

Company No. 08781930

A Private Company Limited By Shares

Written Resolution

of

STATELY ESTATES LTD (the "Company")

4th June 2019 (the "Circulation Date")

We, the undersigned, being the sole member of the Company entitled to attend and vote at general meetings of the Company, make the following resolutions as special resolutions of the Company pursuant to Chapter 2 of Part 13 of the Companies Act 2006, such resolutions to be valid and effective for all purposes as if they had been passed at a general meeting of the Company duly convened and held.

SPECIAL RESOLUTIONS

1. DEFINITIONS

CA 2006: Companies Act 2006.

Company: Stately Estates Ltd a company incorporated in England and Wales under registered number 08781930.

Directors: the board of directors of the Company.

1.1 AUTHORITY TO ALLOT

THAT, in accordance with section 551 of the Companies Act 2006 (**CA 2006**), the directors of the Company (**Directors**) be generally and unconditionally authorised to allot shares of any class in the Company up to an aggregate nominal amount of £990 provided that this authority shall, unless renewed, varied or revoked by the Company, expire on 31 July 2019 save that the Company may, before such expiry, make an offer or agreement which would or might require shares to be allotted and the Directors may allot shares in pursuance of such offer or agreement notwithstanding that the authority conferred by this resolution has expired.

This authority revokes and replaces all unexercised authorities previously granted to the Directors but without prejudice to any allotment of shares already made or offered or agreed to be made pursuant to such authorities.



1.2 DISAPPLICATION OF PRE-EMPTION RIGHTS

THAT, subject to the passing of resolution 1.1 and in accordance with section 570 of the CA 2006, the Directors be generally empowered to allot equity securities (as defined in section 560 of the CA 2006) pursuant to the authority conferred by resolution 1.1, as if section 561(1) of the CA 2006 did not apply to any such allotment, provided that this power shall:

- 1.2.1 be limited to the allotment of equity securities up to an aggregate nominal amount of £990; and
- 1.2.2 expire on 31 July 2019 (unless renewed, varied or revoked by the Company prior to or on that date), save that the Company may, before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of any such offer or agreement notwithstanding that the power conferred by this resolution has expired.

2. NEW ARTICLES OF ASSOCIATION

THAT new articles of association of the Company in the form annexed to the resolution be adopted as the articles of association of the Company in substitution for, and to the exclusion of, the Company's existing articles of association.

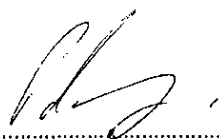
- 3. THAT each of the 10 issued ordinary shares of £1.00 in the capital of the Company be and is hereby redesignated as an ordinary A share of £1.00 in the capital of the Company having the rights and being subject to the restrictions set out in the articles of association adopted pursuant to resolution 2.

Important:

Please read the notes at the end of this document before signifying your agreement to the Resolutions.

The undersigned, being the sole member of the Company entitled to vote on the Resolutions on the Circulation Date, hereby irrevocably agrees to the Resolutions.

Signed:



Director
for and on behalf of The Binney Group Ltd

Date:

4th June 2019

NOTES

1. If you agree with the Resolutions, please indicate your agreement by signing and dating this document where indicated above and returning to the Company.
2. If you do not agree to the Resolutions, you do not need to do anything; you will not be deemed to agree if you fail to reply.
3. Once you have indicated your agreement to the Resolutions, you may not revoke your agreement.
4. Unless sufficient agreement has been received for the Resolutions to pass, they will lapse on the twenty eighth (28th) day after the Circulation Date. If you agree to the Resolutions, please ensure that your agreement reaches us before or during this date.

COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY SHARES

STATELY ESTATES LTD

**ARTICLES
OF ASSOCIATION**

COMPANY NUMBER: 08781930
INCORPORATED: 19 NOVEMBER 2013



CooleBevis^{LLP}

5 The Steyne
Worthing
West Sussex
BN11 3DT

Ref: IG.SN.097227/1
Tel: 01903 213511
www.coolebevisllp.com

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

STATELY ESTATES LTD

(Adopted by special resolution on 4th June 2019)

PART 1

INTERPRETATION, LIMITATION OF LIABILITY AND SHARE RIGHTS

Defined terms

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

“**articles**” means the company’s articles of association;

“**asset sale**” means the sale by the company of all, or substantially all of, its business and assets;

“**available profits**” means the profits available for distribution within the meaning of part 23 of the Companies Act 2006;

“**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**” means the board of directors and any committee of the board as constituted from time to time for the purpose of taking any action or decision contemplated by these articles;

“**business day**” means a day (other than a Saturday, Sunday or public holiday) when clearing banks in the City of London are open for the transaction of normal banking business;

“**chairman**” has the meaning given in article 13;

“**chairman of the meeting**” has the meaning given in article 42;

“**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;

“**control**” means in relation to a body corporate, the power of a person to secure that the affairs of the body corporate are conducted in accordance with the wishes of that person:

(a) by means of the holding of shares, or the possession of voting power, in or in relation to that or any other body corporate; or

(b) as a result of any powers conferred by the articles of association or any other document regulating that or any other body corporate;

“**director**” means a director of the company, and includes any person occupying the position of director, by whatever name called;

“**disposal**” means a share sale or an asset sale;

“**distribution recipient**” has the meaning given in article 34;

“**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;

“**eligible director**” means a director who would be entitled to vote on the matter at a meeting of the directors (but excluding any director whose vote is not to be counted in respect of the particular matter);

“**encumbrance**” means any mortgage, charge, security interest, lien, pledge, assignment by way of security, equity claim, right of pre-emption, option, covenant, restriction, reservation, lease, trust, order, decree, judgment, title

defect (including retention of title claim), conflicting claim of ownership or any other encumbrance of any nature whatsoever (whether or not perfected) other than liens arising by operation of law;

"fair value" means the price per share determined in writing by the valuers on the following bases and assumptions—

(a) valuing each of the shares that are to be transferred as a proportion of the total value of all the issued shares in the capital of the company having regard to (i) the rights expressed to be attached to the shares as set out in these articles and (ii) any variation in value attributable to the fact that those shares represent a majority or minority shareholding in the company;

(b) if the company is then carrying on business as a going concern, on the assumption that it will continue to do so;

(c) the sale is to be on arms' length terms between a willing seller and a willing buyer;

(d) the shares are sold free of all restrictions, liens, charges and other encumbrances (other than as set out in these articles);

(e) the sale is taking place on the date the valuers were requested to determine the fair value;

(f) any offer received from a third party in respect of the shares is to be disregarded in the calculation of fair value; and

(g) an aggregate maximum value of £50,000.00 shall apply in respect of all ordinary B shares then in issue;

"financial year" means an accounting reference period (as defined in section 391 of the Companies Act 2006) of the company;

"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;

"issue price" means in respect of any share, the sum paid for the share at the time of issue including any premium;

"majority" means those shareholders who for the time being hold shares that together confer more than 50% of the total voting rights exercisable in general meetings of the company;

"ordinary resolution" has the meaning given in section 282 of the Companies Act 2006;

"ordinary A shares" means the ordinary A shares of £1.00 each in the capital of the company having the rights set out in these articles;

"ordinary B shares" means the ordinary B shares of £1.00 each in the capital of the company having the rights set out in these articles;

"ordinary C shares" means the ordinary C shares of £1.00 each in the capital of the company having the rights set out in these articles;

"paid" means paid or credited as paid;

"par value" means in respect of any share, the nominal value in respect of that share;

"participate", in relation to a directors' meeting, has the meaning given in article 11;

"preference shares" means the preference shares of £1.00 each in the capital of the company having the rights set out in these articles;

"proxy notice" has the meaning given in article 48;

"shareholder" means a person who is the holder of a share;

