

Company No: 08726977

The Companies Act 2006
Private Company Limited by Shares
Special Resolutions
of
Young Planet Enterprises Limited
(the Company)

Passed: **4/5 /** 2018

The following resolutions were duly agreed and 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 articles of association in the form appended to these Resolutions be adopted in substitution for and to the exclusion of the existing articles of association of the Company.
- 2 That** the 1,000 ordinary shares of £1.00 in the capital of the Company be sub-divided into 100,000 ordinary shares of £0.01 each, such shares having the same rights and being subject to the same restrictions (save as to nominal value) as set out in the articles of association adopted pursuant to Resolution 1 above.

TUESDAY



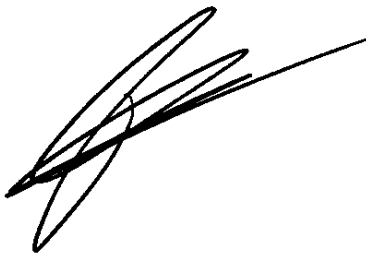
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COMPANIES HOUSE

Signed

D. T. Gustave.....

Director

104233633-1

A stylized, handwritten signature in black ink, consisting of several overlapping loops and a long, sweeping horizontal stroke extending to the right.

DIRECTOR

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Company Number: 08726977

**The Companies Act 2006
Private Company Limited by shares
Articles of Association
of
Young Planet Enterprises Limited**

(Adopted by special resolution passed on 4 May 2018)

The Companies Act 2006
Private Company Limited by Shares
Articles of Association
of
Young Planet Enterprises Limited

1 Interpretation

1.1 In these Articles, the following words have the following meanings:

Articles	the Company's articles of association for the time being in force;
Board	the board of directors of the Company as constituted from time to time;
Business Day	any day other than a Saturday, Sunday or public holiday in the United Kingdom;
Companies Act	the Companies Act 2006;
Conflict	has the meaning given in article 8.1;
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 Share Option Plan	any employee share option plan set up by the Company from time to time, the terms of which having been approved by the Board;
Fair Value	in relation to shares, as determined in accordance with article 15;
Family Member	in respect of a shareholder, their spouse or civil partner, their child or other issue, the spouse or civil

partner of their child or other issue, their parent or any lineal descendant of their parent, their sibling, the spouse or civil partner of their sibling, or the parent of their spouse or civil partner;

Family Trust

in relation to an individual shareholder, a trust or settlement set up wholly for the benefit of that individual shareholder and/or the shareholder's Family Members (or some of them);

Interested Director

has the meaning given in article 8.1;

Model Articles

the model articles for private companies limited by shares contained in Schedule 1 of the Companies (Model Articles) Regulations 2008 (*SI 2008/3229*) as amended prior to the date of adoption of these Articles;

Permitted Group

in relation to a company (wherever incorporated), any wholly owned Subsidiary of that company, any company of which it is a Subsidiary (its holding company) and any other Subsidiaries of any such holding company; and each company in a Permitted Group is a member of the Permitted Group. Unless the context otherwise requires, the application of the definition of Permitted Group to any company at any time will apply to the company as it is at that time;

Subsidiary

in relation to a company wherever incorporated (a holding company) means "subsidiary" as defined in section 1159 of the Companies Act and a company shall be treated, for the purposes only of the membership requirement contained in subsections 1159(1)(b) and (c) of the Companies Act, 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), whether by way of security or in connection with the taking of security, or (b) its nominee. Unless the context requires otherwise, the application of the definition of Subsidiary to any company at any time shall apply to the company as it is at that time;

Transfer Notice

an irrevocable notice in writing given by any shareholder to the other shareholder where the first shareholder desires, or is required by these Articles, to transfer or offer for transfer (or enter into an agreement to transfer) any shares;

Valuers

the accountants for the time being of the Company or,

if they decline the instruction, an independent firm of accountants appointed by the relevant shareholders or, in the absence of agreement between them on the identity of the valuers or their terms of appointment, an independent firm of accountants appointed, and whose terms of appointment are agreed, by the President, for the time being, of the Institute of Chartered Accountants of England and Wales (in each case acting as an expert and not as an arbitrator);

Writing or written

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 Spave as otherwise specifically provided in these Articles, words and expressions which have particular meanings in the Model Articles shall have the same meanings in these Articles, subject to which and unless the context otherwise requires, words and expressions which have particular meanings in the Companies Act shall have the same meanings in these Articles but excluding any statutory modification of them not in force on the date when these Articles become binding on the Company.
- 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 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.

- 1.6 Save as expressly provided otherwise in these Articles, any reference to any statutory provision shall be deemed to include a reference to each and every statutory amendment, modification, re-enactment and extension thereof for the time being in force.

2 Adoption of the model articles

- 2.1 The Model Articles shall apply to the Company, except in so far as they are modified or excluded by these Articles or are inconsistent with these Articles, and, subject to any such modifications, exclusions or inconsistencies, shall together with these Articles constitute the articles of association of the Company to the exclusion of any other articles or regulations set out in any statute or in any statutory instrument or other subordinate legislation. A copy of the Model Articles is set out in the Schedule to these Articles.
- 2.2 Articles 6(2), 7, 8, 9(1), 11 to 14 (inclusive), 16, 17, 22, 26(5), 27 to 29 (inclusive), 36, 38, 39, 43, 44(2) and 50 to 53 (inclusive) of the Model Articles shall not apply to the Company.
- 2.3 In article 25(2)(c) of the Model Articles, the words “evidence, indemnity and the payment of a reasonable fee” shall be deleted and replaced with the words “evidence and indemnity”.
- 2.4 Articles 31(1)(a) to (d) (inclusive) of the Model Articles shall be amended by the deletion, in each

case, of the words “either” and “or as the directors may otherwise decide”.

