company.

**“Shareholders”** the Holders of Shares from time to time.

**“Shares”** the ordinary shares of 10p each in the Company from time to time.

**“Transmittee”** a person entitled to a Share by reason of the death or bankruptcy of a Shareholder or otherwise by operation of law.

**“Transfer Form”** an instrument of transfer of Shares in any usual form or in any other form approved by the Directors, which is executed by or on behalf of the transferor.

**“Transfer Proportions”** in relation to the relevant Shareholders, in proportion (as nearly as possible without involving fractions) to the nominal value of the Shares held by them at the relevant time.

**“Trustees”** in relation to a shareholder, the trustee or the trustees of a Family Trust.

**“Writing”** the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in Electronic Form or otherwise;

## 1.2 A reference to:

- 1.2.1 a **“person”** includes a reference to any individual, firm, partnership, unincorporated association or company wherever incorporated or situate; and that person’s legal personal representatives and successors;

- 1.2.2 **“bankruptcy”** includes individual insolvency proceedings in a jurisdiction other than England and Wales or Northern Ireland which have an effect similar to that of bankruptcy;
- 1.2.3 a **“company”** shall include any company, corporation or other body corporate, however incorporated or established and in whichever jurisdiction.
- 1.3 Unless the context otherwise requires:
  - 1.3.1 words denoting the singular shall include the plural and vice versa;
  - 1.3.2 words denoting a gender shall include all genders; and
  - 1.3.3 references to (or to any specified provision of) these Articles or any other document shall be construed as references to these Articles, that provision or that document as in force and as amended from time to time.
- 1.4 Unless stated to the contrary, a reference to a statute, statutory provision or subordinate legislation includes a reference to it as modified, replaced, amended and/or re-enacted from time to time (before or after the Adoption Date) and any prior or subsequent legislation made under it but this Article 1.4 shall not operate so as to impose on any person any greater obligation than would otherwise apply.
- 1.5 Unless the context otherwise requires, words or expressions used in these Articles shall have the same meaning as in the Act.
- 1.6 The terms **“including”**, **“include”**, **“in particular”** or similar expressions, shall not limit the sense or application of any words preceding those terms.
- 1.7 A reference to an **“Article”** is to an article of these Articles.
- 1.8 A reference to a **“transfer of Shares”** or any similar expression shall include a sale or transfer of any interest in any Shares (whether legal, beneficial or otherwise) and any charge, mortgage or other encumbrance granted over any Shares.

## 2 OBJECTS

- 2.1 The objects of the company are to carry out such business and operations to:
  - 2.1.1 promote the success of the company for the benefit of its members as a whole; and
  - 2.1.2 enable the company, through its business and operations, to have a material positive impact on society and the environment, taken as a whole.

## 3 MODEL ARTICLES SHALL NOT APPLY

Neither the model articles for private companies limited by shares prescribed pursuant to the Act, nor any other articles of association (whether prescribed pursuant to the Act or set out in any other statute, statutory instrument or other subordinate legislation concerning companies) shall apply to the Company.

## 4 LIABILITY OF SHAREHOLDERS

The liability of the Shareholders is limited to the amount, if any, unpaid on the Shares held by them from time to time.

**5 DIRECTORS' GENERAL AUTHORITY**

Subject to the other provisions of these Articles, the Directors are responsible for the management of the Company's business, for which purpose they may exercise all the powers of the Company.

**6 SHAREHOLDERS' RESERVE POWER**

- 6.1 The Shareholders may, by Special Resolution, direct the Directors to take, or refrain from taking, specified action.
- 6.2 No Special Resolution passed pursuant to Article 6.1 invalidates anything which the Directors have done before the passing of that resolution.

**7 DIRECTORS MAY DELEGATE**

- 7.1 Subject to the other provisions of these Articles, the Directors may delegate any of the powers which are conferred on them under these Articles to such person or committee; by such means (including by power of attorney); to such an extent; in relation to such matters or territories; and on such terms and/or conditions; as they think fit.
- 7.2 If the Directors so specify, any delegation pursuant to Article 7.1 may authorise further delegation of the Directors' powers by any person to whom they are delegated
- 7.3 The Directors may at any time revoke any delegation made pursuant to Article 7.1 in whole or part, or alter its terms and/or conditions.

**8 DIRECTORS TO TAKE DECISIONS COLLECTIVELY**

- 8.1 The general rule about decision-making by Directors is that any decision of the Directors must be a Majority Decision.
- 8.2 If at any time the Company only has one Director, the general rule in Article 8.1 does not apply and that Director may (until such time as he ceases to be the only Director) take decisions without regard to any of the provisions of these Articles relating to Directors' decision-making.

**9 DIRECTOR'S DUTIES**

- 9.1 A Director must act in the way he or she considers, in good faith, would be most likely to promote the objects of the Company. In doing so, a Director shall have regard (amongst other matters) to:
  - 9.1.1 the likely consequences of any decision in the long term,
  - 9.1.2 the interests of the Company's employees,
  - 9.1.3 the need to foster the Company's business relationships with suppliers, customers and others,
  - 9.1.4 the impact of the Company's operations on the community and the environment,
  - 9.1.5 the desirability of the Company maintaining a reputation for high standards of business conduct, and
  - 9.1.6 the need to act fairly as between members of the Company.
- 9.2 For the purposes of a Director's duty to act in the way he or she considers, in good faith, most likely to promote the success of the Company, a Director shall not be required to regard the benefit of any particular stakeholder consideration or group of stakeholder considerations as more important than any other.

- 9.3 Nothing in this Article express or implied, is intended to or shall create or grant any right or any cause of action to, by or for any person (other than the Company).

## 10 CALLING A DIRECTORS' MEETING

- 10.1 Any Director may call a Directors' meeting by giving notice of that meeting to the Directors or by authorising the company secretary (if any) to give such notice.
- 10.2 Notice of any Directors' meeting must indicate its proposed date and time; where it is to take place; and if it is anticipated that the Directors Participating in that meeting will not be in the same place, how it is proposed that they should communicate with each other during that meeting.
- 10.3 Notice of a Directors' meeting must be given to each Director but need not be in Writing.
- 10.4 Notice of a Directors' meeting need not be given to any Director who waives his entitlement to notice of that meeting by giving notice to that effect to the Company either before or not more than seven days after the date on which that meeting is held. Where such notice is given after the relevant meeting has been held, that does not affect the validity of that meeting or of any business conducted at it.

## 11 PARTICIPATION IN DIRECTORS' MEETINGS

- 11.1 Subject to the other provisions of these Articles, Directors participate ("**Participate**") in a Directors' meeting, or part of a Directors' meeting, when they can each communicate to the others any information or opinions they have on any particular item of the business of that meeting (and for these purposes it is irrelevant where any Director is or how they communicate with each other).
- 11.2 If all the Directors Participating in a Directors' meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is.

## 12 NUMBER OF DIRECTORS

The Company shall always have at least one Director but there shall be no maximum number of Directors.

## 13 QUORUM FOR DIRECTORS' MEETINGS

- 13.1 At a Directors' meeting, unless a quorum is Participating, no proposal is to be voted on, except a proposal to call another meeting.
- 13.2 The quorum for Directors' meetings is one (1) Director who shall be a Director appointed by the Founder.

## 14 VOTING AT DIRECTORS' MEETINGS

At a Directors' meeting each Director shall be entitled to one (1) vote.

