

Company number 08697189

SPECIAL RESOLUTION

OF

CRUX ASSET MANAGEMENT LIMITED (Company)

Passed on 21 June 2019

The following resolution was duly passed as a special resolution by way of written resolution under Chapter 2 of Part 13 of the Companies Act 2006.

SPECIAL RESOLUTION

THAT the draft constitution attached to this resolution be adopted as the constitution of the Company in substitution for, and to the exclusion of, the Company's existing constitution.

Signed *Michelle's Secretaries Limited*
Company secretary *by Philip Newhouse*
DIRECTOR

THURSDAY



A20 *A8906BC0* #312
04/07/2019
COMPANIES HOUSE

Company number 08697189

SPECIAL RESOLUTIONS

OF

CRUX ASSET MANAGEMENT LIMITED (Company)

Passed on 28 May 2019

The following resolutions were duly passed as special resolutions by way of written resolution under Chapter 2 of Part 13 of the Companies Act 2006.

SPECIAL RESOLUTIONS

1. THAT the transfer of 150 ordinary shares of £0.001 each in the share capital of the Company from Charles Ferguson to the Company's employee benefit trust be approved.
2. THAT the transfer of 500 ordinary shares of £0.001 each in the share capital of the Company from Alistair Reid to the Company's employee benefit trust be approved.

Signed.....

Company secretary

Micheline Secretaries Limited
by P.H. Newhouse
DIRECTOR

THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION OF
CRUX ASSET MANAGEMENT LIMITED

Adopted by special resolution passed on

21 June 2019

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CONTENTS

Article	Page
1 Defined terms	1
2 Liability of members.....	4
DIRECTORS' POWERS AND RESPONSIBILITIES.....	4
3 Directors' general authority.....	4
4 Shareholders' reserve power.....	4
5 Directors may delegate.....	5
6 Committees	5
DECISION-MAKING BY DIRECTORS	5
7 Directors to take decisions collectively.....	5
8 Unanimous decisions	5
9 Calling a directors' meeting	5
10 Participation in directors' meetings.....	6
11 Quorum for directors' meetings	6
12 Chairing of directors' meetings	6
13 Casting vote.....	6
14 Transactions or other arrangements with the Company	7
15 Situational conflicts of interest	7
16 Records of decisions to be kept	8
17 Directors' discretion to make further rules	8
APPOINTMENT OF DIRECTORS	8
18 Number of directors	8
19 Methods of appointing directors	9
20 Termination of director's appointment.....	9
21 Directors' remuneration	9
22 Directors' expenses	9
23 Secretary	10
SHARES	10
24 All Shares to be fully paid up	10
25 Powers to issue different classes of Share	10
26 Classes of Share capital.....	10
27 Company not bound by less than absolute interests	10
28 Share certificates	11
29 Replacement Share certificates	11
SHARE TRANSFERS	11
30 Share transfers	11
31 Restrictions on Share transfers	11
32 Permitted transfers of shares	12
33 Liquidation Preference.....	13
34 Exit provisions	13
35 Pre-emption rights	14
36 Valuation.....	16
37 Compulsory transfers	17
38 Drag along	18
39 Tag along rights on a change of control	19

40	Transmission of Shares.....	20
41	Exercise of transmitters' rights	20
42	Transmitters bound by prior notices	20
	FURTHER ISSUES OF SHARES	20
43	No general authority to issue.....	20
44	Pre-emption rights on the issue of further Shares.....	20
	DIVIDENDS AND OTHER DISTRIBUTIONS.....	21
45	Procedure for declaring dividends	21
46	Payment of dividends and other distributions.....	21
47	No interest on distributions	21
48	Unclaimed distributions	21
49	Non-cash distributions	22
50	Waiver of distributions	22
	CAPITALISATION OF PROFITS.....	22
51	Authority to capitalise and appropriation of capitalised sums	22
	ORGANISATION OF GENERAL MEETINGS.....	23
52	Attendance and speaking at general meetings	23
53	Quorum for general meetings.....	23
54	Chairing general meetings.....	23
55	Attendance and speaking by directors and non-Shareholders	24
56	Adjournment	24
	VOTING AT GENERAL MEETINGS	24
57	Voting: general	24
58	Errors and disputes	24
59	Poll votes	25
60	Content of proxy notices.....	25
61	Delivery of proxy notices	25
62	Amendments to resolutions	26
63	Means of communication to be used.....	26
64	Company seals.....	27
65	No right to inspect accounts and other records.....	27
66	Provision for employees on cessation of business	27
	DIRECTORS' INDEMNITY AND INSURANCE.....	27
67	Indemnity	27
68	Insurance.....	28

THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION OF
CRUX ASSET MANAGEMENT LIMITED
(Adopted by special resolution passed on 12 June 2019)

PART 1
INTERPRETATION AND LIMITATION OF LIABILITY

1 DEFINED TERMS

1.1 The following definitions and rules of interpretation apply in these Articles:

ACD: Authorised Corporate Director.

Act: the Companies Act 2006.

Acting in Concert: is as defined in the City Code on Takeovers and Mergers published by the Panel on Takeovers and Mergers (as amended from time to time).

A Ordinary Shares: an ordinary share of £1 each in the capital of the Company designated "A" with the rights set out in these Articles.

Articles: the company's articles of association for the time being in force.

Bad Leaver: a Leaver who is not a Good Leaver.

bankruptcy: includes individual insolvency proceedings in a jurisdiction other than England and Wales or Northern Ireland which have an effect similar to that of bankruptcy.

Board: the board of directors of the company.

Business Day: any day (other than a Saturday, Sunday or public holiday in the United Kingdom) on which clearing banks in the City of London are generally open for business.

chairman: as defined in article 12.

chairman of the meeting: as defined in article 54.

Cause: the lawful termination of a person's contract of employment or consultancy without notice or payment in lieu of notice as a consequence of that person's misconduct or as otherwise permitted pursuant to the terms of that person's contract of employment or consultancy or the material breach of an obligation, contractual or otherwise, to the company or other breach of regulatory or legal requirements of the company or conduct likely to bring the name of the company into disrepute.

Companies Acts: the Companies Acts (as defined in section 2 of the Act), in so far as they apply to the company.

Completion Date: as defined in article 38.5.

Conflict: as defined in article 15.1.

Controlling Interest: an interest in Shares giving to the holder or holders control of the company within the meaning of section 1124 of the Corporation Tax Act 2010.

Deemed Transfer Notice: a Transfer Notice which is deemed to have been served by any of the provisions of these Articles.

director: a director of the company, and includes any person occupying the position of director, by whatever name called.

Disposal: the disposal by the Company of all, or a substantial part of, its business and assets.

distribution recipient: as defined in article 46.2.

document: includes, unless otherwise specified, any document sent or supplied in electronic form.

EBT: an employee benefit trust set up by the company for the purpose (inter alia) of buying Shares from employees who wish or are required to sell their Shares.

electronic form: as defined in section 1168 of the Act.

eligible director: 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).

Employee: an individual (other than any Shareholder, together with any associates that are deemed to be Acting in Concert with that Shareholder that holds, directly or indirectly, a majority of the Shares) who is, or has been, a director and/or an employee of, or who does provide or has provided consultancy services to, any Group Company.

Exit: a Share Sale, a Disposal or a Listing.

Family Trust: as regards any particular Shareholder who is an individual (or deceased or former Shareholder who is an individual) any trust (whether arising under a settlement, declaration of trust or other instrument by whomsoever or wheresoever made, or under a testamentary disposition or on an intestacy) under which no immediate beneficial interest in any of the Shares in question is for the time being vested in any person other than the particular Shareholder and/or any of the Privileged Relations of that Shareholder (and so that for this purpose a person shall be considered to be beneficially interested in a Share if such Share or the income thereof is liable to be transferred or paid or applied or appointed to or for the benefit of any such person or any voting or other rights attaching thereto are exercisable by or as directed by any such person pursuant to the terms of the relevant trusts or in consequence of an exercise of a power or discretion conferred thereby on any person or persons).

FVPS: as define in article 36.

fully paid: in relation to a Share, the nominal value and any premium to be paid to the company in respect of that Share have been paid to the company.

Good Leaver: a Leaver who leaves the employment of the company or ceases to be a director by reason of:

- (a) termination in circumstances which amount to unfair, constructive or wrongful dismissal as determined by an employment tribunal or at a court of competent jurisdiction from which there is no right to appeal except where the determination of unfair, constructive or wrongful dismissal is solely due to an error of process in the way the termination is handled by the Company; or
- (b) termination by the Company without Cause other than where such termination falls within (a); or
- (c) disability or incapacity through ill-health; or
- (d) death;

or where the Leaver is deemed to be a Good Leaver by the Board.