Directors

3 Directors’ meetings

- 3.1 Any decision of the directors must be taken at a meeting of directors in accordance with these Articles or must be a decision taken in accordance with article 4.
- 3.2 Whilst he remains a shareholder and director of the Company, Jason Ash shall be designated as chairman of any directors or shareholders meetings at which he is present.
- 3.3 Subject as provided in these Articles, the directors may participate in directors’ meetings for the despatch of business, adjourn and otherwise regulate their meetings as they think fit.
- 3.4 All decisions made at any meeting of the directors or of any committee of the directors shall be made only by resolution and resolutions at any meeting of the directors or committee of the directors shall be decided by a majority of votes.
- 3.5 If, and for so long as, the company only has one director:
 - 3.5.1 that director may exercise all the powers and discretions vested in the directors, and may take decisions without regard to any of the provisions of article 3.1 and articles 4 to 8 (inclusive) relating to directors' decision-making; and

3.5.2 any requirement for a declaration of interest by a director to the other directors is to be disregarded.

3.6 A sole director's decision may (without limitation) take the form of a resolution in writing signed by the director, or to which he has otherwise indicated agreement in writing.

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

3.8 Article 3.7 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 chairing the meeting is not an Eligible Director for the purposes of that meeting (or part of a meeting).

4 Unanimous decisions of directors

4.1 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.

4.2 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.

5 Number of directors

Unless and until otherwise determined by ordinary resolution, the number of directors shall not be less than

two and shall not be subject to any maximum. No shareholding qualification for directors shall be required.

6 Calling a directors' meeting

- 6.1 Any director may call a meeting of directors by giving reasonable notice of the meeting to each director or by authorising the Company secretary (if any) to give such notice.
- 6.2 Notice of a directors' meeting need not be given to a director who is absent from the United Kingdom and has not given the company an address to which such notices may be given by electronic means during his absence.

7 Quorum for directors' meetings

- 7.1 The quorum for directors' meetings may be fixed from time to time by a decision of the directors, but (subject to article 7.3) it must never be less than two Eligible Directors, and unless otherwise fixed it is two Eligible Directors. For clarity, this does not apply if, and for so long as, the company only has one director (see article 3.5).
- 7.2 In paragraph 11(3)(b) of the model articles, the words "(or to propose a written resolution)" are inserted after the words "to call a general meeting".
- 7.3 If, in relation to a proposed decision of the directors at a meeting, a director is not for any reason to be counted as participating in the decision making process for quorum purposes and (but for the other provisions of these articles) the total number of Eligible Directors (excluding that director) would be

less than the quorum required, the quorum required in relation to the proposed decision is one Eligible Director.

8 Directors' interests

8.1 The directors may, in accordance with the requirements set out in this article, authorise any matter or situation proposed to them by any director which would, if not authorised, involve a director (the **Interested Director**) breaching his duty under section 175 of the Companies Act to avoid conflicts of interest (**Conflict**).

8.2 Any authorisation under this article will be effective only if:

8.2.1 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;

8.2.2 any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested Director; and

8.2.3 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.

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

8.3.1 extend to any actual or potential conflict of

interest which may reasonably be expected to arise out of the matter or situation so authorised;

8.3.2 provide that the 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;

8.3.3 provide that the Interested Director will or will not be an Eligible Director in respect of any future decision of the directors in relation to any resolution related to the Conflict;

8.3.4 impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the directors think fit;

8.3.5 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

8.3.6 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 they relate to such matters.

- 8.4 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.
- 8.5 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 or variation in accordance with the terms of such authorisation.
- 8.6 A director, notwithstanding his office, may be a director or other officer of, employed by, or otherwise interested (including by the holding of shares) in, the shareholder who appointed him as a director of the Company, or any other member of such shareholder's Permitted Group, and no authorisation under article 8.1 shall be necessary in respect of any such interest.
- 8.7 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 in accordance with these Articles or by the Company in general meeting (subject in each case to any terms and conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds.
- 8.8 Subject to sections 177(5) and 177(6) of the Companies Act, a director who is in any way, whether directly or indirectly, interested in a

proposed transaction or arrangement with the Company shall declare the nature and extent of his interest to the other directors before the Company enters into the transaction or arrangement in accordance with the Companies Act.

8.9 Subject to sections 182(5) and 182(6) of the Companies Act, a director who is in any way, whether directly or indirectly, interested in a transaction or arrangement that has been entered into by the Company shall declare the nature and extent of his interest to the other directors as soon as is reasonably practicable in accordance with the Companies Act, unless the interest has already been declared under article 8.8.

8.10 Subject, where applicable, to any terms and conditions imposed by the directors in accordance with article 8.3, and provided a director has declared the nature and extent of his interest in accordance with the requirements of the Companies Act, a director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the Company:

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

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

interested;

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

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

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

8.10.6 shall not, save as he may otherwise agree, be accountable to the Company for any benefit which he (or a person connected with him (as defined in section 252 of the Companies 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

Companies Act.