## 15 CHAIRING OF DIRECTORS' MEETINGS

The post of Chairman shall always be held by a Director approved by the Founder.

## 16 CHAIRMAN'S CASTING VOTE

If at any Directors' meeting the numbers of votes for and against a proposal are equal, the Chairman shall have a casting vote.

## 17 SITUATIONAL CONFLICTS OF INTEREST

- 17.1 Subject to the other provisions of these Articles, the Directors may, in accordance with (but subject to) the provisions of section 175 of the Act and this Article 17, authorise any matter which would, if not authorised, result in a Director (the “**Conflicted Director**”) being in breach of his duty under section 175 of the Act to avoid a situation in which he has, or could have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company (a “**Conflict**”).
- 17.2 Any authorisation given under Article 17.1 (an “**Authorisation**”) (and any subsequent variation or termination of an Authorisation) will only be effective if:
- 17.2.1 any requirement as to the quorum at the Directors’ meeting at which the matter is considered is met without counting the Conflicted Director (or any other interested Director); and
  - 17.2.2 the matter was agreed to without the Conflicted Director (or any other interested Director) voting or would have been agreed to if his (or any other interested Director’s) vote had not been counted.
- 17.3 The Directors may at any time:
- 17.3.1 make any Authorisation subject to such terms and conditions as they think fit; and
  - 17.3.2 vary or terminate any Authorisation (provided that this will not affect anything done by the relevant Conflicted Director or the Company in accordance with that Authorisation before any such variation or termination).
- 17.4 Unless as a condition of the relevant Authorisation the Directors provide otherwise, a Conflicted Director who has received an Authorisation in relation to a Conflict:
- 17.4.1 may vote at any future Directors’ meeting (or meeting of a committee of the Directors) on any resolution in respect of that Conflict (and if he does vote his vote shall be counted) and he shall be taken into account in determining whether a quorum is Participating at that meeting;
  - 17.4.2 may absent himself from the whole or any part of any Directors’ meeting (or meeting of a committee of the Directors) at which anything relating to that Conflict may be discussed;
  - 17.4.3 shall not be required to disclose to the Company (or use for its benefit) any confidential information he obtains, otherwise than in his capacity as a Director, as a result of that Conflict where to do so would be a breach of any duty of confidence owed by him to a third party; and
  - 17.4.4 shall not be liable to account to the Company for any benefit he or any of his Connected Persons derive as a result of that Conflict.
- 17.5 The Shareholders shall be entitled to authorise by Ordinary Resolution any Conflict which the Directors are unable to authorise because an insufficient number of Directors are appointed.
- 17.6 The Shareholders hereby authorise any Conflict which arises by virtue of the relevant Conflicted Director being connected with the Shareholder who appointed him and the provisions of Article 17.4 shall apply to that Conflicted Director as if he had received an Authorisation with no conditions attaching to it.

## 18 TRANSACTIONAL CONFLICTS OF INTEREST

18.1 If a Director (the “**Interested Director**”) is in any way directly or indirectly interested in a proposed or existing transaction or arrangement with the Company (the “**Transaction**”) he must declare the nature and extent of that interest to the other Directors in accordance with the provisions of the Act.

18.2 Subject to the provisions of the Act, Article 18.1 and the terms of any relevant Authorisation, an Interested Director:

18.2.1 may be a party to, or otherwise be interested in, the relevant Transaction;

18.2.2 may vote at any Directors’ meeting (or meeting of a committee of the Directors) on any resolution in respect of that Transaction (and if he does vote his vote shall be counted) and he shall be taken into account in determining whether a quorum is Participating in that meeting; and

18.2.3 shall not be liable to account to the Company for any benefit he or any of his Connected Persons derive as a result of that Transaction and that Transaction shall not be liable to be avoided on the ground of his interest.

## 19 RECORDS OF DECISIONS TO BE KEPT

The Directors must ensure that the Company keeps a record, in Writing, for at least 10 years from the date of the decision recorded, of every Majority Decision.

## 20 DIRECTORS’ DISCRETION TO MAKE FURTHER RULES

Subject to the other provisions of these Articles, the Directors may make any rule they think fit about how they take decisions and about how such rules are to be recorded or communicated to Directors.

## 21 APPOINTMENT OF DIRECTORS

21.1 The Founder shall have the right to appoint and maintain in office a Director and to dismiss and replace that Director in each case by notice in Writing to the Company.

21.2 Any Shareholder who is not the Founder shall not have any right to appoint and maintain in office any Director(s).

21.3 Any Shareholder removing a Director appointed by it shall indemnify and keep indemnified the Company and the other Shareholder against any claim connected with that Director’s removal from office.

## 22 TERMINATION OF DIRECTOR’S APPOINTMENT

A person shall cease to be a Director as soon as:

22.1 he ceases to be a Director by virtue of any provision of the Act or is prohibited from being a Director by law;

22.2 a bankruptcy order is made against him;

22.3 a composition is made with his creditors generally in satisfaction of his debts;

22.4 a registered medical practitioner who is treating him gives an opinion in Writing to the Company stating that he has become physically or mentally incapable of acting as a Director and may remain so for more than three months;

- 22.5 by reason of his mental health, a court makes an order which wholly or partly prevents him from personally exercising any powers or rights which he would otherwise have;
- 22.6 notification is received by the Company from him that he is resigning from office and that resignation has taken effect in accordance with its terms; or
- 22.7 he ceases to be employed by the Company, in the event he is only a Director by virtue of being employed by the Company.
- 22.8 he receives written notice from the board of Directors of the Company (passed by a decision of a majority of Directors) that his or her directorship has been terminated by the Company PROVIDED THAT such notice shall not be given by the Company without the written consent of the Founder.

## 23 DIRECTORS' REMUNERATION

- 23.1 Any Director may undertake any services for the Company that the Directors decide.
- 23.2 A Director is entitled to such remuneration as the Directors determine for his services to the Company as a Director; and for any other service which he undertakes for the Company.
- 23.3 Subject to the other provisions of these Articles, a Director's remuneration may take any form; 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.
- 23.4 Unless the Directors decide otherwise, no Director is accountable to the Company for any remuneration which he receives as a director, other officer or employee of any company in which the Company is interested.

## 24 DIRECTORS' EXPENSES

The Company may pay any reasonable expenses which any Director (or any Alternate as defined in Article 23)) properly incurs in connection with his attendance at Directors' meetings or meetings of committees of Directors; or general meetings; or otherwise in connection with the exercise of his powers and the discharge of his responsibilities in relation to the Company.

## 25 APPOINTMENT AND REMOVAL OF ALTERNATES

- 23.1 Any Director (the "**Appointor**") may appoint as an alternate director (an "**Alternate**") any other Director or any other person to exercise the Appointor's powers; and carry out the Appointor's responsibilities; in relation to the taking of decisions by the Directors in the absence of the Appointor.
- 25.2 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.
- 25.3 The notice must:
  - 25.3.1 identify the proposed Alternate; and
  - 25.3.2 in the case of a notice of appointment, contain a statement signed by the proposed Alternate that he is willing to act as the Alternate of the Appointor.
- 25.4 A person may act as the Alternate of more than one (1) Director (but only if each of his Appointors represents the same class of shares).