Group: the Company, any subsidiary or any holding company from time to time of the Company, and any subsidiary from time to time of a holding company of the Company from time to time and **Group Company** shall be construed accordingly.

hard copy form: as defined in section 1168 of the Act.

holder: in relation to Shares, the person whose name is entered in the register of members as the holder of the Shares.

holding company: has the meaning given in article 1.7.

instrument: a document in hard copy form.

Issue Price: in respect of any Share, the subscription price paid (or agreed to be paid) in respect of that Share, including any share premium.

Leaver: an Employee who ceases to be a director or employee of, or consultant to, the Company (or any subsidiary of the Company) and who does not continue as, or become, a director or employee of, or consultant to, any Company (or any subsidiary of the Company).

Listing: the successful application and admission of all or any of the Shares, or securities representing such Shares (including American depositary receipts, American depositary shares and/or other instruments) to the Official List of the Financial Conduct Authority or on the AIM market operated by the London Stock Exchange plc, or the Nasdaq National Stock Market of the Nasdaq Stock Market Inc., or to any recognised investment exchange (as defined in section 285 of the Financial Services and Markets Act 2000).

Member of the Same Group: as regards any company, a company which is from time to time a holding company or a subsidiary of that company or a subsidiary of any such holding company.

ordinary resolution: as defined in section 282 of the Act.

Ordinary Shares: ordinary shares of £0.001 each in the capital of the Company with the rights set out in these Articles.

paid: paid or credited as paid.

participate: in relation to a directors' meeting, as defined in article 10.

Permitted Transferee: in relation to:

- (a) a Shareholder who is an individual, any of his Privileged Relations or the trustee(s) of a Family Trust; and
- (b) a Shareholder which is a company, a Member of the Same Group as that company or a shareholder of that Company provided such shareholder is a Shareholder or a Permitted Transferee of such Shareholder.

Privileged Relation: in relation to a Shareholder who is an individual (or a deceased or former Shareholder who is an individual) means a spouse, civil partner (as defined in the Civil Partnerships Act 2004), child or grandchild (including step or adopted or illegitimate child and their issue).

proxy notice: as defined in article 55.

Sale Proceeds: the consideration payable (including any deferred and/or contingent consideration) whether in cash or otherwise to those Shareholders selling Shares under a Share Sale.

Shareholder: a person who is the holder of a Share.

Share: a share in the company.

Share Sale: the sale of (or the grant of a right to acquire or to dispose of) any Shares (in one transaction or as a series of transactions) which would, if completed, result in the buyer of those Shares (or grantee of that right) and persons acting in concert with him together acquiring a Controlling Interest, except where the identities of the shareholders in the buyer and the proportion of shares of the buyer held by each of them following completion of the sale are the same as the identities of the Shareholders and their respective holdings of Shares immediately before the sale.

special resolution: as defined in section 283 of the Act.

subsidiary: has the meaning given in article 1.7.

Termination Date:

- (a) where employment ceases by virtue of notice given by the employer to the employee, the date on which notice of termination was served;
- (b) where a contract of employment is terminated by the employer and a payment is made in lieu of notice, the date on which notice of termination was served;
- (c) where an Employee dies, the date of his death;
- (d) where the Employee concerned is a director but not an employee, the date on which his service agreement (or other terms of appointment) with the relevant

Group Company is terminated; or

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

Transfer Notice: as defined in article 35.2.

transmittee: a person entitled to a Share by reason of the death or bankruptcy of a Shareholder or otherwise by operation of law.

Valuers: the auditors of the Company, from time to time or, if they refuse to act, an independent firm of accountants appointed by the Board, in either case acting as an expert and not as an arbitrator.

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 Save as otherwise specifically provided in these Articles, words and expressions which have particular meanings in the Act shall have the same meanings in these Articles.
- 1.3 Headings in these Articles are used for convenience only and shall not affect the construction or interpretation of these Articles.
- 1.4 A reference in these Articles to an **"article"** is a reference to the relevant article of these Articles unless expressly provided otherwise.
- 1.5 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:
 - (a) any subordinate legislation from time to time made under it, and
 - (b) any amendment or re-enactment and includes any statute, statutory provision or subordinate legislation which it amends or re-enacts.
- 1.6 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.
- 1.7 A reference to a **holding company** or a **subsidiary** means a holding company or a subsidiary (as the case may be) as defined in section 1159 of the Act and for the purposes only of the membership requirement contained in sections 1159(1)(b) and (c), a company shall be treated as a member of another company even if its shares in that other company are registered in the name of:
 - (a) another person (or its nominee), by way of security or in connection with the taking of security; or
 - (b) its nominee.

2 LIABILITY OF MEMBERS

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

PART 2 DIRECTORS

DIRECTORS' POWERS AND RESPONSIBILITIES

3 DIRECTORS' GENERAL AUTHORITY

Subject to the 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.

4 SHAREHOLDERS' RESERVE POWER

- 4.1 The Shareholders may, by resolution of the holders of 90% or more of the Shares, direct

the directors to take, or refrain from taking, specified action.

- 4.2 No such resolution invalidates anything which the directors have done before the passing of the resolution.

5 DIRECTORS MAY DELEGATE

- 5.1 Subject to the Articles, the directors may delegate any of the powers which are conferred on them under the Articles:

- (a) to such person or committee;
- (b) by such means (including by power of attorney);
- (c) to such an extent;
- (d) in relation to such matters or territories; and
- (e) on such terms and conditions, as they think fit.

- 5.2 If the directors so specify, any such delegation may authorise further delegation of the directors' powers by any person to whom they are delegated.

- 5.3 The directors may revoke any delegation in whole or part, or alter its terms and conditions.

6 COMMITTEES

- 6.1 Committees to which the directors delegate any of their powers must follow procedures which are based as far as they are applicable on those provisions of the Articles which govern the taking of decisions by directors.

- 6.2 The directors may make rules of procedure for all or any committees, which prevail over rules derived from the Articles if they are not consistent with them.

DECISION-MAKING BY DIRECTORS

7 DIRECTORS TO TAKE DECISIONS COLLECTIVELY

- 7.1 The general rule about decision-making by directors is that any decision of the directors must be either a majority decision at a meeting or a decision taken in accordance with article 8.

- 7.2 If:

- (a) the Company only has one director for the time being, and
- (b) no provision of the Articles requires it to have more than one director,

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 the Articles relating to directors' decision-making.

8 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.

9 CALLING A DIRECTORS' MEETING

- 9.1 The directors will procure that at least four directors' meetings are held each year in January, April, July and October (unless otherwise agreed by the Board).

- 9.2 Any director may call an additional directors' meeting by giving notice of the meeting to the directors or by authorising the Company Secretary (if any) to give such notice.

- 9.3 Notice of any directors' meeting must indicate:

- (a) its proposed date and time;
- (b) where it is to take place; and
- (c) if it is anticipated that directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting.

9.4 Notice of a directors' meeting shall be given to each director in writing.

9.5 Notice of a directors' meeting need not be given to directors who waive their entitlement to notice of that meeting, by giving notice to that effect to the Company not more than 7 days after the date on which the meeting is held. Where such notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it.

10 PARTICIPATION IN DIRECTORS' MEETINGS

10.1 Subject to the Articles, directors participate in a directors' meeting, or part of a directors' meeting, when:

- (a) the meeting has been called and takes place in accordance with the Articles, and
- (b) they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.

10.2 In determining whether directors are participating in a directors' meeting, it is irrelevant where any director is or how they communicate with each other.

10.3 If all the directors participating in a 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.

11 QUORUM FOR DIRECTORS' MEETINGS

11.1 At a directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.

11.2 Subject to article 11.3, the quorum for the transaction of business at a meeting of directors is any two eligible directors.

11.3 If the total number of directors in office for the time being is less than the quorum required, the directors must not take any decision other than a decision:

- (a) to appoint further directors, or
- (b) to call a general meeting so as to enable the Shareholders to appoint further directors,

and the meeting shall be deemed quorate for these purposes.

12 CHAIRING OF DIRECTORS' MEETINGS

12.1 The directors will appoint a director to chair their meetings.

12.2 The person so appointed for the time being is known as the chairman.

12.3 The appointment of the chairman must be approved by ordinary resolution of the Company in general meeting within 3 months of his appointment.

12.4 In the event of the absence of the chairman or his non-participation (for whatever reason) in a directors' meeting within ten minutes of the time at which it was to start, the participating directors must appoint one of themselves to chair it.

13 CASTING VOTE

13.1 If the numbers of votes for and against a proposal at a meeting of directors are equal, the chairman or other director chairing the meeting has a casting vote.

13.2 Article 13.1 shall not apply in respect of a particular meeting (or part of a meeting) if, in accordance with the Articles, the chairman or other director is not an eligible director for the purposes of that meeting (or part of a meeting).