9 Records of decisions to be kept

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

10 Appointment and removal of directors

10.1 No director (however appointed) is subject to retirement by rotation.

10.2 The directors may appoint a person who is willing to act to be a director, either to fill a vacancy or as an additional director. The appointment must not cause the number of directors to exceed any maximum number of directors that has been fixed by these Articles or by ordinary resolution.

10.3 The Company may by ordinary resolution appoint any person who is willing to act as a director, either to fill a vacancy or as an additional director.

Shares

11 Further issues of shares: authority

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

11.2 Subject to the remaining provisions of this article 11, the directors are generally and unconditionally

authorised, for the purpose of section 551 of the Companies Act, to exercise any power of the Company to:

11.2.1 offer or allot;

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

11.2.3 otherwise deal in, or dispose of,

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

11.3 The authority referred to in article 11.2:

11.3.1 shall be limited to a maximum nominal amount of £1,000 or such other amount as may from time to time be authorised by the Company by ordinary resolution;

11.3.2 shall only apply insofar as the Company has not, subject to these Articles, renewed, waived or revoked it by ordinary resolution; and

11.3.3 may only be exercised for a period of five years from the date of adoption of these Articles, save that the directors may make an offer or agreement which would, or might, require shares to be allotted after the expiry of such authority (and the directors may allot shares in pursuance of an offer or agreement as if such authority had not expired).

11.4 In accordance with section 570 of the Companies Act, sections 561 and 562 of the Companies Act

shall not apply to an allotment of equity securities (as defined in the Companies Act) made by the Company.

12 Share transfers

12.1 In these Articles, reference to the transfer of a share includes the transfer, assignment or other disposal of a beneficial or other interest in that share, or the creation of a trust or encumbrance over that share, and reference to a share includes a beneficial or other interest in a share.

12.2 No share shall be transferred unless the transfer is made in accordance with these Articles.

12.3 If the directors refuse to register the transfer of a share, they must send notice of the refusal to the transferee together with reasons for the refusal. The notice must be sent as soon as practicable and in any event within two months after the date on which the transfer was lodged with the Company. The directors must, in accordance with the Companies Act, provide the transferee with such further information about the reasons for the refusal as the transferee may reasonably request.

12.4 Notwithstanding the provisions of this article 12 and article 18:

12.4.1 any shareholder may at any time transfer any share to a Family Member over the age of 18 or to the trustees of a Family Trust;

12.4.2 any shareholder who is a trustee of a Family Trust may at any time transfer any share to:

- (a) the new or remaining trustees of the Family Trust upon any change of trustees; and
- (b) any persons (being a Family Member of a shareholder or of a former shareholder who has previously transferred some or all of his shares in accordance with this article 12) on their becoming entitled to the same under the terms of the Family Trust;

12.4.3 any corporate shareholder may at any time transfer any share to a member of its Permitted Group, provided that if the transferee ceases to be a member of the original shareholder's Permitted Group, the transferee must, not later than the date 5 Business Days after the date on which it so ceases, transfer all (but not some only) of its shares in the Company back to the original shareholder or to a member of the same Permitted Group as the original shareholder (which in either case is not in liquidation), failing which the Company may execute a transfer of the shares on behalf of the transferee and register the original shareholder as the holder of such shares;

12.4.4 any shareholder may at any time transfer any share to an Employee Share Option Plan.

12.5 A shareholder wishing to transfer shares (**Seller**) shall give notice in writing (**Transfer Notice**) to the other shareholders specifying the details of the proposed transfer, including the identity of the

proposed buyer(s) and the price for the shares.

12.6 Within 15 Business Days of receiving the Transfer Notice, each of the other shareholders may give a notice to the Seller saying that it wishes to:

12.6.1 purchase a proportion of the shares in the Transfer Notice at the price specified; or

12.6.2 purchase a proportion of the shares in the Transfer Notice but that the price specified is too high.

12.7 Each of the shareholders serving a notice pursuant to article 12.6 being an **Ongoing Shareholder**.

12.8 If any of the Ongoing Shareholders wish to purchase the Seller's shares but consider the price specified to be too high, the relevant shareholders shall endeavour to agree a price. If the relevant shareholders fail to reach agreement within 20 Business Days of the Transfer Notice, the Valuers shall determine the Fair Value of the shares in accordance with article 15.

12.9 If the Seller does not agree with the Fair Value as certified in the Valuers' written notice, he shall revoke the Transfer Notice by notice in writing to each of the Ongoing Shareholders within 7 Business Days of delivery of the Valuers' written notice. If the Seller revokes the Transfer Notice, he is not entitled to transfer the shares except in accordance with these articles.

12.10 Subject to the Seller not exercising his right to revoke the Transfer Notice, and unless all of the Ongoing Shareholders give notice in writing to the

Seller within 7 Business Days of the date of the Valuers' written notice that they do not wish to purchase the shares, completion of the sale of the shares comprised in the Transfer Notice at the Fair Value, or price specified and agreed pursuant to article 12.6.2 (as the case may be), shall take place in accordance with article 14.

12.11 If more than one of the Ongoing Shareholders shall apply for all or any of the shares, the shares shall be allocated amongst the Ongoing Shareholders according to the number of shares applied for by each Ongoing Shareholder or, if the number of shares applied for by the Ongoing Shareholders exceeds the number of shares on offer, on the basis that each Ongoing Shareholder shall be allocated the number of shares applied for by him up to the proportion (as nearly as practicable) of the shares which the number of the existing shares held by each Ongoing Shareholder bears to the total number of shares held by all the Ongoing Shareholders.