"shares" means the shares of any class in the capital of the company;

“share sale” means the sale of an interest in all or any of the shares in the capital of the company (in one transaction or a series of transactions) which results in the buyer of those shares, and all persons acting in concert with him, together acquiring an interest (directly or indirectly) in shares in the company which confer, in aggregate, more than 50% of the voting rights conferred by all the issued shares in the capital of the company (except where the shareholders and the proportion of shares held by each of them following completion of the sale are the same as the shareholders and their shareholdings in the company immediately before to the sale);

“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;

“valuers” means the company’s accountants from time to time or an independent firm of accountants appointed by the transferor and the transferee or, in the absence of agreement between them on the identity of the expert or their terms of appointment within 10 business days after request by either party, 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);
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 shareholders is limited to the amount, if any, unpaid on the shares held by them.

Share capital

3.—(1) Share capital—

(a) The authorised share capital of the company at the date of adoption of these articles is unlimited, save in respect of ordinary C shares which shall be limited to £50.00 divided into 50 ordinary C shares of £1.00 each.

(b) Except as otherwise provided in these articles, the ordinary A shares, the ordinary B shares, the ordinary C shares and the preference shares shall rank *pari passu* in all respects, but shall each constitute separate classes of shares for the purposes of the Companies Acts. The shares in each such class shall carry the rights, privileges and restrictions specified in the following paragraphs of this article 3.

(2) Voting—

The rights as regards voting attaching to each class of shares in the company shall be as follows—

(a) the ordinary A shares shall confer on each holder the right to receive notice of and to attend, speak and vote at all general meetings of the company or whenever a poll is duly demanded, and thereupon, each holder shall be entitled to cast 5 votes in respect of each share held,

(b) the ordinary B shares shall confer on each holder the right to receive notice of and to attend, speak and vote at all general meetings of the company or whenever a poll is duly demanded, and thereupon, each holder shall be entitled to cast 1 vote in respect of each share held,

(c) the ordinary C shares shall not entitle the holders of them to receive notice of, to attend, to speak or to vote at any general or other meeting of the company,

(d) the preference shares shall not entitle the holders of them to receive notice of, to attend, to speak or to vote at any general or other meeting of the company.

(3) Dividends—

The rights as regards income attaching to each class of shares in the company shall be as set out in this article 3(3)–

(a) every meeting of the directors or general meeting of the company at which a dividend is declared shall, by board or ordinary resolution (as appropriate), direct that such dividend be paid in respect of the ordinary A shares or the ordinary B shares to the exclusion of the other, or in respect of both or neither;

(b) where a dividend is declared in respect of the ordinary A shares and the ordinary B shares, the company may differentiate between them as to the amount or percentage of dividend payable, but otherwise the ordinary A

shares and the ordinary B shares shall be deemed to rank pari passu in all respects as if they constituted one class of shares;

(c) the company shall, in respect of each ordinary C share held by a shareholder for a period of 3 years from the date of issue of the relevant ordinary C share ("**Three Year Period**"), declare a fixed dividend equal to 1% of the available profits of the company for such Three Year Period which shall be payable to the holders of such ordinary C shares within 60 days of the end of such Three Year Period, and thereafter no dividend shall accrue or be payable in respect of such ordinary C shares.

(d) No dividend shall at any time be payable in respect of the preference shares.

(4) Winding up and repayment of capital—

On a winding up or other return of capital, the assets of the company available for distribution shall, to the extent that the company is lawfully able to do so, be applied as follows—

(a) first, in paying to the holders of the preference shares an amount equal to the issue price paid for such shares;

(b) second, in paying to the holders of the ordinary A shares, the ordinary B shares and ordinary C shares the capital paid up on such shares;

(c) third, in paying to the holders of the shares (notwithstanding the class or classes of shares held) a sum equal to any arrears and accruals of dividends on such shares (whether earned or declared, or not) calculated down to the date of the repayment of capital;

(d) fourth, in paying to the holders of the ordinary B shares rateably in proportion to the number of shares held an amount equal to one sixth of the balance remaining after the payment of the amounts referred to in paragraphs (a) to (c) above up to an aggregate maximum sum of £50,000.00 in respect of all of the ordinary B shares then in issue; and

(e) lastly, in paying any balance remaining after the payment of the amounts referred to in paragraphs (a) to (d) above to the holders of the ordinary A shares rateably in proportion to the number of shares held.