## 26 RIGHTS AND RESPONSIBILITIES OF ALTERNATES

- 26.1 An Alternate has the same rights, in relation to any Directors' meeting or Majority Decision, as his Appointor.
- 26.2 Except as otherwise provided by these Articles, an Alternate is liable for his own acts and omissions; is subject to the same restrictions as his Appointor; and is not deemed to be an agent of or for his Appointor.
- 26.3 Subject to the other provisions of these Articles, a person who is an Alternate but is not otherwise a Director:
  - 26.3.1 shall be counted in the quorum at any Directors' meeting in which he is Participating (but only if his Appointor would be counted in the quorum and is not Participating);
  - 26.3.2 may vote at any Directors' meeting in which he is Participating (but only if his Appointor would be eligible to vote and is not Participating).

## 27 TERMINATION OF APPOINTMENT OF ALTERNATES

An Alternate's appointment as an Alternate terminates:

- 27.1 when his Appointor revokes the appointment by notice in Writing to the Company specifying when it is to terminate;
- 27.2 on the occurrence (in relation to that Alternate) of any event which, if it occurred in relation to his Appointor, would result in the termination of that Appointor's appointment as a Director;
- 27.3 on the death of his Appointor; or
- 27.4 when his Appointor's appointment as a Director terminates.

## 28 PURCHASE OF OWN SHARES

- 28.1 Subject to the Act, but without prejudice to any other provision of these Articles, the Company may, in accordance with section 692(1ZA) of the Act, purchase its own shares out of capital otherwise than in accordance with Chapter 5 of Part 18 of the Act, up to an aggregate purchase price in a financial year of the lower of:
  - 28.1.1 £15,000; or
  - 28.1.2 the nominal value of 5% of the Company's fully-paid share capital at the beginning of the relevant financial year.

## 29 SHARE RIGHTS (VOTING)

The Shares shall entitle each Shareholder to receive notice of, to attend and vote at general meetings and written resolutions of the Company. On a show of hands every Shareholder who is present shall have 1 vote and on a poll or written resolution every such Shareholder present in person or by proxy or entitled to vote shall have 1 vote for every Share held by him.

## 28 SHARE RIGHTS (INCOME)

The profits of the Company available for distribution each year shall be paid out as a dividend to the Shareholders.

## 29 SHARE RIGHTS (CAPITAL)

On a return of assets (whether on liquidation, capital reduction or otherwise), the assets of the Company remaining after the payment of its liabilities shall be distributed amongst the Shareholders.

### 30 FURTHER ISSUES OF SHARES: AUTHORITY

30.1 Subject to the provisions of Article 31, the Directors are generally and unconditionally authorised, for the purpose of section 551 of the Act to exercise any power of the Company to:

30.1.1 offer or allot;

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

30.1.3 otherwise create or deal in,

any Shares in the Company to any person, at any time and subject to any terms and conditions as the Directors think proper.

30.2 The authority referred to in Article 30.1:

30.2.1 shall be limited to a maximum of £1,000 as the nominal value of the Shares (exclusive of the Shares in issue at the Adoption Date):

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

30.2.3 may only be exercised for a period of five years commencing on the Adoption Date save that the Directors may make an offer or agreement which would, or might, require Shares to be allotted after the expiry of such authority (and the Directors may allot Shares in pursuance of an offer or agreement as if such authority had not expired).

### 31 FURTHER ISSUES OF SHARES: PRE-EMPTION RIGHTS

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

31.2 Unless otherwise agreed by special resolution, if the Company proposes to allot any Shares, those Shares shall not be allotted to any person unless the Company has first offered them to all current Shareholders in the Company on the date of the offer on the same terms, and at the same price, as those Shares are being offered to such other person on a pari passu basis and pro rata to the nominal value of shares held by those Shareholders (as nearly as possible without involving fractions).

31.3 The offer:

31.3.1 shall be in writing, shall be open for acceptance for a period of five working days from the date of the offer and shall give details of the number and subscription price of the relevant Shares; and

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

- 31.4 Any Shares not accepted by Shareholders pursuant to the offer made to them in accordance with Articles 31.2 and 31.3 shall be used for satisfying any requests for Excess Shares made pursuant to Article 31.3.2. If there are insufficient Excess Shares to satisfy such requests, the Excess Shares shall be allotted to the applicants as nearly as practicable in the proportion that the number of Excess Shares each Shareholder indicated he would accept bears to the total number of Excess Shares applied for (as nearly as possible without involving fractions or increasing the number of Excess Shares allotted to any Shareholder beyond that applied for by him). After that allotment, any Excess Shares remaining shall be offered to any other person as the Directors may determine, at the same price and on the same terms as the offer to the Shareholders.
- 31.5 Notwithstanding the foregoing provisions of this Article 31, the Directors are generally and unconditionally authorised for the purposes of section 551 of the Act, to allot Shares (up to an aggregate nominal amount of £13 (exclusive of the Shares in issue at the Adoption Date)) at any time or times without regard to any pre-emption right (i) in the Act; or (ii) set out above, during the period of 5 years from the Adoption Date and the Directors may, after that period, allot any Shares under this authority in pursuance of an offer or agreement so to do made by the Company within that period.
- 32 **ALL SHARES TO BE FULLY PAID UP**
- 32.1 Subject to Article 32.2, no Share is to be issued for less than the aggregate of its nominal value and any premium to be Paid to the Company in consideration for its issue.
- 32.2 Article 32.1 does not apply to the Shares taken on the formation of the Company by the subscribers to the Company's memorandum.
- 33 **POWERS TO ISSUE DIFFERENT CLASSES OF SHARES**
- Subject to the other provisions of these Articles, the Company may:
- 33.1 create new classes of Shares and issue Shares with such rights or restrictions as may be determined by the Directors so long as such new Shares dilute all the existing Shareholders in the same way (and in the event such new Shares shall not, an Ordinary Resolution shall be required); and
- 33.2 issue Shares which are to be redeemed or are liable to be redeemed at the option of the Company or the Holder.
- 34 **COMPANY NOT BOUND BY LESS THAN ABSOLUTE INTERESTS**
- Except as required by law, no person is to be recognised by the Company as holding any Shares on any trust and except as otherwise required by law or these Articles, the Company is not in any way to be bound by, or obliged to recognise, any interest in any Shares other than the Holder's absolute ownership of them and all the rights attaching to them.
- 35 **SHARE CERTIFICATES**
- 35.1 The Company must issue each Shareholder, free of charge, with one or more certificates in respect of the Shares which that Shareholder holds.
- 35.2 Every certificate must specify:
- 35.2.1 in respect of how many Shares, of what class, it is issued;
  - 35.2.2 the nominal value of those Shares;
  - 35.2.3 that the Shares are Fully Paid; and
  - 35.2.4 any distinguishing numbers assigned to them.
- 35.3 No certificate may be issued in respect of Shares of more than one class.

- 35.4 Certificates must have affixed to them the Company's common seal; or be otherwise executed in accordance with the Act.

36. **REPLACEMENT SHARE CERTIFICATES**

- 36.1 If a certificate issued in respect of any Shareholder's Shares is damaged or defaced; or said to be lost, stolen or destroyed that Shareholder is entitled to be issued with a replacement certificate in respect of the same Shares.
- 36.2 Any Shareholder exercising the right to be issued with a replacement certificate pursuant to Article 36.1:
- 36.2.1 may at the same time exercise the right to be issued with a single certificate or separate certificates;
  - 36.2.2 must return the certificate which is to be replaced to the Company if it is damaged or defaced; and
  - 36.2.3 must comply with such conditions as to evidence, indemnity and the payment of a reasonable fee as the Directors decide.