12.12 If all of the shareholders fail to give notice under article 12.6, or the Ongoing Shareholders together have not given notice that they wish to purchase all of the Seller's shares, the Seller is entitled to transfer his shares (or those of his shares not allocated to the Ongoing Shareholders) to the third party buyer identified in the Transfer Notice at a price not less than the price specified in the Transfer Notice (or the Fair Value, if lower).

13 Compulsory Transfers

13.1 A holder of shares is deemed to have served a

Transfer Notice under article 12.5 immediately before any of the following events of default:

13.1.1 In the case of an individual:

- (a) a bankruptcy order being made against him, or an arrangement or composition being made with his creditors, or where he otherwise takes the benefit of any statutory provision for the time being in force for the relief of insolvent debtors; or
- (b) he commits a material breach of any obligation under these articles and fails to remedy such breach within 20 Business Days of notice to remedy the breach being served by all the other shareholders.

13.1.2 In the case of bodies corporate:

- (a) the liquidation (voluntary or otherwise) of the party, other than a genuine solvent reconstruction or amalgamation in which the new company assumes (and is capable of assuming) all the obligations of the party or other company in the party's Group;
- (b) an order is made by a court of competent jurisdiction, or a resolution is passed, for the administration of a party, or documents are filed with the court for the appointment of an administrator, or notice of intention to appoint an administrator is given by the party, or its directors or by a

qualifying floating charge holder (as defined in paragraph 14 of Schedule B1 to the Insolvency Act 1986);

- (c) any step is taken by any person other than a member of the other party's Group (and is not withdrawn or discharged within 90 days) to appoint a receiver, administrative receiver or manager in respect of the whole or a substantial part of the assets or undertaking of the party or any other company in the party's Group;
- (d) the party being unable to pay its debts as they fall due for the purposes of section 123 of the Insolvency Act 1986;
- (e) the party entering into a composition or arrangement with its creditors;
- (f) any chargor enforcing any charge created over any shares held by the party in the Company; or
- (g) it commits a material breach of any obligation under these articles and fails to remedy such breach within 20 Business Days of notice to remedy the breach being served by all the other Shareholders.

13.2 The deemed Transfer Notice has the same effect as a Transfer Notice, except that:

13.2.1 the deemed Transfer Notice takes effect on the basis that it does not identify a proposed buyer or state a price for the shares and the shareholders shall refer the question of a

valuation to the Valuers under article 15;

13.2.2 the Valuers are required to determine the Fair Value for the shares;

13.2.3 the Seller does not have a right of withdrawal following a valuation; and

13.2.4 on the completion of any sale in accordance with this article, the buyer is not required to procure the discharge of any security given by the Seller or to procure the release of any debts of the Company to him; and

14 Completion of share purchase

14.1 Completion of the sale and purchase of shares under articles 12.5 and 13 of these articles shall take place:

14.1.1 30 Business Days after the day of delivery of the Transfer Notice, unless the Valuers have been requested to determine Fair Value; or

14.1.2 5 Business Days after the day of delivery of the Valuers' Fair Value notice.

14.2 At such completion:

14.2.1 the Seller shall deliver, or procure that there is delivered to the Ongoing Shareholders, a duly completed share transfer form transferring the legal and beneficial ownership of the relevant shares to the Ongoing Shareholders, together with the relevant share certificates and such other documents as the Ongoing Shareholders may reasonably require to show good title to the shares, or to enable them to be registered as the holders of the shares; and

14.2.2 the Ongoing Shareholders shall deliver or procure that there is delivered to the Seller due payment in cash (by whatever method reasonably nominated by the Board) for the purchase price.

14.3 The shares are sold by the Seller with full title guarantee.

14.4 If any Ongoing Shareholder fails to pay the purchase price on the due date, without prejudice to any other remedy which the Seller may have, the outstanding balance of the purchase price shall accrue interest at a rate equal to 4% above the base rate of HSBC Bank plc from time to time.

14.5 The shareholders shall procure the registration (subject to due stamping by the Ongoing Shareholders) of the transfers of shares in the Company effected pursuant to this article and each of them consents to such transfers and registrations under the articles.

15 Fair value

15.1 The **Fair Value** for any shares to be transferred under these articles is that proportion of the amount the Valuers consider to be the market value of the entire issued share capital of the Company that the Seller's shares bear to the entire issued share capital of the Company (with no discount for the size of the Seller's shareholding).

15.2 In determining the Fair Value of the entire issued share capital of the Company, the Valuers rely on the following assumptions:

15.2.1 the sale is between a willing seller and a willing buyer;

15.2.2 the shares are sold free of all restrictions, liens, charges and other encumbrances; and

15.2.3 the sale is taking place on the date the Valuers were requested to determine the Fair Value.

16 Transmission of shares

16.1 The pre-emption provisions relating to the transfer of shares contained in the provisions of articles 12.5 to 12.12 (inclusive), shall not apply to the transmission of shares on the death of a shareholder, the provisions of articles 27 to 29 of the Model Articles generally and specifically to:

16.1.1 any notice in writing given to the Company by a transmittee in accordance with article 28(1) of the Model Articles; and

16.1.2 any instrument of transfer executed by a transmittee in accordance with article 28(2) of the Model Articles.