(5) The net proceeds of a share sale shall be distributed in the order of priority set out in paragraph (4) above. The directors shall not register any transfer of shares if the net proceeds of sale are not distributed in that manner, provided that if the net proceeds of sale are not settled in their entirety on completion of the share sale—

(a) the directors may register the transfer of the relevant shares, provided that the initial net proceeds have been distributed in the order of priority set out in paragraph (4); and

(b) the shareholders shall take any action required by the directors to ensure that any remaining net proceeds of sale are distributed in the order of priority set out in paragraph (4).

(6) On an asset sale, the surplus assets of the company remaining after payment of all its liabilities shall be distributed (to the extent that the company is lawfully able to do so) in the order of priority set out in paragraph (4) above, provided that if it is not lawful for the company to distribute its surplus assets in accordance with the provisions of this paragraph (6), the shareholders shall take any action required by the directors (including (but not limited to) any actions that may be necessary to put the company into voluntary liquidation) so that paragraph (4) applies.

(7) In the event of a disposal approved by the directors, all shareholders shall consent to, vote for, raise no objections to and waive any applicable rights in connection with the disposal. The shareholders shall take all applicable actions that are required by the directors to facilitate the disposal. If any shareholder fails to comply with this paragraph (7)—

(a) the company shall be constituted the agent of each defaulting shareholder for taking such actions as are necessary to effect the disposal;

(b) the directors may authorise an officer or shareholder to execute and deliver on behalf of such defaulting shareholder the necessary documents; and

(c) the company may receive any purchase money due to the defaulting shareholder in trust for each defaulting shareholder.

(8) The preference shares shall, subject to the Act, be redeemed as follows—

(a) the company shall redeem all preference shares on the date falling 60 days after the second anniversary of the date on which such preference shares were issued; and

(b) notwithstanding paragraph (a) above, the company may, at any time on not less than 28 days' notice in writing to the holders of preference shares, redeem such total number of preference shares as is specified in such notice.

(9) Subject to the Act, the company shall redeem all ordinary C shares on the date falling 60 days after the third anniversary of the date on which such ordinary C shares were issued.

(10) Where preference shares or ordinary C shares are to be redeemed in accordance with article 3(8) or article 3(9) (as applicable), the company shall give to the holders of such shares falling to be redeemed prior notice in writing of the redemption which shall specify the particular shares to be redeemed and the date fixed for redemption.

(11) If the company is unable, because of having insufficient available profits, to redeem in full the relevant number of preference shares or ordinary C shares (as applicable) on the date fixed for redemption, the company shall redeem as many of such shares as can lawfully and properly be redeemed and the company shall redeem the balance as soon as it is lawfully and properly able to do so.

(12) On the date fixed for redemption, each of the holders of the preference shares and the ordinary C shares falling to be redeemed shall be bound to deliver to the company, at the company's registered office, the

certificate(s) for such shares (or an indemnity, in a form reasonably satisfactory to the board, in respect of any lost certificate) in order that the same may be cancelled. Upon such delivery, the company shall pay to the holder (or, in the case of any joint holders, to the holder whose name stands first in the company's register of members in respect of such shares) the amount due to it in respect of such redemption against delivery of a proper receipt for the redemption monies.

(13) There shall be paid on the redemption of each preference share an amount equal to the issue price thereof and such amount shall, subject to the company having available profits or other monies which may be lawfully applied for such redemption, at that time become a debt due from and immediately payable by the company to the holders of such preference shares.