37. **SHARE TRANSFERS: GENERAL**

- 37.1 The Directors shall only refuse to register a transfer of Shares if they are specifically required or authorised to do so by these Articles. If the Directors do refuse to register a transfer of Shares, they must, as soon as practicable and in any event within two months after the date on which the relevant Transfer Form was lodged with the Company, return that Transfer Form to the transferee with the notice of refusal unless they suspect that the proposed transfer may be fraudulent.
- 37.2 The Directors shall refuse to register any transfer of Shares made in contravention of the provisions of these Articles.
- 37.3 Any transfer of Shares made or purported to be made in contravention of the provisions of these Articles shall be of no effect.
- 37.4 Shares shall be transferred by means of a Transfer Form.
- 37.5 No fee may be charged for registering any Transfer Form or other document relating to or affecting the title to any Shares.
- 37.6 The Company may retain any Transfer Form which is registered.
- 37.7 The transferor remains the Holder of a Share until the transferee's name is entered in the register of members as Holder of it.

38. **PERMITTED TRANSFERS**

- 38.1 A Shareholder (who is not a Permitted Transferee) (the "Original Shareholder") may transfer all or any of such Original Shareholder's Shares to a Permitted Transferee without restriction as to price or otherwise.
- 38.2 Shares previously transferred as permitted by article 38.1 may be transferred by the transferee to any other Permitted Transferee of the Original Shareholder without restriction as to price or otherwise.
- 38.3 Where under the provision of a deceased Shareholder's will or laws as to intestacy, the persons legally or beneficially entitled to any Shares, whether immediately or contingently, are Permitted Transferees of the deceased Shareholder, the legal representative of the deceased Shareholder may transfer any Share to those Permitted Transferees, in each case without restriction as to price or otherwise.

- 38.4 Trustees may (i) transfer Shares to a Qualifying Company or (ii) transfer Shares to the Original Shareholder or to another Permitted Transferee of the Original Shareholder or (iii) transfer Shares to the new or remaining trustees upon a change of Trustees without restrictions as to price or otherwise.
- 38.5 No transfer of Shares may be made to Trustees unless the board of Directors of the Company is satisfied:
- 38.5.1 with the terms of the trust instrument and in particular with the powers of the Trustees;
  - 38.5.2 with the identity of the proposed Trustees;
  - 38.5.3 the proposed transfer will not result in 50% or more of the aggregate of the Company's equity share capital being held by Trustees of that and any other trusts; and
  - 38.5.4 that no costs incurred in connection with the setting up or administration of the Family Trust in question are to be paid by the Company.
- 38.6 If a Permitted Transferee who is a Qualifying Company of the Original Shareholder ceases to be a Qualifying Company of the Original Shareholder, it must within five Business Days of so ceasing, transfer the Shares held by it to the Original Shareholder (or, to any Permitted Transferee of the Original Shareholder) (and may do so without restriction as to price or otherwise) failing which it will be deemed unless it obtains the approval of the Board to have given a Transfer Notice in respect of such Shares.
- 38.7 If a Permitted Transferee who is a spouse or civil partner of the Original Shareholder ceases to be a spouse or civil partner of the Original Shareholder whether by reason of divorce or otherwise such Permitted Transferee must, within 15 Business Days of so ceasing either:
- 38.7.1 execute and deliver to the Company a transfer of the Shares held by such Permitted Transferee to the Original Shareholder (or, to any Permitted Transferee of the Original Shareholder) for such consideration as may be agreed between them; or
  - 38.7.2 give a Transfer Notice to the Company under Article 39.
  - 38.7.3 failing which such Permitted Transferee shall be deemed to have given a Transfer Notice under Article 39.
- 38.8 On the death, bankruptcy, liquidation, administration or administrative receivership of a Permitted Transferee (other than a joint holder) the Permitted Transferee's personal representatives or trustee in bankruptcy, or its liquidator, administrator or administrative receiver must within five Business Days after the date of the grant of probate, the making of the bankruptcy order or the appointment of the liquidator, administrator or the administrative receiver execute and deliver to the Company a transfer of the Shares held by the Permitted Transferee without restriction as to price or otherwise. The transfer shall be to the Original Shareholder if still living (and not bankrupt or in liquidation) or, if so directed by the Original Shareholder, to any Permitted Transferee of the Original Shareholder. If the transfer is not executed and delivered within five Business Days of such period or if the Original Shareholder has

died or is bankrupt or is in liquidation, administration or administrative receivership, the personal representatives or trustee in bankruptcy or liquidator, administrator or administrative receiver will be deemed to have given a Transfer Notice under Article 39.

### 39 PRE-EMPTION ON TRANSFERS

- 39.1 Except for in the case of a Permitted Transfer, and unless otherwise agreed by special resolution, any Shareholder who wishes to transfer any Shares other than as required pursuant to Articles 40 and 41 (in this Article, the “Seller”) shall give the Company notice in Writing (the “Transfer Notice”). Once given the Transfer Notice shall be irrevocable.
- 39.2 The Transfer Notice shall specify:
- 39.2.1 the number of Shares the Seller wishes to transfer (the “Sale Shares”);
  - 39.2.2 whether the Seller has received an offer from a third party for the Sale Shares and if so the identity of that third party and the price offered by that third party for each of the Sale Shares and which the Seller is prepared to accept (“Third Party Price”);
  - 39.2.3 if no Third Party Price, or if the Seller is prepared to sell the Sale Shares to the other Shareholders at less than the Third Party Price the price per share at which the Seller wishes to sell the Sale Shares (“the Requested Price”); and
  - 39.2.4 whether the Seller wishes to impose a condition that unless all the Sale Shares are sold none shall be sold (a “**Total Sale Condition**”).
- 39.3 By giving the Transfer Notice, the Seller appoints the Company (acting by the Directors) as his agent with the power to sell the Sale Shares (with all rights attaching to them) in accordance with the provisions of these Articles.
- 39.4 The “Sale Price” shall be the Third Party Price, or if none (or if the Seller indicates in the Transfer Notice that he is prepared to sell the Sale Shares to the other Shareholders at less than the Third Party Price), the Requested Price.
- 39.5 Within 7 days of the Transfer Notice being given to the Company, the Company shall give notice in Writing (the “**Transfer Offer Notice**”) to the Shareholders offering for sale the Sale Shares at the Sale Price. The Transfer Offer Notice shall specify: that each Shareholder is entitled to apply for some or all of the Sale Shares and, if he wishes to apply, have a period of 21 days from the date of the Transfer Offer Notice (the “Acceptance Period”) within which to deliver his application for Sale Shares to the Company; and whether the Transfer Notice contained a Total Sale Condition.
- 39.6 Subject to Article 39.7, on the expiry of the Acceptance Period:
- 39.6.1 if the total number of Sale Shares applied for is equal to or less than the total number of Sale Shares, the Company: shall allocate to each Shareholder the number of Sale Shares he applied for; and may allocate any remaining Sale Shares to itself (and it shall, subject to the Act, be entitled to acquire them); or
  - 39.6.2 if the total number of Sale Shares applied for is greater than the total number of Sale Shares, the Company shall allocate: the Sale Shares, in the Transfer Proportions, amongst the Shareholders who have applied for them (but without allocating to any Shareholder more Sale Shares than he applied for); and any remaining Sale Shares, in

the Transfer Proportions, to those Shareholders whose applications for Sale Shares have not yet been satisfied in full (but without allocating to any Shareholder more Sale Shares than he applied for) and any remaining Sale Shares shall be allocated by re-applying the provisions of this Article 39.