17 Drag along

17.1 If the holders of 60% of the shares in the capital of the Company in issue for the time being (**Selling Shareholders**) wish to transfer all of their interest in the shares (**Sellers' Shares**) to a bona fide arm's length purchaser (**Proposed Buyer**), the Selling Shareholders may require all other shareholders (**Called Shareholders**) to sell and transfer all their shares to the Proposed Buyer (or as the Proposed

Buyer directs) in accordance with the provisions of this article (**Drag Along Option**).

17.2 The Selling Shareholders may exercise the Drag Along Option by giving written notice to that effect (**Drag Along Notice**) at any time before the transfer of the Sellers' Shares to the Proposed Buyer. The Drag Along Notice shall specify:

17.2.1 that the Called Shareholders are required to transfer all their shares (**Called Shares**) pursuant to this article 17;

17.2.2 the person to whom the Called Shares are to be transferred;

17.2.3 the consideration payable for the Called Shares which shall, for each Called Share, be an amount equal to the price per share offered by the Proposed Buyer for the Sellers' Shares; and

17.2.4 the proposed date of the transfer.

17.3 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 60 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.

17.4 No Drag Along Notice shall require a Called Shareholder to agree to any terms except those specifically set out in this article 17. Where a Drag Along Notice has been served, the Selling

Shareholders may not receive any benefit or consideration in connection with the sale of the Seller's Shares other than the consideration referred to in 17.2.3 above, but for the avoidance of doubt this provision shall not apply to any payments pursuant to bona fide employment or consultancy arrangements entered into by any Selling Shareholder. Any consideration (deferred, conditional or otherwise) payable for the Called Shares as referred to in article 17.2.3 above shall be paid to the Called Shareholders at the same time as any such consideration is paid to the Selling Shareholders.

17.5 Completion of the sale of the Called Shares shall take place on the Completion Date. Completion Date means the date proposed for completion of the sale of the Sellers' Shares unless:

17.5.1 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

17.5.2 that date is less than 5 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 the Drag Along Notice.

17.6 The rights of pre-emption set out in these articles shall not apply to any transfer of shares to a Proposed Buyer (or as it may direct) pursuant to a sale for which a Drag Along Notice has been duly

served.

- 17.7 Within 10 Business Days of the Selling Shareholders serving a Drag Along Notice on the Called Shareholders, the Called Shareholders shall 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 they are due for their shares pursuant to article 17.2.3 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 pursuant to article 17.2.3 in trust for the Called Shareholders without any obligation to pay interest.
- 17.8 To the extent that the Proposed Buyer has not, on the Completion Date, put the Company in funds to pay the consideration due pursuant to 17.2.3, 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 17 in respect of their shares.
- 17.9 If any Called Shareholder does not, on completion of the sale of the Called Shares, execute transfer(s) in respect of all of the Called Shares held by it, the defaulting Called Shareholder shall be deemed to

have irrevocably appointed any person nominated for the purpose by the Selling Shareholders to be his agent and attorney to execute all necessary transfer(s) on his behalf, against receipt by the Company (on trust for such holder) of the consideration payable for the Called Shares, to deliver such transfer(s) to the Proposed Buyer (or as they may direct) as the holder thereof. After the Proposed Buyer (or its nominee) has been registered as the holder, 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 17.

17.10 Following the issue of a Drag Along Notice, on any person becoming a shareholder of the Company pursuant to the exercise of a pre-existing option to acquire shares in the Company or on the conversion 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 17 shall apply with the necessary changes to the New Shareholder, except that completion of the sale of the shares shall take place immediately on the Drag Along Notice being deemed served on the New Shareholder.

18 Tag along

18.1 Except in the case of transfers pursuant to article 13

(but after the operation of the pre-emption procedure set out in articles 12.5 to 12.12), the provisions of articles 18.2 to 18.6 shall apply if, in one or a series of related transactions, one or more shareholders propose to transfer any of the shares (**Proposed Transfer**) which would, if carried out, result in any person who is not already a shareholder in the Company (**Buyer**), and any connected party acquiring in excess of 50% of the Company's issued share capital at the relevant time.

18.2 Before making a Proposed Transfer, a Seller shall procure that the Buyer makes an offer (**Offer**) to the other shareholders to purchase all of the shares held by them 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 connected party in the Proposed Transfer or in any related previous transaction in the 12 months preceding the date of the Proposed Transfer (**Specified Price**).

18.3 The Offer shall be given by written notice (**Offer Notice**), at least 20 Business Days (**Offer Period**) before the proposed sale date (**Sale Date**). To the extent not described in any accompanying documents, the Offer Notice shall set out:

18.3.1 the identity of the Buyer;

18.3.2 the purchase price and other terms and conditions of payment;

18.3.3 the Sale Date; and

18.3.4 the number of shares proposed to be purchased by the Buyer (**Offer Shares**).

- 18.4 If the Buyer fails to make the Offer to all holders of shares in the Company in accordance with articles 18.2 and 18.3, the Seller shall not be entitled to complete the Proposed Transfer and the Company shall not register any transfer of shares effected in accordance with the Proposed Transfer.
- 18.5 If the Offer is accepted by any shareholder (**Accepting Shareholder**) within the Offer Period, the completion of the Proposed Transfer shall be conditional on completion of the purchase of all the Offer Shares held by Accepting Shareholders.
- 18.6 The Proposed Transfer is subject to the pre-emption provisions of contained in these articles, but the purchase of Offer Shares from Accepting Shareholders shall not be subject to those provisions.