(14) There shall be paid on the redemption of each ordinary C share an amount equal to the par value thereof and such amount shall, subject to the company having available profits or other monies which may be lawfully applied for such redemption, at that time become a debt due from and immediately payable by the company to the holders of such ordinary C shares.

PART 2

DIRECTORS

DIRECTORS' POWERS AND RESPONSIBILITIES

Directors' general authority

4. Subject to the articles and to the applicable provisions for the time being of the Companies Acts, 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

5.—(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

6.—(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.

(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

7.—(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

8.—(1) The general rule about decision-making by directors (or any committee of the 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 9, provided always that, for as long as Paul Edward Binney remains a director of the company, he shall be entitled to exercise a power of veto so as to prevent any decision being taken or any act, matter or thing being done in pursuance of any such majority decision as aforesaid.

(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.
- (3) Subject to the articles, each director participating in a directors' meeting has one vote.

Unanimous decisions

- 9.—(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, where each eligible director has signed one or more copies of it, or to which each eligible director has otherwise indicated agreement in writing.
- (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.
- (4) Once a directors' unanimous decision is taken in accordance with this article it must be treated as if it had been a decision taken at a directors' meeting in accordance with the articles.

Calling a directors' meeting

- 10.—(1) Any director may call a directors' meeting by giving notice of the meeting to each of 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) Subject to paragraph (4), 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 seven 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

- 11.—(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

- 12.—(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, provided always that no resolution may be passed at a meeting of the directors unless Paul Edward Binney, for as long as he remains a director of the company, is present at such meeting.
- (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

- 13.—(1) Subject to article 13(3), the majority may from time to time appoint a director to chair meetings of the board. If the majority have not appointed a director to chair meetings of the board, then 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 first chairman shall be Paul Edward Binney and he will hold such post for as long as he remains a director of the company.

(4) Subject to article 13(1) and article 13(3), the directors may terminate the appointment of any subsequent chairman at any time.

Casting vote

14.—(1) If the numbers of votes for and against a proposal at a meeting of the directors 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.

Transactions or other arrangements with the company and directors' conflicts of interest

15.—(1) Subject to sections 177(5) and 177(6) and sections 182(5) and 182(6) of the Companies Act 2006, and provided he has declared the nature and extent of his interest in accordance with the requirements of the Companies Act 2006, 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 entitled to be counted as participating in any directors' meeting, or part of a directors' meeting, for quorum purposes in respect of such existing or proposed transaction or arrangement in which he is interested; and

(c) shall be entitled to vote at any directors' meeting, or part of a directors' meeting, or participate in any unanimous decision, in respect of such existing or proposed transaction or arrangement in which he is interested.

(2) 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 breaching his duty under section 175 of the Companies Act 2006 to avoid conflicts of interest.

(3) Any authorisation under this article will be effective only if—

(a) the authorisation of the conflict shall have been proposed by any director for consideration, whether or not at a meeting of the directors, 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 authorisation of the conflict is met without counting the conflicted director or any other interested director; and

(c) the matter was agreed to without the conflicted director voting or would have been agreed to if the conflicted director's and any other interested director's vote had not been counted.

Records of decisions to be kept

16. 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

17. 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

18.—(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 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.

(3) For the purposes of paragraph (2), where two or more shareholders die in circumstances rendering it uncertain who was the last to die, a younger shareholder is deemed to have survived an older shareholder.

(4) Notwithstanding any other provision of these articles, for as long as Paul Edward Binney (or a company under his control) remains the beneficial owner and registered holder of any share he shall be entitled to continue in office as a director of the company and appoint and maintain in office such number of natural persons as he may from time to time direct as his nominee directors and to remove any nominee director so appointed and, upon his

removal whether by Paul Edward Binney or otherwise, to appoint another person to act as a nominee director in his place.