14 TRANSACTIONS OR OTHER ARRANGEMENTS WITH THE COMPANY

- 14.1 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 Companies Acts, a director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the Company:
- (a) 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;
 - (b) shall be an eligible director for the purposes of any proposed decision of the directors (or committee of directors) in respect of such existing or proposed transaction or arrangement in which he is interested;
 - (c) shall be entitled to vote at a meeting of directors or of a committee of the directors, or participate in any unanimous decision, in respect of such existing or proposed transaction or arrangement in which he is interested;
 - (d) may act by himself or his firm in a professional capacity for the Company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a director;
 - (e) may be a director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate in which the Company is otherwise (directly or indirectly) interested; and
 - (f) shall not, save as he may otherwise agree, be accountable to the Company for any benefit which he (or a person connected with him (as defined in section 252 of the Act)) derives from any such contract, transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such contract, transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the Act.
- 14.2 For the purposes of this article, references to proposed decisions and decision-making processes include any directors' meeting or part of a directors' meeting.
- 14.3 Subject to article 14.4, if a question arises at a meeting of directors or of a committee of directors as to the right of a director to participate in the meeting (or part of the meeting) for voting or quorum purposes, the question may, before the conclusion of the meeting, be referred to the chairman whose ruling in relation to any director other than the chairman is to be final and conclusive.
- 14.4 If any question as to the right to participate in the meeting (or part of the meeting) should arise in respect of the chairman, the question is to be decided by a decision of the directors at that meeting, for which purpose the chairman is not to be counted as participating in the meeting (or that part of the meeting) for voting or quorum purposes.

15 SITUATIONAL CONFLICTS OF INTEREST

- 15.1 The directors may, in accordance with the requirements set out in this article, authorise any situation proposed to them by any director which would, if not authorised, involve a director (an **Interested Director**) breaching his duty under section 175 of the Act to avoid situations in which he has, or can have, a direct or indirect interest that conflicts, or may possibly conflict, with the interests of the Company (a **Conflict**).
- 15.2 Any authorisation under this article will be effective only if:
- (a) to the extent permitted by the Act, the matter in question shall have been proposed by any director for consideration in the same way that any other matter may be proposed to the directors under the provisions of these Articles or in such other manner as the directors may determine;
 - (b) any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested Director; and
 - (c) the matter was agreed to without the Interested Director voting or would have

been agreed to if the Interested Director's vote had not been counted.

15.3 Any authorisation of a Conflict under this article 15 may (whether at the time of giving the authorisation or subsequently):

- (a) extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised;
- (b) provide that the Interested Director be excluded from the receipt of documents and information and the participation in discussions (whether at meetings of the directors or otherwise) related to the Conflict;
- (c) provide that the Interested Director shall or shall not be an eligible director in respect of any future decision of the directors in relation to any resolution related to the Conflict;
- (d) impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the directors think fit;
- (e) provide that, where the Interested Director obtains, or has obtained (through his involvement in the Conflict and otherwise than through his position as a director of the Company) information that is confidential to a third party, he will not be obliged to disclose that information to the Company, or to use it in relation to the Company's affairs where to do so would amount to a breach of that confidence; and
- (f) permit the Interested Director to absent himself from the discussion of matters relating to the Conflict at any meeting of the directors and be excused from reviewing papers prepared by, or for, the directors to the extent to which they relate to such matters.

15.4 Where the directors authorise a Conflict the Interested Director will be obliged to conduct himself in accordance with any terms and conditions imposed by the directors in relation to the Conflict.

15.5 The directors may revoke or vary such authorisation at any time, but this will not affect anything done by the Interested Director, prior to such revocation of variation, in accordance with the terms of such authorisation.

15.6 A director is not required, by reason of being a director (or because of the fiduciary relationship established by reason of being a director), to account to the Company for any remuneration, profit or other benefit which he derives from or in connection with a relationship involving a Conflict which has been authorised by the directors or by the Company in general meeting (subject in each case to any terms, limits or conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds.

15.7 A director that is an Interested Director by virtue of his direct or indirect holding of Shares is deemed to be authorised by the directors under clause 15.1 in respect of that Conflict.

16 RECORDS OF DECISIONS TO BE KEPT

16.1 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 unanimous or majority decision taken by the directors.

16.2 Where decisions of the directors are taken by electronic means, such decisions shall be recorded by the directors in permanent form, so that they may be read with the naked eye.

17 DIRECTORS' DISCRETION TO MAKE FURTHER RULES

Subject to the Articles, the directors may make any rule which they think fit about how they take decisions, and about how such rules are to be recorded or communicated to directors.

APPOINTMENT OF DIRECTORS

18 NUMBER OF DIRECTORS

Unless otherwise determined by ordinary resolution, the number of directors shall not be

subject to any maximum but shall not be less than two.

19 METHODS OF APPOINTING DIRECTORS

- 19.1 Any person who is willing to act as a director, and is permitted by law to do so, may be appointed to be a director:
- (a) by ordinary resolution, or
 - (b) by a decision of the directors.
- 19.2 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.
- 19.3 For the purposes of article 19.1(a), where 2 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.

20 TERMINATION OF DIRECTOR'S APPOINTMENT

A person ceases to be a director as soon as:

- (a) that person ceases to be a director by virtue of any provision of the Act or is prohibited from being a director by law;
- (b) a bankruptcy order is made against that person;
- (c) a composition is made with that person's creditors generally in satisfaction of that person's debts;
- (d) a registered medical practitioner who is treating that person gives a written opinion to the Company stating that that person has become physically or mentally incapable of acting as a director and may remain so for more than three months;
- (e) notification is received by the Company from the director that the director is resigning from office, and such resignation has taken effect in accordance with its terms.

21 DIRECTORS' REMUNERATION

- 21.1 Directors may undertake any services for the Company that the directors decide.
- 21.2 Directors are entitled to such remuneration as the directors determine:
- (a) for their services to the Company as directors, and
 - (b) for any other service which they undertake for the Company.
- 21.3 Subject to the Articles, a director's remuneration may:
- (a) take any form, and
 - (b) 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.
- 21.4 Unless the directors decide otherwise, directors' remuneration accrues from day to day.
- 21.5 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 the Company's subsidiaries or of any other body corporate in which the Company is interested.

22 DIRECTORS' EXPENSES

The Company may pay any reasonable expenses which the directors and the secretary (if any) properly incur in connection with their attendance at:

- (a) meetings of directors or committees of directors,

- (b) general meetings, or
- (c) separate meetings of the 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.

23 SECRETARY

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

PART 3 SHARES AND DISTRIBUTIONS

SHARES

24 ALL SHARES TO BE FULLY PAID UP

- 24.1 Save as approved by the Board, 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.
- 24.2 This does not apply to Shares taken on the formation of the Company by the subscribers to the Company's memorandum.

25 POWERS TO ISSUE DIFFERENT CLASSES OF SHARE

- 25.1 Subject to the Articles, but without prejudice to the rights attached to any existing Share, the Company may issue Shares with such rights or restrictions as may be determined by ordinary resolution.
- 25.2 The Company may issue Shares which are to be redeemed, or are liable to be redeemed at the option of the Company or the holder, and the directors may determine the terms, conditions and manner of redemption of any such Shares.

26 CLASSES OF SHARE CAPITAL

- 26.1 The share capital of the Company is divided into Ordinary Shares and A Ordinary Shares.
- 26.2 Each Ordinary Share in the Company shall have the right to:
 - (a) receive notice of and to attend, speak and vote at all general meetings of the Company and to vote on any written resolution of Shareholders;
 - (b) participate in any distribution of income *pari passu* with the other Ordinary Shares; and
 - (c) participate in the capital of the Company on a winding-up *pari passu* with the other Ordinary Shares after the payment of nominal value to the holders of the A Ordinary Shares.
- 26.3 Each A Ordinary Share shall have the right to:
 - (a) receive notice of or to attend, speak and vote at all general meetings of the Company or to vote on any written resolution of Shareholders;but shall not have the right to:
 - (b) participate in any distribution of income; or
 - (c) participate in the capital of the Company on a winding-up other than to the extent of its nominal value.

27 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 Share upon any trust, and except as otherwise required by law or the Articles, the

Company is not in any way to be bound by or recognise any interest in a Share other than the holder's absolute ownership of it and all the rights attaching to it.

28 SHARE CERTIFICATES

- 28.1 The Company must issue each Shareholder, free of charge, with one or more certificates in respect of the Shares which that Shareholder holds.
- 28.2 Every certificate must specify:
- (a) in respect of how many Shares, of what class, it is issued;
 - (b) the nominal value of those Shares;
 - (c) that the Shares are fully paid; and
 - (d) any distinguishing numbers assigned to them.
- 28.3 No certificate may be issued in respect of Shares of more than one class.
- 28.4 If more than one person holds a Share, only one certificate may be issued in respect of it.
- 28.5 Certificates must:
- (a) have affixed to them the Company's common seal, or
 - (b) be otherwise executed in accordance with the Companies Acts.