Decision making by shareholders

19 Quorum for general meetings

- 19.1 If the Company has only one member, one qualifying person present at the meeting is a quorum. Subject as provided in section 318(2) of the Companies Act, if the company has more than one member, two qualifying persons present at the meeting and entitled to vote are a quorum.
- 19.2 In this article 19, **qualifying person** in relation to any general meeting, means an individual who is a member of the Company, a person authorised under section 323 of the Companies Act to act as the representative of a corporation in relation to the meeting, or a person appointed as proxy of a

member in relation to the meeting.

19.3 No business shall be transacted by any general meeting unless a quorum is present at the commencement of the meeting and also when that business is voted on.

20 Voting

At a general meeting, on a show of hands every shareholder who is present in person or by proxy shall have one vote, unless the proxy is himself a shareholder entitled to vote; on a poll every shareholder present in person or by proxy shall have one vote for each share of which he is the holder; and on a vote on a written resolution every shareholder has one vote for each share of which he is the holder.

21 Poll votes

21.1 A poll may be demanded at any general meeting by a qualifying person (as defined in section 318 of the Companies Act) present and entitled to vote at the meeting.

21.2 Article 44(3) of the Model Articles shall be amended by the insertion of the words “A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made” as a new paragraph at the end of that article.

22 Proxies

22.1 Article 45(1)(d) of the Model Articles shall be deleted and replaced with the words “is delivered to the Company in accordance with the Articles not less than 48 hours before the time appointed for

holding the meeting or adjourned meeting at which the right to vote is to be exercised and in accordance with any instructions contained in the notice of general meeting (or adjourned meeting) to which they relate”.

22.2 Article 45(1) of the Model Articles shall be amended by the insertion of the words “and a proxy notice which is not delivered in such manner shall be invalid” as a new paragraph at the end of that article.

23 Matters requiring consent of shareholders

23.1 The Company shall not, without the prior written consent of shareholders holding in excess of 50% of the shares not held by the director or shareholder concerned (including any shares held by any party connected with such director or shareholder):

23.1.1 enter into any contract or arrangement with a director or shareholder or any of his connected parties;

23.1.2 pay any salary to any of its directors or shareholders and his/her connected persons; or

23.1.3 provide or agree to provide any other bonus or other non-contractual benefit to any director or shareholders and his/her connected persons.

24 Financial information

The shareholders shall procure (so far as is possible in the exercise of their rights and powers) that the Company shall at all times maintain accurate and complete accounting and other financial records in accordance with the requirements of all applicable laws and

generally accepted accounting principles applicable in the United Kingdom.

Administrative arrangements

25 Means of communication to be used

25.1 Subject to article 25.2, any notice, document or other information shall be deemed served on, or delivered to, the intended recipient:

25.1.1 if properly addressed and sent by prepaid United Kingdom first class post to an address in the United Kingdom, 48 hours after it was posted;

25.1.2 if properly addressed and delivered by hand, when it was given or left at the appropriate address;

25.1.3 if properly addressed and sent or supplied by electronic means, one hour after the document or information was sent or supplied; and

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

For the purposes of this article, no account shall be taken of any part of a day that is not a working day.

25.2 Any notice, document or other information served on, or delivered to, an intended recipient under article 12, article 13, article 17 or article 18 (as the

case may be) may not be served by means of a website.

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

26 Indemnity and insurance

26.1 Subject to article 26.2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled:

26.1.1 each relevant officer of the Company shall be indemnified out of the Company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a relevant officer in the actual or purported execution and/or discharge of his duties, or in relation to them including (in each case) any liability incurred by him in defending any civil or criminal proceedings, in which judgment is given in his favour or in which he is acquitted or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part or in connection with any application in which the court grants him, in his capacity as a relevant officer, relief from liability for negligence, default, breach of duty or breach of trust in relation to the Company's affairs; and

26.1.2 the Company may provide any relevant

officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings or application referred to in article 26.1.1 and otherwise may take action to enable any such relevant officer to avoid incurring such expenditure.

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

26.3 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.

26.4 In this article:

26.4.1 a **relevant officer** means any director or other officer or former director or other officer of the Company but excluding in each case any person engaged by the Company as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor; and

26.4.2 a **relevant loss** means any loss or liability which has been or may be incurred by a relevant officer in connection with that relevant officer's duties or powers in relation to the Company or any pension fund of the Company.

become binding on the company is set out below without incorporating any amendments made by these articles.]

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**Model articles for private companies limited by shares
(Prescribed by SI 2008/3229, Schedule 1, as amended
by the Mental Health (Discrimination) Act 2013)**

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PART 1 INTERPRETATION AND LIMITATION OF LIABILITY

Defined terms

1. In the articles, unless the context requires otherwise-

- "articles" means the company's articles of association;
- "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;
- "chairman" has the meaning given in article 12;
- "chairman of the meeting" has the meaning given in article 39;
- "Companies Acts" means the Companies Acts (as defined in section 2 of the Companies Act 2006), in so far as they apply to the company;
- "director" means a director of the company, and includes any person occupying the position of director, by whatever name called;
- "distribution recipient" has the meaning given in article 31;
- "document" includes, unless otherwise specified, any document sent or supplied in electronic form;
- "electronic form" has the meaning given in section 1168 of the Companies Act 2006;
- "fully paid" in relation to a share, means that the nominal value and any premium to be paid to the company in respect of that share have been paid to the company;
- "hard copy form" has the meaning given in section 1168 of the Companies Act 2006;
- "holder" in relation to shares means the person whose name is entered in the register of members as the holder of the shares;
- "instrument" means a document in hard copy form;
- "ordinary resolution" has the meaning given in section 282 of the Companies Act 2006;
- "paid" means paid or credited as paid;
- "participate", in relation to a directors' meeting, has the meaning given in article 10;
- "proxy notice" has the meaning given in article 45;
- "shareholder" means a person who is the holder of a share;
- "shares" means shares in the company;
- "special resolution" has the meaning given in section 283 of the Companies Act 2006;
- "subsidiary" has the meaning given in section 1159 of the Companies Act 2006;
- "transmittee" means a person entitled to a share by reason of the death or bankruptcy of a shareholder or otherwise by operation of law; and
- "writing" means 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.