- 39.7 If the Transfer Notice contained a Total Sale Condition the Company shall not allocate any of the Sale Shares pursuant to Article 39.6 unless all of the Sale Shares can be so allocated.
- 39.8 If any of the Sale Shares are allocated by the Company pursuant to Article 39.6:
- 39.8.1 the persons to whom they are allocated (each an “**Allocated Person**”) shall be bound to acquire the Sale Shares allocated to them on the terms on which they were offered for sale; and
  - 39.8.2 the Company shall immediately on allocating any Sale Shares give notice in Writing (the “**Sale Notice**”) to the Seller and to each Allocated Person specifying: the number of Sale Shares allocated to that Allocated Person and the aggregate price payable for those Sale Shares; and the time, date and place of completion (which shall be not less than 7 and not more than 28 days after the date of the Sale Notice).
- 39.9 On completion:
- 39.9.1 each Allocated Person (other than the Company) shall pay the purchase price in respect of the relevant Sale Shares: to the Seller; or if the Seller is not present at completion, to the Company to be held on trust (without interest) for the Seller (and the receipt of the Company for the purchase price shall be a good discharge to that Allocated Person (who shall not be bound to see to the application of it));
  - 39.9.2 if the Company is an Allocated Person, it shall: pay the purchase price for the relevant Sale Shares to the Seller; or if the Seller is not present at Completion, hold the purchase price for the relevant Sale Shares on trust (without interest) for the Seller; and
  - 39.9.3 the Seller shall transfer the relevant Sale Shares to the relevant Allocated Person and deliver the relevant share certificates.
- 39.10 If the Seller defaults in transferring any Sale Shares to an Allocated Person pursuant to Article 39.9, the Company is unconditionally and irrevocably authorised to appoint any person as agent of the Seller to execute a Transfer Form for those Sale Shares in the name, and on behalf, of the Seller (and to do such other things as are necessary to transfer the relevant Sale Shares pursuant to this Article 39) and when that Transfer Form has been duly stamped:
- 39.10.1 where the Allocated Person is not the Company, the Company shall cause the name of that Allocated Person to become the Holder of those Sale Shares; or
  - 39.10.2 where the Allocated Person is the Company, the Company shall cause those Sale Shares to be cancelled in accordance with the Act;
- and after that, the validity of the proceedings shall not be questioned by any person.
- 39.11 Any money held on trust by the Company for the Seller in respect of any Sale Shares shall only be released to the Seller on production of the relevant share certificates (or an appropriate indemnity for any lost share certificates) for the Sale Shares that have been transferred to Allocated Persons.

39.12 If the Company cannot allocate all of the Sale Shares pursuant to Article 39.6, the Company shall immediately notify the Seller in Writing (the “**Unsold Shares Notice**”). The Seller may within 3 months of the date of the Unsold Shares Notice:

39.12.1 if the Transfer Notice contained a Total Sale Condition, sell all (but not some only) of the Sale Shares; or

39.12.2 if the Transfer Notice did not contain a Total Sale Condition, sell all or any of the Sale Shares that have not been allocated pursuant to Article 39.6 (the “**Unsold Shares**”);

to any person at any price per Share which is not less than the Sale Price. The Directors may require the Seller to satisfy them that any transfer of Shares pursuant to this Article 39.12 is in pursuance of a sale in good faith for the consideration stated in the transfer and if they are not satisfied they may refuse to register the relevant Transfer Form.

#### 40 TAG ALONG

40.1 Except in the case of a Permitted Transfer, if, in one transaction or a series of related transactions:

(i) the Founder proposes to transfer all of his Shares; or

(ii) one or more Shareholders proposes to carry out a transfer or transfers of Shares which would, if carried out, result in any person other than the Founder, together with any person acting in concert with such person where relevant, acquiring more than 50% of the aggregate Shares held by all the Shareholders (the Founder and/or such Shareholders being the “Tag Shareholders” and the Shares proposed to be transferred being the “Tag Share Holding” for the purposes of this Article 40),

and the Tag Shareholders have not elected to exercise the Drag Along Right pursuant to Article 41, then the Tag Shareholders may only sell the Tag Share Holding if they comply with the provisions of this Article 40.

40.2 The Tag Shareholders must give written notice (a “**Tag Sale Notice**”) to the remaining Shareholders of such intended sale at least 14 days prior to the intended completion date of it.

40.3 Any Tag Sale Notice must set out:

40.3.1 the identity of the proposed buyer(s) of the Tag Share Holding (the “**Proposed Tag Buyer**”);

40.3.2 the proposed date of completion of the sale;

40.3.3 the amount of the cash consideration per Share which the Proposed Tag Buyer will be paying for the Tag Share Holding together with the amount of cash consideration the Proposed Tag Buyer would be prepared to pay per Share held by the Shareholders who elect to exercise their rights pursuant to this Article 40 (the “**Tag Purchase Price**”);

40.3.4 any other material terms and conditions of the sale; and

40.3.5 a statement that the Shareholders may exercise the rights conferred by this Article 40.

40.4 Any Shareholder shall be entitled, by serving written notice (the “**Tag Along Notice**”) on the Tag Shareholders within 7 days of any Tag Sale Notice, to require that the Tag Shareholders procure that the Proposed Tag Buyer purchases all or the same proportion of the Shares of such Shareholder for a consideration per Share equal to the Tag



Purchase Price and otherwise on the same terms and conditions as those set out in the Tag Sale Notice.

- 40.5 The Proposed Tag Buyer shall only be required to purchase the Shares of a Shareholder serving a Tag Along Notice if the applicable Shareholder gives such representations, warranties and indemnities as the Proposed Tag Buyer requires (although these shall be no more onerous than those required to be given by the Tag Shareholders).
- 40.6 If any Shareholder fails to serve a Tag Along Notice within the period referred to in Article 40.4 then he shall be deemed to have declined the to exercise his rights pursuant to this Article 40 and the Tag Shareholders shall be free to sell the Tag Share Holding as they see fit.

#### 41 DRAG ALONG

- 41.1 If Shareholders holding 75% or more than 75% of the aggregate Shares held by all the Shareholders (the Shareholders proposing to transfer their Shares being the “Drag Shareholders” for the purposes of this Article 41) the Drag Shareholders shall have the right (“Drag Along Right”) to require the remaining Shareholders from time to time (“Called Shareholders”) to transfer all or some of the Shares held by them to any third party purchaser (“Third Party”) to whom the Drag Shareholders have agreed to transfer all or some of their Shares (“Transfer Shares”). The Drag Shareholders may exercise the Drag Along Right in respect of the Transfer Shares by serving notice to that effect (“Drag Along Notice”) on the Called Shareholders specifying that each Called Shareholder is required to transfer its Shares (“Called Shares”) pursuant to this Article 41.
- 41.2 The Called Shareholders will be obliged to sell the Called Shares on terms that they will be entitled to receive for their Shares a sum for each Share (“Drag Along Price”) equal to the cash price per Share payable to the Drag Shareholders by the Third Party for the Transfer Shares provided always that the Drag Along Price shall not be less than the amount the Called Shareholders originally paid for the Called Shares less the amount of any dividends received in relation to the Called Shares.
- 41.3 The Called Shareholders will give such representations, warranties and indemnities as the Third Party may require including without limitation as to title in their Shares (although these shall be no more onerous than those required to be given by the Drag Shareholders).
- 41.4 Upon the exercise of the Drag Along Right in accordance with this Article 41 each of the Called Shareholders will be bound to sell their Called Shares for the Drag Along Price with full title guarantee and free from all claims and encumbrances.
- 41.5 Unless the Called Shareholder and the Drag Shareholders otherwise agree in writing, completion of the sale of the Called Shares will take place on the date specified for that purpose by the Drag Shareholders in the Drag Along Notice except that:
  - 41.6.1 the Drag Shareholders may not specify a date that is less than 3 days after the date of the Drag Along Notice; and
  - 41.6.2 the date so specified by the Drag Shareholders must be the same date as the date proposed for completion of the sale of the Transfer Shares;
- 41.6 If any Called Shareholder fails to carry out the sale of any of the Called Shares in accordance with the provisions of Article 41:
  - 41.6.1 the Directors of the Company may authorise a person to execute a transfer of the Called Shares to the Third Party;
  - 41.6.2 the Company may give a good receipt for the purchaser of such Called Shares;
  - 41.6.3 the Company may register the Third Party as holder of Called Shares;