29 REPLACEMENT SHARE CERTIFICATES

- 29.1 If a certificate issued in respect of a Shareholder's Shares is:
- (a) damaged or defaced, or
 - (b) said to be lost, stolen or destroyed,
- that Shareholder is entitled to be issued with a replacement certificate in respect of the same Shares.
- 29.2 A Shareholder exercising the right to be issued with such a replacement certificate:
- (a) may at the same time exercise the right to be issued with a single certificate or separate certificates;
 - (b) must return the certificate which is to be replaced to the Company if it is damaged or defaced; and
 - (c) must comply with such conditions as to evidence, indemnity and the payment of a reasonable fee as the directors decide.

SHARE TRANSFERS

30 SHARE TRANSFERS

Shares may be transferred by means of an instrument of transfer in any usual form or any other form approved by the directors, which is executed by or on behalf of the transferor.

- (a) No fee may be charged for registering any instrument of transfer or other document relating to or affecting the title to any Share.
- (b) The Company may retain any instrument of transfer which is registered.
- (c) The transferor remains the holder of a Share until the transferee's name is entered in the register of members as holder of it.
- (d) The directors may refuse to register the transfer of a Share, and if they do so, the instrument of transfer must be returned to the transferee with the notice of refusal unless they suspect that the proposed transfer may be fraudulent.

31 RESTRICTIONS ON SHARE TRANSFERS

- 31.1 Subject to articles 32, 38 and 39, no Shareholder will sell, transfer, assign, pledge, charge or otherwise dispose of any Share or any interest in any Share, except as permitted or required by these Articles or if permitted by resolution of the Board.

31.2 The Board shall register any duly stamped transfer made in accordance with these Articles, unless they suspect that the proposed transfer may be fraudulent or if the directors reasonably consider that:

- (a) the transferee is a person (or a nominee for a person) whom they determine to be a competitor (or a member of the same group (being as regards any company, a company which is from time to time a holding company or a subsidiary of that company or a subsidiary of any such holding company) as a competitor) of the business of the Company; or
- (b) the sale of Shares is not bona fide or the price is subject to a deduction, rebate or allowance to the transferee; or
- (c) the transferor has failed or refused to promptly provide information available to him and reasonably requested to enable it to form the opinion referred to in (b) above; or
- (d) the transferor is purporting to transfer the A Ordinary Shares at a transfer price that is greater than their nominal value.

32 PERMITTED TRANSFERS OF SHARES

32.1 A Shareholder (the **Original Shareholder**) may, with Board approval, transfer all or any of his or its Shares to a Permitted Transferee.

32.2 Where Shares are held by the trustee(s) of a Family Trust, the trustee(s) may, with Board approval, transfer Shares to:

- (a) the Original Shareholder;
- (b) any Privileged Relation(s) of the Original Shareholder;
- (c) subject to article 32.3, the trustee(s) of another Family Trust of which the Original Shareholder is the Settlor; or
- (d) subject to article 32.3, to the new (or remaining) trustee(s) upon a change of trustee(s) of a Family Trust,

without any price or other restriction.

32.3 A transfer of Shares may only be made to the trustee(s) of a Family Trust if the Board is satisfied:

- (a) with the terms of the trust instrument and, in particular, with the powers of the trustee(s);
- (b) with the identity of the proposed trustee(s);
- (c) that 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
- (d) that no costs incurred in connection with the setting up or administration of that Family Trust are to be paid by the Company.

32.4 If the Original Shareholder is a company, and a Permitted Transfer has been made, the Permitted Transferee shall, within 20 Business Days of ceasing to be a Member of the Same Group as the Original Shareholder, transfer the Shares held by it to:

- (a) the Original Shareholder; or
- (b) a Member of the Same Group as the Original Shareholder,

(which in either case is not in liquidation), without any price or other restriction. If the Permitted Transferee fails to make a transfer in accordance with this article 32.4, a Transfer Notice shall be deemed to have been given in respect of such Shares on the expiry of the period set out in this article 32.4.

32.5 If the Original Shareholder is an individual and a Permitted Transfer has been made to a Privileged Relation of the Original Shareholder, the Permitted Transferee (or the transmittee(s) of any such person), shall within 20 Business Days of ceasing to be a Privileged Relation of the Original Shareholder (whether by reason of death, divorce or otherwise) either:

(a) execute and deliver to the Company a transfer of the Shares held by him to the Original Shareholder (or to any Permitted Transferee of the Original Shareholder) for such consideration as may be agreed between them; or

(b) give a Transfer Notice to the Company in accordance with article 35,

failing which a Transfer Notice shall be deemed to have been given in respect of such Shares on the expiry of the period set out in this article 32.5. This article 32.5 shall not apply to a transmittee of a Permitted Transferee if that transmittee is also a Permitted Transferee of the Original Shareholder, to the extent that such transmittee is legally or beneficially entitled to those Shares.

32.6 Notwithstanding any other provision of this article 32, a transfer of any Shares approved by the Board may be made without any price or other restriction and any such transfer shall be registered by the directors.

33 LIQUIDATION PREFERENCE

On a return of assets on liquidation, capital reduction or otherwise (other than a conversion or purchase of Shares), the assets of the Company remaining after the payment of its liabilities shall be applied (to the extent that the Company is lawfully able to do so) in the following order of priority:

(a) first, in paying to the holders of the A Ordinary Shares in respect of each A Ordinary Share held the nominal value of that Share and, if there is a shortfall of assets remaining to satisfy such payments in full, the proceeds shall be distributed to the holders of the A Ordinary Shares pro rata to the aggregate amounts due under this article 33(a) to each such A Ordinary Share held; and

(b) thereafter, in distributing the balance among the holders of the Ordinary Shares pro rata to the number of Ordinary Shares held.

34 EXIT PROVISIONS

34.1 On a Share Sale, the Sale Proceeds shall be distributed in the order of priority set out in article 33. The directors shall not register any transfer of Shares if the Sale Proceeds are not distributed in that manner (save in respect of any Shares not sold in connection with that Share Sale) provided that, if the Sale Proceeds are not settled in their entirety upon completion of the Share Sale:

(a) the directors may register the transfer of the relevant Shares, provided that the Sale Proceeds due on the date of completion of the Share Sale have been distributed in the order of priority set out in article 33; and

(b) each Shareholder shall take any reasonable action (to the extent lawful and within its control) required by an Investor Majority to ensure that the balance of the Sale Proceeds are distributed in the order of priority set out in article 33.

34.2 On a Disposal, the surplus assets of the Company remaining after payment of its liabilities shall be distributed (to the extent that the Company is lawfully permitted to do so) in the order of priority set out in article 33, provided always that if it is not lawful for the Company to distribute its surplus assets in accordance with the provisions of these Articles, each Shareholder shall (to the extent lawful and within its control) take any reasonable action required by an Investor Majority (including, but without prejudice to the generality of this article 34.2, such action as may be necessary to put the Company into voluntary liquidation so that article 33 applies).

34.3 Immediately before a Listing, the Company shall, to the extent it is lawful to do so, buy-back the A Ordinary Shares for their nominal value.

34.4 In the event of an Exit approved by the directors (**Proposed Exit**), all Shareholders shall consent to, vote for, raise no objections to and waive any applicable rights in connection with the Proposed Exit. The Shareholders shall be required to take all lawful actions with respect to the Proposed Exit as are reasonably required by the directors to facilitate the Proposed Exit. If any Shareholder fails to comply with the provisions of this article 34.4:

(a) the Company shall be constituted the agent of each defaulting Shareholder for taking such actions as are necessary to effect the Proposed Exit;

- (b) the directors may authorise an officer of the Company or a Shareholder to execute and deliver on behalf of such defaulting Shareholder all or any necessary documents; and
- (c) the Company may receive any purchase money due to the defaulting Shareholder in trust for each of the defaulting Shareholders (without any obligation to pay interest).