Unless the context otherwise requires, other words or expressions contained in these articles bear the same meaning as in the Companies Act 2006 as in force on the date when these articles become binding on the company.

Liability of members

2. 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

Directors' general authority

3. 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.

Shareholders' reserve power

4. (1) The shareholders may, by special resolution, direct the directors to take, or refrain from taking, specified action.
(2) No such special resolution invalidates anything which the directors have done before the passing of the resolution.

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
 - (c) on such terms and conditions; as they think fit.
- (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.
- (3) The directors may revoke any delegation in whole or part, or alter its terms and conditions.

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.
- (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

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.*

(2) If-

- (a) the company only has one director, 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 take decisions without regard to any of the provisions of the articles relating to directors' decision-making.

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.
- (2) Such a decision may take the form of a resolution in writing, copies of which have been signed by each eligible director or to which each eligible director has otherwise indicated agreement in writing.
- (3) References in this article to eligible directors are to directors who would have been entitled to vote on the matter had it been proposed as a resolution at a directors' meeting.
- (4) A decision may not be taken in accordance with this article if the eligible directors would not have formed a quorum at such a meeting.

Calling a directors' meeting

- 9.-(1) Any director may call a directors' meeting by giving notice of the meeting to the directors or by authorising the company secretary (if any) to give such notice.

(2) 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.

(3) Notice of a directors' meeting must be given to each director, but need not be in writing.

(4) 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.

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.
- (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.
- (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.

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.
(2) The quorum for directors' meetings may be fixed from time to time by a decision of the directors, but it must never be less than two, and unless otherwise fixed it is two.
(3) If the total number of directors 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.

Chairing of directors' meetings

- 12.-(1) The directors may appoint a director to chair their meetings.
(2) The person so appointed for the time being is known as the chairman.
(3) The directors may terminate the chairman's appointment at any time.
(4) If the chairman is not participating 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.

Casting vote

- 13.-(1) If the numbers of votes for and against a proposal are equal, the chairman or other director chairing the meeting has a casting vote.
(2) But this does not apply if, in accordance with the articles, the chairman or other director is not to be counted as participating in the decision-making process for quorum or voting purposes.

Conflicts of interest

- 14.-(1) If a proposed decision of the directors is concerned with an actual or proposed transaction or arrangement with the company in which a director is interested, that director is not to be counted as participating in the decision-making process for quorum or voting purposes.
(2) But if paragraph (3) applies, a director who is interested in an actual or proposed transaction or arrangement with the company is to be counted as participating in the decision-making process for quorum and voting purposes.
(3) This paragraph applies when-
- (a) the company by ordinary resolution disapples the provision of the articles which would otherwise prevent a director from being counted as participating in the decision-making process;
 - (b) the director's interest cannot reasonably be regarded as likely to give rise to a conflict of interest; or
 - (c) the director's conflict of interest arises from a permitted cause.
- (4) For the purposes of this article, the following are permitted causes-
- (a) a guarantee given, or to be given, by or to a director in respect of an obligation incurred by or on behalf of the company or any of its subsidiaries;
 - (b) subscription, or an agreement to subscribe, for shares or other securities of the company or any of its subsidiaries, or to underwrite, sub-underwrite, or guarantee subscription for any such shares or securities; and
 - (c) arrangements pursuant to which benefits are made available to employees and directors or former employees and directors of the company or any of its subsidiaries which do not provide special benefits for directors or former directors.
- (5) For the purposes of this article, references to proposed decisions and decision-making processes include any directors' meeting or part of a directors' meeting.
(6) Subject to paragraph (7), 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.
(7) 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.

Records of decisions to be kept

15. 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.

Directors' discretion to make further rules

16. 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

Methods of appointing directors

17.-(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.

(2) In any case where, as a result of death, the company has no shareholders and no directors, the personal representatives of the last shareholder to have died have the right, by notice in writing, to appoint a person to be a director.

(3) For the purposes of paragraph (2), 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.

Termination of director's appointment

18. 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 Companies Act 2006 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) [paragraph omitted pursuant to The Mental Health (Discrimination) Act 2013]
- (f) 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.

Directors' remuneration

19.-(1) Directors may undertake any services for the company that the directors decide.

(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.

(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.

(4) Unless the directors decide otherwise, directors' remuneration accrues from day to day.

(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.

Directors' expenses

20. The company may pay any reasonable expenses which the directors 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.

PART 3 SHARES AND DISTRIBUTIONS SHARES

All shares to be fully paid up

- 21.-(1) 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.
 (2) This does not apply to shares taken on the formation of the company by the subscribers to the company's memorandum.

Powers to issue different classes of share

- 22.-(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.
 (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.

Company not bound by less than absolute interests

23. 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.