- 41.6.4 the Company may issue to the Third Party certificates for the Called Shares upon receipt of which the transaction will not be questioned by any person; and
- 41.6.5 the Called Shareholder will be bound to deliver up its certificates for the Called Shares to the Company and the Called Shareholder will be entitled to receive the Drag Along Price per Called Share which will be held by the Company on trust for the Called Shareholder but without accruing interest.

## 42 COMPULSORY TRANSFERS

- 42.1 For the purposes of these Articles, a “Compulsory Transfer Event” shall occur in relation to any Shareholder if that person makes any proposal under Part VIII Insolvency Act 1986 for a composition in satisfaction of his/her debts or a scheme of arrangement of his/her affairs, or makes any arrangement or compromise with his/her creditors generally; or is adjudicated bankrupt.
- 42.2 If a Compulsory Transfer Event occurs in relation to a Shareholder then the Shareholder in question (or any person becoming entitled to that Shareholder's Shares) shall promptly notify the Directors that the Compulsory Transfer Event has occurred (a “Compulsory Transfer Notice”).
- 42.3 Any Director may declare that any Shareholder who is required to give notice pursuant to Article 42.2 (herein referred to in this Article as a “**Seller**”) shall be deemed to have given a Compulsory Transfer Notice.
- 42.4 Any Compulsory Transfer Notice deemed to have been given shall be irrevocable and shall be deemed to offer unconditionally to sell all of the Shares held by the person in respect of whom the Compulsory Transfer Event has occurred (“Sale Shares”) for the Market Value (“Sale Price”).

The “**Market Value**” is the open market value of the Shares at the date when the Compulsory Transfer Event occurs as mutually agreed between the Seller and the Board at the relevant time, or if such mutual agreement cannot be reached, as certified by the auditors (or if none, the accountants) of the Company (“**Auditors**”). In giving any such certificate, the Auditors: (i) shall not apply any premium or discount in relation to the size of any holding; (ii) shall assume a willing seller and buyer at arm's length; (iii) shall assume, if the Company is then carrying on business as a going concern, that it will continue to do so; and (iv) shall take into account any restrictions on transfer and voting rights as contained in these Articles.

- 42.5 The Directors shall use all reasonable efforts to ensure that the Sale Price is determined by the Auditors and his certificate issued to the Company as quickly as possible. The Auditor shall act as an expert and not as an arbitrator and his certificate shall be final and binding on the Company and all Shareholders, and his costs shall be borne by the Company.
- 42.6 Any offer pursuant to Article 42.4 shall be deemed to have been made: (i) to the Shareholders who shall have the right to accept any or all of the Shares offered to them in the Transfer Proportion by notice in Writing to the Company given within 60 days of the date of the Compulsory Transfer Notice; and (ii) if or to the extent that the offer referred to in (i) is not accepted, to the Company, which shall have the right to accept any or all of the Shares offered to it (if it is lawfully able to do so) by notice in Writing given by it to all Shareholders within 90 days of the date of the Compulsory Transfer Notice.
- 42.7 Each notice given by a person under Article 42.6 (“**Acceptance Notice**”) shall give rise to a legally binding and unconditional agreement between the person giving it and the Seller. Under each such agreement the Seller shall be bound to sell the Sale Shares for the Sale Price.

- 42.8 The Sale Shares shall be sold free from all charges, liens and encumbrances and otherwise with full title guarantee, at the Sale Price, and together with all rights attaching to the Sale Shares on or after the date of the Compulsory Transfer Notice, including the right to receive dividends and the right to be sold or allotted any other shares by virtue of the holding of any of the Sale Shares.
- 42.9 The Company shall specify by notice to the Seller and the relevant Shareholders a time and place for completion of the sale and purchase of the Sale Shares, being not less than 3 days after the date of receipt of the Acceptance Notice. Completion of that sale and purchase shall take place at the time and place specified in the Company's notice, when the Seller shall deliver to each such relevant Shareholder transfer in respect of the Sale Shares bought by it, duly executed in its favour by the Seller, together with the certificate(s) for the Sale Shares or an indemnity in lieu of the certificate(s) in a form satisfactory to the Directors.
- 42.10 As security for the performance by the Seller of its obligations under Article 42.9, the Seller shall be deemed, on giving the Sale Notice, to appoint any Director as its duly authorised agent to complete, execute and deliver a transfer of the Sale Shares pursuant to Article 42.9 and to give a good discharge for the purchase money. That money shall be held on trust by the Company for the Seller (without any obligation to account for interest on it) until the share certificate(s) or indemnity referred to in Article 42.9 is delivered to the Company.
- 42.11 If the Company elects to buy any Sale Shares, the Directors (other than any Director appointed by a Seller) shall determine a timetable and procedure for such purchase and the Shareholders shall comply with any requirements of the Directors (as to voting of their Shares or otherwise) to give effect to that purchase.
- 42.12 If any Shareholder is deemed to have given a Compulsory Transfer Notice, the Shares held by that Shareholder shall be subject to the following restrictions until sold pursuant to this Article 42 or otherwise agreed by the Directors:
- 42.12.1 any transfer of those Shares is void;
  - 42.12.2 no further Shares shall be issued in right of them or in pursuance of any offer made to their Holder; and
  - 42.12.3 except in a liquidation, no payment shall be made of any sums due from the Company on the Shares, whether in respect of capital or otherwise.

#### 43 TRANSMISSION OF SHARES

- 43.1 If title to a Share passes to a Transmitttee, the Company may only recognise that Transmitttee as having any title to that Share.
- 43.2 Subject to the other provisions of these Articles, and pending any transfer of Shares to another person, a Transmitttee has the same rights as the Holder had but, a Transmitttee does not have the right to attend or vote at a general meeting or agree to a proposed written resolution, in respect of any Shares to which he is entitled by reason of the Holder's death or bankruptcy or otherwise, unless that Transmitttee becomes the Holder of those Shares.
- 43.3 If a notice is given to a Shareholder in respect of any Shares and a Transmitttee is entitled to those Shares, that Transmitttee is bound by the notice if it was given to that Shareholder before that Transmitttee's name has been entered in the register of members as Holder of those Shares.