35 PRE-EMPTION RIGHTS

- 35.1 Except where the provisions of articles 32, 38 or 39 apply or the transfer is of Shares held by the EBT, any transfer of Shares by a Shareholder shall be subject to the pre-emption rights in this article 35.
- 35.2 A Shareholder, other than the EBT, who wishes to transfer Shares (**Seller**) shall, before transferring or agreeing to transfer any Shares, give notice in writing (**Transfer Notice**) to the Board specifying:
- (a) the number of Shares he wishes to transfer (**Sale Shares**);
 - (b) the name of the proposed transferee, if any; and
 - (c) subject to the Articles, the price per Sale Share (in cash), if any, at which he wishes to transfer the Sale Shares (**Proposed Sale Price**).
- 35.3 A Shareholder that is required to transfer his Shares in accordance with the Articles shall be deemed to have issued a Transfer Notice (**Deemed Transfer Notice**) for all his Shares, but the Transfer Notice shall not contain the name of the proposed transferee.
- 35.4 The transfer price (**Transfer Price**) for each Sale Share that is the subject of a Transfer Notice (or Deemed Transfer Notice) shall, save where expressly provided otherwise in the Articles, be the price per Sale Share (in cash) agreed between the Board (any director with whom the Seller is connected not voting) and the Seller or, in default of agreement within 10 Business Days of the date of service of the Transfer Notice (or, in the case of a Deemed Transfer Notice, the date on which the Board first has actual knowledge of the facts giving rise to such deemed service), the FVPS.
- 35.5 Except in the case of a Deemed Transfer Notice (which may not be withdrawn), where the Transfer Price of the Sale Shares comprised within a Transfer Notice is to be the FVPS and such FVPS is less than the Proposed Sale Price, the Seller may, within 10 Business Days of receipt of notification of the FVPS, withdraw the Transfer Notice. Otherwise, a Transfer Notice may only be withdrawn with the consent of the Board.
- 35.6 A Transfer Notice (or Deemed Transfer Notice) constitutes the Company the agent of the Seller for the sale of the Sale Shares at the Transfer Price.
- 35.7 As soon as practicable following the later of:
- (a) receipt of a Transfer Notice (or in the case of a Deemed Transfer Notice, the date such notice is deemed to be served); and
 - (b) the determination of the Transfer Price,
- the Board shall (unless the Transfer Notice is withdrawn in accordance with article 35.5) offer the Sale Shares for sale in the manner set out in the remaining provisions of this article 35 at the Transfer Price. Each offer shall be in writing and shall give details of the number and Transfer Price of the Sale Shares offered.
- 35.8 The Board shall offer any Sale Shares in the following order of priority:
- (a) first, to the trustees of the EBT and the trustees of the EBT shall be free to acquire some or all of such Sale Shares or to direct that some or all of the Sale Shares are transferred to one or more Employees. The trustees of the EBT shall make its decision within 10 Business Days;
 - (b) second, if there are any Sale Shares not taken up under article 35.8(a) above (**Non-EBT Sale Shares**), to the holders of Ordinary Shares other than the Seller (**Non-Selling Shareholders**) inviting them to apply in writing within the period from the date of the offer to the date 10 Business Days after the offer (both dates inclusive) (**Offer Period**) for the maximum number of Non-EBT Sale Shares they wish to buy on the basis set out in article 35.9 to article 35.13 (inclusive);

- (c) last, to any person that is not a Shareholder provided such new Shareholder is approved by the Board.
- 35.9 If:
- (a) at the end of the Offer Period, the number of Non-EBT Sale Shares applied for is equal to or exceeds the number of Non-EBT Sale Shares, the Board shall allocate the Non-EBT Sale Shares to each Non-Selling Shareholder who has applied for Non-EBT Sale Shares in the proportion which his existing holding of Ordinary Shares bears to the total number of Ordinary Shares held by all Non-Selling Shareholders. Fractional entitlements shall be determined by the Board. No allocation shall be made to a Shareholder of more than the maximum number of Non-EBT Sale Shares which he has stated he is willing to buy;
 - (b) not all Non-EBT Sale Shares are allocated following allocations in accordance with article 35.9(a), but there are applications for Non-EBT Sale Shares that have not been satisfied, the Board shall allocate the remaining Non-EBT Sale Shares to such applicants in accordance with the procedure set out in article 35.9(a). The procedure set out in this article 35.9(b) shall apply on any number of consecutive occasions until either all Non-EBT Sale Shares have been allocated or all applications for Non-EBT Sale Shares have been satisfied; and
 - (c) at the end of the Offer Period, the total number of Non-EBT Sale Shares applied for is less than the number of Non-EBT Sale Shares, the Board may allocate the remaining Non-EBT Sale Shares to any person that is not a Shareholder provided such new Shareholder has been approved by the Board. If no such allocation can be made, for whatever reason, the provisions of article 35.13 shall apply.
- 35.10 The Board shall, when no further offers or allocations are required to be made under articles 35.8 to 35.9 (inclusive), give notice in writing of the allocations of Sale Shares (**Allocation Notice**) to the Seller and each Shareholder and/or the EBT and/or Employee(s) and/or another person approved by the Board to whom Sale Shares have been allocated (**Applicants**). The Allocation Notice shall specify the number of Sale Shares allocated to each Applicant and the place and time for completion of the transfer of the Sale Shares (which shall be at least five Business Days, but not more than 10 Business Days, after the date of the Allocation Notice).
- 35.11 On the date specified for completion in the Allocation Notice, the Seller shall, against payment from an Applicant, transfer the Sale Shares allocated to such Applicant, in accordance with any requirements specified in the Allocation Notice.
- 35.12 If the Seller fails to comply with article 35.11:
- (a) any director (or some other person nominated by a resolution of the Board) may, as agent on behalf of the Seller:
 - (i) complete, execute and deliver in his name all documents necessary to give effect to the transfer of the relevant Sale Shares to the Applicants;
 - (ii) receive the Transfer Price and give a good discharge for it (and no Applicant shall be obliged to see to the distribution of the Transfer Price); and
 - (iii) (subject to the transfer being duly stamped) enter the Applicants in the register of Shareholders as the holders of the Shares purchased by them; and
 - (b) the Company shall pay the Transfer Price into a separate bank account in the Company's name on trust (but without interest) for the Seller until he has delivered his certificate(s) for the relevant Shares (or an indemnity, in a form reasonably satisfactory to the Board, in respect of any lost certificate, together with such other evidence (if any) as the Board may reasonably require to prove good title to those Shares) to the Company.
- 35.13 Where an Allocation Notice does not relate to all the Sale Shares, then the Seller may, at any time during the 30 Business Days following the date of service of the Allocation Notice, transfer the unallocated Sale Shares to any person at a price at least equal to the Transfer Price.

35.14 The Seller's right to transfer Shares under article 35.13 does not apply if the directors reasonably consider that:

- (a) the transferee is a person (or a nominee for a person) whom the Board determines to be a competitor (or a Member of the Same Group as a competitor) of the business of the Company or any subsidiary of the Company;
- (b) the sale of the Sale Shares is not bona fide or the price is subject to a deduction, rebate or allowance to the transferee; or
- (c) the Seller has failed or refused to promptly provide information available to him and reasonably requested to enable it to form the opinion referred to in article 35.14(b).

36 VALUATION

36.1 For the purpose of this article 36 the following terms have the following meanings:

Accounting Date: a date to which the accounts are drawn up for the purposes of calculating the FVPS being 31 March and 30 September each year.

Accounting Period: a twelve month period ending on an Accounting Date.

AFV: the aggregate fair value of all the Shares calculated in accordance with article 36.3.

Bonus Accrual: 40% of {Net Revenue – Fixed Expenses}, for the relevant Accounting Period.

Fixed Expenses: for the relevant Accounting Period, all expenses incurred in the normal course of the business including fixed compensation and related personnel costs, office costs, sales and marketing costs (other than third party fees), operational and IT costs, professional and legal costs, finance income and costs, but excluding interest income or expense, corporation and deferred tax, depreciation and amortisation. The Board may, at its discretion, acting reasonably, exclude any costs from Fixed Expenses that is reasonably considers to be outside the normal course of the business, exceptional or one-off.

Free Cash: the cash, cash equivalents and readily realisable assets (with "readily realisable" being determined by the Board in its absolute discretion, acting reasonably) on the Company's balance sheet less the Regulatory Minimum Capital less any interest bearing short or long term debt, all as at the relevant Accounting Date.

FVPS: fair value per Ordinary Share calculated in accordance with article 36.4.

Net Revenue: for the relevant Accounting Period, total management fees less (i) rebates and commissions paid to third parties, and (ii) ACD fees.

Profit Multiple: at the date of adoption of these articles, 6, provided that the Profit Multiple may be changed at the discretion of the Board, acting reasonably, each year or more often if market conditions indicate a disparity between the last multiple used and the market or, on the advice of the Valuers, the multiple falls outside a range acceptable to HMRC.

Profit: Net Revenue less Fixed Expenses less Bonus Accrual.

Regulatory Minimum Capital: an amount of capital resources that a firm must hold calculated in accordance with the Financial Conduct Authority Handbook.

36.2 All financial amounts are as shown in or derived from audited (consolidated) financial statements of the Company (and any subsidiaries from time to time).