Share certificates

- 24.-(1) The company must issue each shareholder, free of charge, with one or more certificates in respect of the shares which that shareholder holds.
 (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.
- (3) No certificate may be issued in respect of shares of more than one class.
 (4) If more than one person holds a share, only one certificate may be issued in respect of it.
 (5) Certificates must-

- (a) have affixed to them the company's common seal, or
- (b) be otherwise executed in accordance with the Companies Acts.

Replacement share certificates

- 25.-(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.

- (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

- 26.-(1) 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.
- (2) *No fee may be charged for registering any instrument of transfer or other document relating to or affecting the title to any share.*
- (3) The company may retain any instrument of transfer which is registered.
- (4) The transferor remains the holder of a share until the transferee's name is entered in the register of members as holder of it.
- (5) 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.

Transmission of shares

- 27.-(1) If title to a share passes to a transferee, the company may only recognise the transferee as having any title to that share.
- (2) A transferee 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.
- (3) But transferees 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.

Exercise of transferees' rights

- 28.-(1) Transferees who wish to become the holders of shares to which they have become entitled must notify the company in writing of that wish.
- (2) If the transferee wishes to have a share transferred to another person, the transferee must execute an instrument of transfer in respect of it.
- (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 transferee has derived rights in respect of the share, and as if the event which gave rise to the transmission had not occurred.

Transferees bound by prior notices

29. If a notice is given to a shareholder in respect of shares and a transferee is entitled to those shares, the transferee is bound by the notice if it was given to the shareholder before the transferee's name has been entered in the register of members.

DIVIDENDS AND OTHER DISTRIBUTIONS

Procedure for declaring dividends

- 30.-(1) The company may by ordinary resolution declare dividends, and the directors may decide to pay interim dividends.
- (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.
- (3) No dividend may be declared or paid unless it is in accordance with shareholders' respective rights.
- (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.
- (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.
- (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.
- (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.

Payment of dividends and other distributions

- 31.-(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 either in writing or as the directors may otherwise decide;
 - (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 either in writing or as the directors may otherwise decide;
 - (c) sending a cheque made payable to such person by post to such person at such address as the distribution recipient has specified either in writing or as the directors may otherwise decide; or
 - (d) any other means of payment as the directors agree with the distribution recipient either in writing or by such other means as the directors decide.
- (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 transferee.

No interest on distributions

32. 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.

Unclaimed distributions

- 33.-(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.
- (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.
- (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.

Non-cash distributions

34.-(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).

(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.

Waiver of distributions

35. 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

Authority to capitalise and appropriation of capitalised sums

36.-(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.
- (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.
- (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.
- (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.
- (5) Subject to the articles the directors may-

- (a) apply capitalised sums in accordance with paragraphs (3) and (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

Attendance and speaking at general meetings

37.-(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.

(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.

(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.

(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.

(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.

Quorum for general meetings

38. 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.

Chairing general meetings

39.-(1) If the directors have appointed a chairman, the chairman shall chair general meetings if present and willing to do so.

(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.

(3) The person chairing a meeting in accordance with this article is referred to as "the chairman of the meeting".

Attendance and speaking by directors and non-shareholders

40.-(1) Directors may attend and speak at general meetings, whether or not they are shareholders.

(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.

Adjournment

41.-(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.

(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.

(3) The chairman of the meeting must adjourn a general meeting if directed to do so by the meeting.

(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.

(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.

(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

Voting: general

42. 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.

Errors and disputes

43.-(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.

(2) Any such objection must be referred to the chairman of the meeting, whose decision is final.

Poll votes

44.-(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.

(2) A poll may be demanded by-

(a) the chairman of the meeting;

(b) the directors;

(c) two or more persons having the right to vote on the resolution; or

(d) a person or persons representing not less than one tenth of the total voting rights of all the shareholders having the right to vote on the resolution.

(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.

(4) Polls must be taken immediately and in such manner as the chairman of the meeting directs.

Content of proxy notices

45.-(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 and any instructions contained in the notice of the general meeting to which they relate.

(2) The company may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes.

(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.

(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.

Delivery of proxy notices

- 46.-(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.
- (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.
- (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.
- (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.

Amendments to resolutions

- 47.-(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.
- (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.
- (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

Means of communication to be used

- 48.-(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 Companies Act 2006 provides for documents or information which are authorised or required by any provision of that Act to be sent or supplied by or to the company.
- (2) 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.
- (3) 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.

Company seals

- 49.-(1) Any common seal may only be used by the authority of the directors.
- (2) The directors may decide by what means and in what form any common seal is to be used.
- (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.
- (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.

No right to inspect accounts and other records

50. 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.

Provision for employees on cessation of business

51. 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

Indemnity

52.-(1) Subject to paragraph (2), a relevant director of the company or an associated company may be indemnified out of the company's assets against-

- (a) any liability incurred by that director in connection with any negligence, default, breach of duty or breach of trust in relation to the company or an associated company,
- (b) any liability incurred by that director in connection with the activities of the company or an associated company in its capacity as a trustee of an occupational pension scheme (as defined in section 235(6) of the Companies Act 2006),
- (c) any other liability incurred by that director as an officer of the company or an associated company.

(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.

(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 director" means any director or former director of the company or an associated company.

Insurance

53.-(1) The directors may decide to purchase and maintain insurance, at the expense of the company, for the benefit of any relevant director in respect of any relevant loss.

(2) In this article-

- (a) a "relevant director" means any director or former director of the company or an associated company,
- (b) a "relevant loss" means any loss or liability which has been or may be incurred by a relevant director in connection with that director'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.