#### 44 PROCEDURE FOR DECLARING DIVIDENDS

- 44.1 The Company may by Ordinary Resolution declare dividends and the Directors may decide to pay interim dividends in respect of any Shares.
- 44.2 A dividend must not be declared unless the Directors have made a recommendation as to its amount. Such a dividend must not exceed the amount recommended by the Directors.
- 44.3 No dividend may be declared or paid unless it is in accordance with Shareholders' respective rights.
- 44.4 Unless:
  - 44.4.1 the Shareholders' resolution to declare, or Directors' decision to pay, a dividend; or
  - 44.4.2 the terms on which Shares are issued;

specify otherwise, each dividend must be paid by reference to each Shareholder's holding of Shares on the date of the resolution or decision to declare or pay it.

#### 45 PAYMENT OF DIVIDENDS AND OTHER DISTRIBUTIONS

Where a dividend or other sum which is a distribution is payable in respect of a Share, it must be paid by one or more of the following means:

- 45.1 transfer to a bank or building society account specified by the relevant Shareholder either in Writing or as the Directors may otherwise decide;
- 45.2 sending a cheque made payable to the relevant Shareholder by post to it at its registered address, or to another address specified by that Shareholder either in Writing or as the Directors may otherwise decide; or
- 45.3 any other means of payment as the Directors agree with the relevant Shareholder either in Writing or by such other means as the Directors decide.

#### 46 NO INTEREST ON DISTRIBUTIONS

The Company may not pay interest on any dividend or other sum payable in respect of a Share unless otherwise provided by the terms on which that Share was issued; or the provisions of another agreement between the Holder of that Share and the Company.

#### 47 UNCLAIMED DISTRIBUTIONS

- 47.1 All dividends or other sums which are payable in respect of Shares; and unclaimed after having been declared or become payable; may be invested or otherwise made use of by the Directors for the benefit of the Company until claimed.
- 47.2 The payment of any unclaimed dividend or other sum into a separate account does not make the Company a trustee in respect of it.
- 47.3 If 12 years have passed from the date on which a dividend or other sum became due for payment; and the relevant Shareholder has not claimed it; that Shareholder is no longer entitled to that dividend or other sum and it ceases to remain owing by the Company.

#### 48 NON-CASH DISTRIBUTIONS

- 48.1 Subject to the terms of issue of the Share in question, the Company may, by Ordinary Resolution on the recommendation of the Directors, decide to pay all or part of a

dividend or other distribution payable in respect of that Share by transferring non-cash assets of equivalent value (including Shares or other securities in any company).

- 48.2 For the purposes of paying a non-cash distribution, the Directors may make whatever arrangements they think fit, including, where any difficulty arises regarding the distribution, fixing the value of any assets; paying cash to any Shareholder on the basis of that value in order to adjust the rights of recipients; and vesting any assets in trustees.

#### 49 WAIVER OF DISTRIBUTIONS

Any Shareholder may waive its entitlement to a dividend or other distribution payable in respect of any Share by giving the Company notice in Writing to that effect.

#### 50 AUTHORITY TO CAPITALISE AND APPROPRIATION OF CAPITALISED SUMS

- 50.1 Subject to the other provisions of these Articles, the Directors may, if they are so authorised by an Ordinary Resolution:

50.1.1 decide to capitalise any profits of the Company (whether or not they are available for distribution) or any sum standing to the credit of the Company's share premium account or capital redemption reserve; and

50.1.2 appropriate any sum which they decide to capitalise in accordance with Article 50.1.1 (a "**Capitalised Sum**") to the persons who would have been entitled to it if it were distributed by way of dividend (the "**Persons Entitled**") and in the same proportions.

- 50.2 Capitalised Sums must be applied on behalf of the Persons Entitled; and in the same proportions as a dividend would have been distributed to them.

- 50.3 Any Capitalised Sum may be applied in paying up new Shares of a nominal amount equal to the Capitalised Sum which are then allotted credited as Fully Paid to the Persons Entitled.

- 50.4 A Capitalised Sum which was appropriated from profits available for distribution may be applied in paying up new debentures of the Company which are then allotted credited as Fully Paid to the Persons Entitled.

- 50.5 Subject to the other provisions of these Articles, the Directors may:

50.5.1 apply Capitalised Sums in accordance with Articles 50.1 and 50.4 partly in one way and partly in another;

50.5.2 make such arrangements as they think fit to deal with Shares or debentures becoming distributable in fractions under this Article 50 (including the issuing of fractional certificates or the making of cash payments); and

50.5.3 authorise any person to enter into an agreement with the Company on behalf of all the Persons Entitled which is binding on them in respect of the allotment of Shares and debentures to them under this Article 50.

#### 51 ATTENDANCE AND SPEAKING AT GENERAL MEETINGS

- 51.1 A person is able to exercise the right to speak at a general meeting when he is in a position to communicate to all those attending the meeting, during the meeting, any information or opinions which he has on the business of the meeting.

- 51.2 A person is able to exercise the right to vote at a general meeting when:

- 51.2.1 he is able to vote, during the meeting, on resolutions put to the vote at the meeting; and
  - 51.2.2 his vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting.
- 51.3 The Directors may make whatever arrangements they consider appropriate to enable those attending a general meeting to exercise their rights to speak or vote at it.
- 51.4 In determining attendance at a general meeting, it is immaterial whether any two or more persons attending it are in the same place as each other.
- 51.5 Two or more persons who are not in the same place as each other attend a general meeting if their circumstances are such that if they have (or were to have) rights to speak and vote at that meeting, they are (or would be) able to exercise them.
- 52 **QUORUM FOR GENERAL MEETINGS**
  - 52.1 No business other than the appointment of the Chairman of the Meeting is to be transacted at a general meeting if the persons attending it do not constitute a quorum.
  - 52.2 The quorum at general meetings is such number of Shareholders (or their Qualifying Representatives) who alone or together hold at least 50% of the Shares in issue at the relevant time such number to include the Founder or his proxy as appropriate.
- 53 **CHAIRING GENERAL MEETINGS**
  - 53.1 The Chairman shall chair general meetings if present and willing to do so.
  - 53.2 If the Chairman is unwilling to chair the relevant general meeting or is not present within 10 minutes of the time at which the relevant general meeting was due to start the Shareholder who chose him shall be entitled to choose another Director to chair that meeting and that appointment must be the first business of that meeting.
- 54 **ATTENDANCE AND SPEAKING BY DIRECTORS, NON-VOTING SHAREHOLDERS AND NON-SHAREHOLDERS AT GENERAL MEETINGS**
  - 54.1 Directors may attend and speak at general meetings whether or not they are Shareholders.
  - 54.2 The Chairman of the Meeting may permit other persons who are not Shareholders; entitled to vote (but are Shareholders); or otherwise entitled to exercise the rights of Shareholders in relation to general meetings; to attend and speak at any general meeting.
- 55 **ADJOURNMENT OF GENERAL MEETINGS**
  - 55.1 If the persons attending a general meeting within 30 minutes of the time at which the meeting was due to start do not constitute a quorum or if during a general meeting a quorum ceases to be present, the Chairman of the Meeting must adjourn it.
  - 55.2 The Chairman of the Meeting may adjourn a general meeting at which a quorum is present if that meeting consents to an adjournment; or it appears to him that an adjournment is necessary to protect the safety of any person attending that meeting or ensure that the business of that meeting is conducted in an orderly manner.
  - 55.3 The Chairman of the Meeting must adjourn a general meeting if directed to do so by that meeting.
  - 55.4 When adjourning a general meeting, the Chairman of the Meeting must either specify the time and place to which it is adjourned or state that it is to continue at a time and

place to be fixed by the Directors; and have regard to any directions as to the time and place of any adjournment which have been given by that meeting.