36.3 The AFV shall be calculated as:

$$\{Profit \times Profit Multiple\} + Free Cash$$

If Free Cash is negative then the addition of Free Cash in the above formula will be the deduction of the amount by which the Free Cash is negative.

36.4 The FVPS shall be calculated as:

$$\frac{AFV - \text{aggregate nominal value of the A Ordinary Shares in issue at the relevant Accounting Date}}{\text{Number of Ordinary Shares in issue at the relevant Accounting Date}}$$

- 36.5 The FVPS shall be determined by the Valuers in accordance with this article 36 on or before each of 30 June and 31 December each year using the financial statements for the Accounting Periods ending on 31 March and 30 September respectively.
- 36.6 Other than in the case of a Bad Leaver, each FVPS determined by the Valuers shall apply for the transfers of Ordinary Shares as a consequence of a Transfer Notice issued or deemed issued in the ensuing 6 months unless agreed otherwise between the Board (any director with whom the Seller is connected not voting) and the Seller.
- 36.7 The parties are entitled to make written submissions to the Valuers and shall provide (or procure that the Company provides) the Valuers with such assistance and documents as the Valuers reasonably require to reach a decision, subject to the Valuers agreeing to give such confidentiality undertakings as the parties may reasonably require.
- 36.8 If any difficulty arises in applying any of these assumptions or bases then the Valuers shall resolve that difficulty in whatever manner it shall in its absolute discretion think fit.
- 36.9 The Valuers' written determination of the FVPS shall be final and binding on the parties in the absence of manifest error or fraud.
- 36.10 The costs of obtaining the Valuers' valuation shall be borne by the Company.

37 COMPULSORY TRANSFERS

- 37.1 A person entitled to a Share in consequence of the bankruptcy of a Shareholder (or equivalent procedure in any jurisdiction outside England and Wales) shall be deemed to have given a Transfer Notice in respect of that Share at such time as the Board may determine.
- 37.2 If a Shareholder which is a body corporate either suffers or resolves to appoint a liquidator, administrator or administrative receiver over it, or any material part of its assets or suffers or takes any equivalent action in any jurisdiction outside England and Wales, that Shareholder shall be deemed to have given a Transfer Notice in respect of all Shares held by it at such time as the Board may determine.
- 37.3 If there is a change in control (as 'control' is defined in section 1124 of the Corporation Tax Act 2010) of any Shareholder which is a company, it shall be bound at any time, if and when required in writing by the Board to do so, to give (or procure the giving in the case of a nominee) a Transfer Notice in respect of all the Shares registered in its name (or the name of its nominee(s)).
- 37.4 If, following a Shareholder giving a charge, pledge or other security over any of his Shares (with the permission of the Board), such charge, pledge or security is exercised, crystallised, or perfected in any way by the security holder, the security holder shall be deemed to have given a Transfer Notice in respect of that Share at such time as the Board may determine.
- 37.5 If an Employee becomes a Leaver, a Transfer Notice shall, unless the directors otherwise direct in writing in respect of any Leaver's Shares and any Shares held by that Leaver's Permitted Transferees prior to or within 10 Business Days after the relevant Termination Date, be deemed to have been served on the Termination Date in respect of all the Leaver's Shares and any Shares held by that Leaver's Permitted Transferees (a **Compulsory Employee Transfer**) and any Transfer Notice served in respect of any of the Leaver's Shares or any Shares held by that Leaver's Permitted Transferees before the date such Employee becomes a Leaver shall automatically lapse.
- 37.6 Notwithstanding any other provisions of these Articles, the Transfer Price per share in respect of a Compulsory Employee Transfer shall, where the Leaver is:
 - (a) a Bad Leaver, be restricted to a maximum of the lower of the Issue Price of such Sale Shares and the FVPS; and
 - (b) a Good Leaver, be the FVPS.
- 37.7 Forthwith upon a Transfer Notice being deemed to be served under article 37.5 the Leaver's Shares shall cease to confer on the holder of them any rights:
 - (a) to vote (whether on a show of hands, on a poll or otherwise and whether in person, by proxy or otherwise), including in respect of any resolution of any class of Shares;

- (b) to receive dividends or other distributions otherwise attaching to those Shares; or
 - (c) to participate in any future issue of Shares.
- 37.8 The directors may reinstate the rights referred to in article 37.7 at any time and, in any event, such rights shall be reinstated on completion of a transfer made pursuant to article 37.
- 37.9 The Company shall have the right to set off from any sum to be paid to the Leaver for the Leaver's Shares any debt owed by the Leaver to the Company, including, without prejudice to the generality of the foregoing, such amount of any unpaid subscription monies as may at the time be owed by the Leaver to the Company.
- 38 DRAG ALONG**
- 38.1 If the holders of Shares carrying more than 50% of the votes for the time being (**Selling Shareholders**) wish to transfer all (but not some only) of their Shares (**Sellers' Shares**) to a bona fide purchaser on arm's length terms (**Proposed Buyer**), the Selling Shareholders may require all other Shareholders (**Called Shareholders**) to sell and transfer all their Shares (**Called Shares**) to the Proposed Buyer (or as the Proposed Buyer directs) in accordance with the provisions of this article 38 (**Drag Along Option**).
- 38.2 The Selling Shareholders may exercise the Drag Along Option by giving written notice to that effect to the Called Shareholders (**Drag Along Notice**) at any time before the transfer of the Sellers' Shares to the Proposed Buyer. The Drag Along Notice shall specify:
 - (a) that the Called Shareholders are required to transfer all their Called Shares pursuant to this article 38;
 - (b) the person to whom the Called Shares are to be transferred;
 - (c) the purchase price payable for the Called Shares which shall, for each Called Share, be an amount at least equal to the price per Share offered by the Proposed Buyer for the Sellers' Shares; and
 - (d) the proposed date of the transfer.
- 38.3 Once issued, a Drag Along Notice shall be irrevocable. However, a Drag Along Notice shall lapse if, for any reason, the Selling Shareholders have not sold the Sellers' Shares to the Proposed Buyer within 15 Business Days of serving the Drag Along Notice. The Selling Shareholders may serve further Drag Along Notices following the lapse of any particular Drag Along Notice.
- 38.4 No Drag Along Notice shall require a Called Shareholder to agree to any terms except those specifically set out in this article 38.
- 38.5 Completion of the sale of the Called Shares shall take place on the date proposed for completion (**Completion Date**) of the sale of the Sellers' Shares unless:
 - (a) all of the Called Shareholders and the Selling Shareholders agree otherwise in which case the Completion Date shall be the date agreed in writing by all of the Called Shareholders and the Selling Shareholders; or
 - (b) that date is less than 10 Business Days after the date on which the Drag Along Notice is served, in which case the Completion Date shall be the tenth Business Day after service of the Drag Along Notice.
- 38.6 On or before the Completion Date, the Called Shareholders shall execute and deliver stock transfer forms for the Called Shares, together with the relevant share certificates (or a suitable indemnity for any lost share certificates) to the Company. On the Completion Date, the Company shall pay the Called Shareholders, on behalf of the Proposed Buyer, the amounts due pursuant to article 38.2(c) to the extent that the Proposed Buyer has put the Company in the requisite funds. The Company's receipt for the price shall be a good discharge to the Proposed Buyer. The Company shall hold the amounts due to the Called Shareholders in trust for the Called Shareholders without any obligation to pay interest.
- 38.7 To the extent that the Proposed Buyer has not, on the Completion Date, put the Company in funds to pay the purchase price due in respect of the Called Shares, the Called Shareholders shall be entitled to the return of the stock transfer forms and share certificates (or suitable indemnity) for the relevant Called Shares and the Called

Shareholders shall have no further rights or obligations under this article 38 in respect of their Shares.

- 38.8 If any Called Shareholder does not, on or before the Completion Date, execute and deliver (in accordance with article 38.6) transfer(s) in respect of all of the Called Shares held by it, each defaulting Called Shareholder shall be deemed to have irrevocably appointed any person nominated for the purpose by the Selling Shareholders to be its agent to execute all necessary transfer(s) on its behalf, against receipt by the Company (on trust for such holder) of the purchase price payable for the Called Shares, and to deliver such transfer(s) to the Proposed Buyer (or as it may direct) as the holder thereof. After the Proposed Buyer (or its nominee) has been registered as the holder of the Called Shares, the validity of such proceedings shall not be questioned by any such person. Failure to produce a share certificate shall not impede the registration of Shares under this article 38.
- 38.9 Following the issue of a Drag Along Notice, upon any person exercising a pre-existing option to acquire Shares in the Company or exercising a conversion right in respect of any convertible security of the Company (a **New Shareholder**), a Drag Along Notice shall be deemed to have been served on the New Shareholder on the same terms as the previous Drag Along Notice. The New Shareholder shall then be bound to sell and transfer all Shares acquired by it to the Proposed Buyer (or as the Proposed Buyer may direct) and the provisions of this article 38 shall apply with the necessary changes to the New Shareholder, except that completion of the sale of the Shares shall take place on the Completion Date or immediately upon the New Shareholder becoming a Shareholder of the Company, if later.