55.5 If the continuation of an adjourned meeting is to take place more than 14 days after it was adjourned, the Company must give at least seven clear days' notice of it (that is, excluding the day of the adjourned meeting and the day on which the notice is given):

55.5.1 to the same persons to whom notice of the Company's general meetings is required to be given; and

55.5.2 containing the same information which such notice is required to contain.

55.6 No business may be transacted at an adjourned general meeting which could not properly have been transacted at the relevant general meeting if the adjournment had not taken place.

## 56 VOTING AT GENERAL MEETINGS: GENERAL

56.1 A resolution put to the vote of a general meeting must be decided on a show of hands unless a poll is duly demanded in accordance with these Articles.

56.2 On a vote on a resolution on a show of hands at a general meeting every Shareholder (whether present in person by one or more Qualifying Representatives) has one vote.

56.3 On a vote on:

56.3.1 a poll taken at a general meeting; or

56.3.2 a written resolution;

every Shareholder has one vote in respect of each Share held by it.

## 57 ERRORS AND DISPUTES

No objection may be raised to the qualification of any person voting at a general meeting except at that meeting or adjourned meeting at which the vote objected to is tendered and every vote not disallowed at that meeting is valid.

## 58 POLL VOTES

58.1 A poll on a resolution may be demanded:

58.1.1 in advance of the general meeting where it is to be put to the vote; or

58.1.2 at a general meeting, either before a show of hands on that resolution or after the result of a show of hands on that resolution is declared.

58.2 A poll may be demanded by the Chairman of the Meeting; the Directors; or any Shareholder or Qualifying Representative in attendance and entitled to vote.

58.3 A demand for a poll may be withdrawn if the poll has not yet been taken; and the Chairman of the Meeting consents to the withdrawal.

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

## 59 CONTENT OF PROXY NOTICES

59.1 Proxies may only validly be appointed by a notice in Writing (a "Proxy Notice") which:

59.1.1 states the name and address of the Shareholder appointing the proxy;

- 59.1.2 identifies the person appointed to be the proxy and the general meeting in relation to which he is appointed;
  - 59.1.3 is signed by or on behalf of the Shareholder appointing the proxy, or is authenticated in such manner as the Directors may determine; and
  - 59.1.4 is delivered to the Company in accordance with these Articles and any instructions contained in the notice of the general meeting to which the Proxy Notice relates.
- 59.2 The Company may require Proxy Notices to be delivered in a particular form and may specify different forms for different purposes.
- 59.3 Proxy Notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions.
- 59.4 Unless a Proxy Notice indicates otherwise, it must be treated as:
- 59.4.1 allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the relevant general meeting; and
  - 59.4.2 appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as that general meeting itself.

## 60 DELIVERY OF PROXY NOTICES

- 60.1 Any notice of a general meeting must specify the address or addresses (the “**Proxy Notification Address**”) at which the Company or its agents will receive Proxy Notices relating to that meeting, or any adjournment of it, delivered in Hard Copy Form or Electronic Form.
- 60.2 A Proxy Notice may be delivered to the Proxy Notification Address at any time before the general meeting or adjourned meeting to which it relates.
- 60.3 A person who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a general meeting remains so entitled in respect of that meeting or any adjournment of it even though a valid Proxy Notice has been delivered to the Company by or on behalf of that person.
- 60.4 An appointment under a Proxy Notice may be revoked by delivering to the Company a notice in Writing given by or on behalf of the person by whom, or on whose behalf, the Proxy Notice was given to the Proxy Notification Address.
- 60.5 A notice revoking a proxy appointment only takes effect if it is delivered before the start of the general meeting or adjourned general meeting to which it relates.
- 60.6 If a Proxy Notice is not executed by the person appointing the proxy, it must be accompanied by evidence in Writing of the authority of the person who executed it to execute it on the person appointing the proxy’s behalf.

## 61 AMENDMENTS TO RESOLUTIONS

- 61.1 An Ordinary Resolution to be proposed at a general meeting may be amended by Ordinary Resolution if:
- 61.1.1 notice of the proposed amendment is given to the Company in Writing by a person entitled to vote at the general meeting at which it is to be proposed not less than 48 hours before that meeting is to take place (or such later time as the Chairman of the Meeting may determine); and



- 61.1.2 the proposed amendment does not, in the reasonable opinion of the Chairman of the Meeting, materially alter the scope of the resolution.
  - 61.2 A Special Resolution to be proposed at a general meeting may be amended by Ordinary Resolution if:
    - 61.2.1 the Chairman of the Meeting proposes the amendment at the general meeting at which the resolution is to be proposed; and
    - 61.2.2 the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.
  - 61.3 If the Chairman of the Meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, his error does not invalidate the vote on that resolution.
- 62 MEANS OF COMMUNICATION TO BE USED**
- 62.1 Subject to the other provisions of these Articles:
    - 62.1.1 anything sent or supplied by or to the Company under these Articles may be sent or supplied in any way in which the Act provides for documents or information which are authorised or required by any provision of the Act to be sent or supplied by or to the Company; and
    - 62.1.2 any notice or document to be sent or supplied to a Director in connection with the taking of decisions by Directors may also be sent or supplied by the means by which that Director has asked to be sent or supplied with such notices or documents for the time being.
  - 62.2 A Director may agree with the Company that notices or documents sent to that Director in a particular way are to be deemed to have been received within a specified time of their being sent and for the specified time to be less than 48 hours.
  - 62.3 Section 1147(5) of the Act shall not apply in relation to documents and information sent or supplied by the Company.
- 63 COMPANY SEALS**
- 63.1 Any common seal may only be used by the authority of the Directors.
  - 63.2 The Directors may decide by what means and in what form any common seal is to be used.
  - 63.3 Unless otherwise decided by the Directors, if the Company has a common seal and it is affixed to a document, that document must also be signed by at least one Authorised Person in the presence of a witness who attests the signature.
- 64 RIGHT TO INSPECT ACCOUNTS**
- Each Shareholder is entitled to inspect the Company's accounts.
- 65 DIRECTORS' INDEMNITY**
- 65.1 Subject to Article 65.2, a Relevant Director may be indemnified out of the Company's assets against:
    - 65.1.1 any liability incurred by him in connection with any negligence, default, breach of duty or breach of trust in relation to the Company;

65.1.2 any liability incurred by him in connection with the activities of the Company in its capacity as a trustee of any occupational pension scheme (as defined in section 235(6) of the Act);

65.1.3 any other liability incurred by him as an officer of the Company.

65.2 Article 65.1 does not authorise any indemnity which would be prohibited or rendered void by any provision of the Act or by any other provision of law.

## 66 **IMPACT REPORTS**

66.1 The Directors of the Company shall, for each financial year of the Company, prepare and circulate to its members an impact report which shall contain such detail as is necessary to enable the members to have an understanding of the way in which the Company has sought, through its business and operations, to have a material positive impact on society and the environment, taken as a whole. The impact report shall contain a balanced and comprehensive analysis which is set out in a manner proportionate to the size and complexity of the business.

66.2 The Company may choose to publish the impact report as part of its annual report. In particular, if the company is required to prepare a strategic report under the Companies Act 2006, the Company may choose to publish the impact report as part of its strategic report and in accordance with the requirements applying to the strategic report.

## 67 **DIRECTORS' INSURANCE**

The Directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any Relevant Director in respect of any Relevant Loss.