39 TAG ALONG RIGHTS ON A CHANGE OF CONTROL

- 39.1 The provisions of article 39.2 to article 39.5 will apply if, in one or a series of related transactions, one or more Shareholders (**Majority Seller(s)**) propose to transfer any of their Shares (**Proposed Sale**) which would, if carried out, result in any person (**Buyer**), and any person Acting in Concert with the Buyer, acquiring a Controlling Interest in the Company.
- 39.2 Before making a Proposed Sale, the Majority Seller(s) will procure that the Buyer makes an offer (**Offer**) to:
- (a) the other shareholders to purchase all of the Shares held by them;
 - (b) the holders of any existing options to acquire Shares (granted by the Company or under any Share option arrangements established by the Company) that are already capable of exercise or that are expected to become capable of exercise before the Proposed Sale, to purchase any Shares acquired on the exercise of options at any time before the Proposed Sale; and
 - (c) the holders of any securities of the Company that are convertible into Shares (**Convertible Securities**), to purchase any Shares arising from the conversion of such Convertible Securities at any time before the Proposed Sale,
- for a consideration in cash per Share that is at least equal to the highest price per Share offered or paid by the Buyer, or any person Acting in Concert with the Buyer, in the Proposed Sale or in any related previous transaction in the 12 months preceding the date of the Proposed Sale (**Specified Price**).
- 39.3 The Offer shall be made by written notice (**Offer Notice**), at least 15 Business Days before the proposed sale date (**Sale Date**). To the extent not described in any accompanying documents, the Offer Notice shall set out:
- (a) the identity of the Buyer;
 - (b) the purchase price and other terms and conditions of payment;
 - (c) the Sale Date; and
 - (d) the number of Shares proposed to be purchased by the Buyer (**Offer Shares**).
- 39.4 If the Buyer fails to make the Offer to all of the persons listed in article 39.2 in accordance with article 39.2 and article 39.3, the Majority Seller(s) shall not be entitled to complete the Proposed Sale and the Company shall not register any transfer of Shares effected in

accordance with the Proposed Sale.

- 39.5 If the Offer is accepted by any Shareholder (**Accepting Shareholder**) in writing within 10 Business Days of receipt of the Offer Notice, the completion of the Proposed Sale shall be conditional on completion of the purchase of all the Offer Shares held by Accepting Shareholders.

40 TRANSMISSION OF SHARES

- 40.1 If title to a Share passes to a transmittee, the Company may only recognise the transmittee as having any title to that Share.
- 40.2 A transmittee who produces such evidence of entitlement to Shares as the directors may properly require:
- (a) may, subject to the Articles, choose either to become the holder of those Shares or to have them transferred to another person, and
 - (b) subject to the Articles, and pending any transfer of the Shares to another person, has the same rights as the holder had.
- 40.3 But, subject to article 19.1(a), transmittees do not have the right to attend or vote at a general meeting, or agree to a proposed written resolution, in respect of Shares to which they are entitled, by reason of the holder's death or bankruptcy or otherwise, unless they become the holders of those Shares.

41 EXERCISE OF TRANSMITTEES' RIGHTS

- 41.1 Transmittees who wish to become the holders of Shares to which they have become entitled must notify the Company in writing of that wish.
- 41.2 If the transmittee wishes to have a Share transferred to another person, the transmittee must execute an instrument of transfer in respect of it.
- 41.3 Any transfer made or executed under this Article is to be treated as if it were made or executed by the person from whom the transmittee has derived rights in respect of the Share, and as if the event which gave rise to the transmission had not occurred.

42 TRANSMITTEES BOUND BY PRIOR NOTICES

If a notice is given to a Shareholder in respect of Shares and a transmittee is entitled to those Shares, the transmittee is bound by the notice if it was given to the Shareholder before the transmittee's name, or the name of any person(s) named as the transferee(s) in an instrument of transfer executed under article 41.2, has been entered in the register of members.

FURTHER ISSUES OF SHARES

43 NO GENERAL AUTHORITY TO ISSUE

Save to the extent authorised by these Articles, or authorised from time to time by an ordinary resolution of the Shareholders, the directors shall not exercise any power to allot Shares or to grant rights to subscribe for, or to convert any security into, any Shares in the Company.

44 PRE-EMPTION RIGHTS ON THE ISSUE OF FURTHER SHARES

- 44.1 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 (as defined in section 560(1) of the Act) made by the Company.
- 44.2 If the Company proposes to allot any equity securities the Company shall be under no obligation first to offer 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 or at all.

DIVIDENDS AND OTHER DISTRIBUTIONS

45 PROCEDURE FOR DECLARING DIVIDENDS

- 45.1 The Company may by ordinary resolution declare dividends, and the directors may decide to pay interim dividends.
- 45.2 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.
- 45.3 No dividend may be declared or paid unless it is in accordance with Shareholders' respective rights.
- 45.4 Unless the Shareholders' resolution to declare or directors' decision to pay a dividend, or the terms on which Shares are issued, specify otherwise, it 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.
- 45.5 If the Company's Share capital is divided into different classes, no interim dividend may be paid on Shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrear.
- 45.6 The directors may pay at intervals any dividend payable at a fixed rate if it appears to them that the profits available for distribution justify the payment.
- 45.7 If the directors act in good faith, they do not incur any liability to the holders of Shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on Shares with deferred or non-preferred rights.

46 PAYMENT OF DIVIDENDS AND OTHER DISTRIBUTIONS

- 46.1 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:
- (a) transfer to a bank or building society account specified by the distribution recipient in writing;
 - (b) sending a cheque made payable to the distribution recipient by post to the distribution recipient at the distribution recipient's registered address (if the distribution recipient is a holder of the Share), or (in any other case) to an address specified by the distribution recipient in writing;
 - (c) sending a cheque made payable to such person by post to such person at such address as the distribution recipient has specified in writing; or
 - (d) any other means of payment as the directors agree with the distribution recipient in writing.
- 46.2 In the Articles, "**the distribution recipient**" means, in respect of a Share in respect of which a dividend or other sum is payable:
- (a) the holder of the Share; or
 - (b) if the Share has two or more joint holders, whichever of them is named first in the register of members; or
 - (c) if the holder is no longer entitled to the Share by reason of death or bankruptcy, or otherwise by operation of law, the transmittee.

47 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:

- (a) the terms on which the Share was issued, or
- (b) the provisions of another agreement between the holder of that Share and the Company.

48 UNCLAIMED DISTRIBUTIONS

- 48.1 All dividends or other sums which are:

- (a) payable in respect of Shares, and
 - (b) 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.
- 48.2 The payment of any such dividend or other sum into a separate account does not make the Company a trustee in respect of it.
- 48.3 If:
- (a) twelve years have passed from the date on which a dividend or other sum became due for payment, and
 - (b) the distribution recipient has not claimed it,
- the distribution recipient is no longer entitled to that dividend or other sum and it ceases to remain owing by the Company.

49 NON-CASH DISTRIBUTIONS

- 49.1 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 a Share by transferring non-cash assets of equivalent value (including, without limitation, Shares or other securities in any Company).
- 49.2 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:
- (a) fixing the value of any assets;
 - (b) paying cash to any distribution recipient on the basis of that value in order to adjust the rights of recipients; and
 - (c) vesting any assets in trustees.

50 WAIVER OF DISTRIBUTIONS

- 50.1 Distribution recipients may waive their entitlement to a dividend or other distribution payable in respect of a Share by giving the Company notice in writing to that effect, but if:
- (a) the Share has more than one holder, or
 - (b) more than one person is entitled to the Share, whether by reason of the death or bankruptcy of one or more joint holders, or otherwise,
- the notice is not effective unless it is expressed to be given, and signed, by all the holders or persons otherwise entitled to the Share.

CAPITALISATION OF PROFITS

51 AUTHORITY TO CAPITALISE AND APPROPRIATION OF CAPITALISED SUMS

- 51.1 Subject to the Articles, the directors may, if they are so authorised by an ordinary resolution:
- (a) decide to capitalise any profits of the Company (whether or not they are available for distribution) which are not required for paying a preferential dividend, or any sum standing to the credit of the Company's share premium account or capital redemption reserve; and
 - (b) appropriate any sum which they so decide to capitalise (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.
- 51.2 Capitalised sums must be applied:
- (a) on behalf of the persons entitled, and
 - (b) in the same proportions as a dividend would have been distributed to them.
- 51.3 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

or as they may direct.

- 51.4 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 or as they may direct.
- 51.5 Subject to the Articles the directors may:
- (a) apply capitalised sums in accordance with articles 51.3 and 51.4 partly in one way and partly in another;
 - (b) make such arrangements as they think fit to deal with Shares or debentures becoming distributable in fractions under this article (including the issuing of fractional certificates or the making of cash payments); and
 - (c) 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.

PART 4

DECISION-MAKING BY SHAREHOLDERS

ORGANISATION OF GENERAL MEETINGS

52 ATTENDANCE AND SPEAKING AT GENERAL MEETINGS

- 52.1 A person is able to exercise the right to speak at a general meeting when that person is in a position to communicate to all those attending the meeting, during the meeting, any information or opinions which that person has on the business of the meeting.
- 52.2 A person is able to exercise the right to vote at a general meeting when:
- (a) that person is able to vote, during the meeting, on resolutions put to the vote at the meeting, and
 - (b) that person's 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.
- 52.3 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.
- 52.4 In determining attendance at a general meeting, it is immaterial whether any two or more members attending it are in the same place as each other.
- 52.5 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.

53 QUORUM FOR GENERAL MEETINGS

- 53.1 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.
- 53.2 The quorum for a general meeting shall be two or more Shareholders holding a majority of the voting rights at the general meeting.

54 CHAIRING GENERAL MEETINGS

- 54.1 If the directors have appointed a chairman, the chairman shall chair general meetings if present and willing to do so.
- 54.2 If the directors have not appointed a chairman, or if the chairman is unwilling to chair the meeting or is not present within ten minutes of the time at which a meeting was due to start:
- (a) the directors present, or
 - (b) (if no directors are present), the meeting,
- must appoint a director or Shareholder to chair the meeting, and the appointment of the

chairman of the meeting must be the first business of the meeting.

- 54.3 The person chairing a meeting in accordance with this article is referred to as "**the chairman of the meeting**".

55 ATTENDANCE AND SPEAKING BY DIRECTORS AND NON-SHAREHOLDERS

- 55.1 Directors may attend and speak at general meetings, whether or not they are Shareholders.

- 55.2 The chairman of the meeting may permit other persons who are not:

- (a) Shareholders of the Company, or
- (b) otherwise entitled to exercise the rights of Shareholders in relation to general meetings,

to attend and speak at a general meeting.

56 ADJOURNMENT

- 56.1 If the persons attending a general meeting within half an hour of the time at which the meeting was due to start do not constitute a quorum, or if during a meeting a quorum ceases to be present, the chairman of the meeting must adjourn it.

- 56.2 The chairman of the meeting may adjourn a general meeting at which a quorum is present if:

- (a) the meeting consents to an adjournment, or
- (b) it appears to the chairman of the meeting that an adjournment is necessary to protect the safety of any person attending the meeting or ensure that the business of the meeting is conducted in an orderly manner.

- 56.3 The chairman of the meeting must adjourn a general meeting if directed to do so by the meeting.

- 56.4 When adjourning a general meeting, the chairman of the meeting must:

- (a) 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
- (b) have regard to any directions as to the time and place of any adjournment which have been given by the meeting.

- 56.5 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 7 clear days' notice of it (that is, excluding the day of the adjourned meeting and the day on which the notice is given):

- (a) to the same persons to whom notice of the Company's general meetings is required to be given, and
- (b) containing the same information which such notice is required to contain.

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

VOTING AT GENERAL MEETINGS

57 VOTING: GENERAL

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 the Articles.

58 ERRORS AND DISPUTES

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

- 58.2 Any such objection must be referred to the chairman of the meeting, whose decision is final.

59 POLL VOTES

- 59.1 A poll on a resolution may be demanded:
- (a) in advance of the general meeting where it is to be put to the vote, or
 - (b) at a general meeting, either before a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared.
- 59.2 A poll may be demanded at any general meeting by any qualifying person (as defined in section 318 of the Act) present and entitled to vote at the meeting.
- 59.3 A demand for a poll may be withdrawn if:
- (a) the poll has not yet been taken, and
 - (b) the chairman of the meeting consents to the withdrawal.
 - (c) A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made.
- 59.4 Polls must be taken immediately and in such manner as the chairman of the meeting directs.

60 CONTENT OF PROXY NOTICES

- 60.1 Proxies may only validly be appointed by a notice in writing (a **proxy notice**) which:
- (a) states the name and address of the Shareholder appointing the proxy;
 - (b) identifies the person appointed to be that Shareholder's proxy and the general meeting in relation to which that person is appointed;
 - (c) is signed by or on behalf of the Shareholder appointing the proxy, or is authenticated in such manner as the directors may determine; and
 - (d) is delivered to the Company in accordance with the Articles not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in accordance with any instructions contained in the notice of the general meeting (or adjourned meeting) to which they relate
 - (e) 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.
- 60.2 The Company may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes.
- 60.3 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.
- 60.4 Unless a proxy notice indicates otherwise, it must be treated as:
- (a) allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting, and
 - (b) appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself.

61 DELIVERY OF PROXY NOTICES

- 61.1 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.
- 61.2 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.
- 61.3 A notice revoking a proxy appointment only takes effect if it is delivered before the start of the meeting or adjourned meeting to which it relates.
- 61.4 If a proxy notice is not executed by the person appointing the proxy, it must be

accompanied by written evidence of the authority of the person who executed it to execute it on the appointor's behalf.

62 AMENDMENTS TO RESOLUTIONS

- 62.1 An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if:
- (a) 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 the meeting is to take place (or such later time as the chairman of the meeting may determine), and
 - (b) the proposed amendment does not, in the reasonable opinion of the chairman of the meeting, materially alter the scope of the resolution.
- 62.2 A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if:
- (a) the chairman of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed, and
 - (b) the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.
- 62.3 If the chairman of the meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the chairman's error does not invalidate the vote on that resolution.

PART 5

ADMINISTRATIVE ARRANGEMENTS

63 MEANS OF COMMUNICATION TO BE USED

- 63.1 Subject to the Articles, anything sent or supplied by or to the Company under the 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.
- 63.2 Any notice, document or other information shall be deemed served on or delivered to the intended recipient:
- (a) 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);
 - (b) if properly addressed and delivered by hand, when it was given or left at the appropriate address;
 - (c) if properly addressed and sent or supplied by electronic means, one hour after the document or information was sent or supplied; and
 - (d) 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.
 - (e) For the purposes of this article, no account shall be taken of any part of a day that is not a Business Day.
- 63.3 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 delivered to an address permitted for the purpose by the Act.
- 63.4 Subject to the Articles, 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.

- 63.5 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.

64 COMPANY SEALS

- 64.1 Any common seal may only be used by the authority of the directors.
- 64.2 The directors may decide by what means and in what form any common seal is to be used.
- 64.3 Unless otherwise decided by the directors, if the Company has a common seal and it is affixed to a document, the document must also be signed by at least one authorised person in the presence of a witness who attests the signature.
- 64.4 For the purposes of this article, an authorised person is:
- (a) any director of the Company;
 - (b) the Company Secretary (if any); or
 - (c) any person authorised by the directors for the purpose of signing documents to which the common seal is applied.

65 NO RIGHT TO INSPECT ACCOUNTS AND OTHER RECORDS

Except as provided by law or authorised by the directors or an ordinary resolution of the Company, no person is entitled to inspect any of the Company's accounting or other records or documents merely by virtue of being a Shareholder.

66 PROVISION FOR EMPLOYEES ON CESSATION OF BUSINESS

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

DIRECTORS' INDEMNITY AND INSURANCE

67 INDEMNITY

- 67.1 Subject to article 67.2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled:
- (a) each relevant officer shall be indemnified out of the Company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a relevant officer:
 - (i) in the actual or purported execution and/or discharge of his duties, or in relation to them; and
 - (ii) in relation to the Company's (or any associated company's) activities as trustee of an occupational pension scheme (as defined in section 235(6) of the Act),including (in each case) any liability incurred by him in defending any civil or criminal proceedings, in which judgment is given in his favour or in which he is acquitted or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part or in connection with any application in which the court grants him, in his capacity as a relevant officer, relief from liability for negligence, default, breach of duty or breach of trust in relation to the Company's (or any associated company's) affairs; and
 - (b) the Company may provide any relevant officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings or application referred to in article 67.1(a) and otherwise may take any action to

enable any such relevant officer to avoid incurring such expenditure.

67.2 This article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law.

67.3 In this article:

- (a) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate, and
- (b) a "**relevant officer**" means any director or other officer or former director or other officer of the Company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act).

68 INSURANCE

68.1 The directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any relevant officer in respect of any relevant loss.

68.2 In this article:

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