Termination of director's appointment

19. Without prejudice to article 18(4), a person ceases to be a director, and any directorship he holds with the company shall terminate with immediate effect, upon—

- (a) that person ceasing to be a director by virtue of any provision of the Companies Act 2006 or is prohibited from being a director by law;
- (b) that person committing a material breach of his statutory, fiduciary or common law obligations to the company;
- (c) that person being guilty of any fraud or dishonesty or acting in any manner which, in the opinion of the company, brings or is likely to bring him or the company into disrepute or is materially adverse to the interests of the company;
- (d) that person being, in the reasonable opinion of the board, negligent or incompetent in the performance of his duties as a director;
- (e) that person refusing or neglecting to comply with any reasonable and lawful directions of the board;
- (f) a bankruptcy order being made against that person;
- (g) a composition being made with that person's creditors generally in satisfaction of that person's debts and the company resolves that his office be vacated;
- (h) a registered medical practitioner who is treating that person giving 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;
- (i) notification being 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

20.—(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

21. 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

All shares to be fully paid up

22.—(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

23.—(1) Subject to the provisions of this article 23, the directors are generally and unconditionally authorised, for the purposes of section 551 of the Companies Act 2006 and generally, to exercise any power of the company to allot shares of any class in the company, provided always that—

(a) the authority given in this article may only be exercised for a period of five years from the date on which these articles are adopted; and

(b) the shareholders at any general meeting of the company may by ordinary resolution renew the authority (whether or not it has been previously renewed) for a period not exceeding five years or revoke, waive or vary any such authority (or renewed authority).

(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.

(3) In accordance with section 567(1) of the Companies Act 2006, sections 561 and 562 of the Companies Act 2006 shall not apply to any allotment of equity securities (as defined in section 560 of the Companies Act 2006) made by the company at any time.

Company not bound by less than absolute interests

24. 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

25.—(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

26.—(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: general

27.—(1) In these articles, a reference to the "transfer" of or "transferring" shares shall include any transfer, assignment, disposition or proposed or purported transfer, assignment or disposition—

(a) of any share or shares of the company; or

(b) of any interest of any kind in any share or shares in the company; or

(c) of any right to receive or subscribe for any share or shares in the company.

(2) No shareholder shall transfer or agree to create any encumbrance over the whole or any part of his interest in any share other than in accordance with the articles or with the prior written consent of the majority.

(3) No transfer of any share shall be registered by the board where such transfer has been made in breach of the articles and the shares comprised in any such transfer shall carry no rights whatsoever unless and until the breach is rectified.

(4) If the directors refuse to register the transfer of a share they shall return the instrument of transfer to the transferee with a notice of refusal, setting out the reasons for the refusal, unless they suspect that the proposed transfer may be fraudulent.

- (5) Subject to the articles, 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.
- (6) No fee may be charged for registering any instrument of transfer or other document relating to or affecting the title to any share.
- (7) The company may retain any instrument of transfer which is registered.
- (8) The transferor remains the holder of a share until the transferee's name is entered in the register of members as holder of it.
- (9) Any person who holds, or becomes entitled to, any share shall not without the prior written consent of the majority:
 - (a) serve a Transfer Notice under article 28; or
 - (b) effect a transfer of any share, except a transfer made in accordance with article 29, article 30 or article 31.

Share transfers: pre-emption rights

28.—(1) Save in respect of a transfer made pursuant to article 30 or article 31, any shareholder (the **"Proposed Seller"**) proposing to transfer any of his shares shall give notice in writing (a **"Transfer Notice"**) to all of the holders of ordinary A shares in the capital of the company (the **"Continuing Shareholders"**) and the company of his intention. Such Transfer Notice shall specify:

- (a) the number of shares which the Proposed Seller wishes to transfer (the **"Sale Shares"**);
- (b) the price per share at which the Proposed Seller wishes to transfer the Sale Shares (**"Proposed Sale Price"**);
- (c) whether or not the Proposed Seller has received an offer from a third party in respect of the Sale Shares, and if so, the identity of such third party and the terms of such offer;
- (d) the number of Sale Shares that each Continuing Shareholder is entitled to purchase, being the same proportion of the Sale Shares as the proportion of ordinary A shares held by him bears to the total number of ordinary A shares held by the Continuing Shareholders (the **"Proportionate Entitlement"**); and
- (e) whether or not the Transfer Notice is subject to a condition stipulating that such Transfer Notice is conditional upon all (and not some only) of the Sale Shares specified in such notice being sold (a **"Transfer Condition"**) and in the absence of any such stipulation the Transfer Notice shall be deemed not to contain such a condition.

(2) The Continuing Shareholders (or any of them) may, by giving notice in writing (the **"Price Notice"**) to the Proposed Seller (with a copy being given to the company) at any time within 10 business days of receipt of a Transfer Notice, notify the Proposed Seller that the Proposed Sale Price is too high. Following service of a Price Notice, the parties shall endeavour to agree a price for each of the Sale Shares. If the parties have not agreed such a price within 10 business days of the Proposed Seller's receipt of a Price Notice, they shall immediately instruct the valuers to determine the fair value of each Sale Share.

(3) If, following delivery to him of the valuers' written notice, the Proposed Seller does not agree with valuers' assessment of the fair value of the Sale Shares, he shall be entitled to revoke the Transfer Notice by giving notice in writing to the Continuing Shareholders (with a copy being given to the company) within 5 business days of delivery to him of the valuers' written notice. If the Proposed Seller revokes the Transfer Notice, he is not entitled to transfer the Sale Shares except in accordance with these articles.

(4) Within 20 business days of receipt (or deemed receipt) of a Transfer Notice or, if later, within 20 business days of receipt of the valuers' determination of the fair value (the **"Acceptance Period"**) (and provided the Proposed Seller has not withdrawn the Transfer Notice in accordance with paragraph (3) above), a Continuing Shareholder shall be entitled (but not obliged) to give notice in writing (the **"Acceptance Notice"**) to the Proposed Seller (with a copy being given to the company) stating that he wishes to purchase a specified number of Sale Shares at the Transfer Price. A Continuing Shareholder may, in his Acceptance Notice, indicate that he would be willing to purchase a particular number of Sale Shares in excess of his Proportionate Entitlement (the **"Extra Shares"**).

(5) For the purposes of this article, the **"Transfer Price"** shall be the Proposed Sale Price or, following service of a Price Notice, the price per Sale Share determined in accordance with paragraph (2) above.

(6) If, on the expiry of the Acceptance Period, the total number of Sale Shares applied for is greater than the available number of Sale Shares, each accepting Continuing Shareholder shall be allocated his Proportionate Entitlement (or such lesser number of Sale Shares for which he has applied) and applications for Extra Shares shall be allocated in accordance with such applications or, in the event of competition, among those Continuing Shareholders applying for Extra Shares in such proportions as equal (as nearly as may be) the proportions of all the ordinary A shares held by such Continuing Shareholders.

(7) Completion of the sale and purchase of those Sale Shares accepted by the Continuing Shareholders pursuant to paragraph (4) above (and, where relevant, paragraph (6) above) shall take place in accordance with article 32.

(8) In relation to any Sale Shares not accepted by the Continuing Shareholders pursuant to paragraph (4) above (and, where relevant, paragraph (6) above) (the **"Unclaimed Sale Shares"**), the company may, within 20 business days of the expiry of the Acceptance Period (the **"Final Acceptance Period"**), give notice in writing (the **"Company Purchase Notice"**) to the Proposed Seller (with a copy being given to the Continuing Shareholders) that the company wishes to purchase, at the Transfer Price, a specified number of the Unclaimed Sale Shares (which may consist of all or part of the Unclaimed Sales Shares).

(9) Subject to compliance with the Companies Acts, completion of the sale and purchase of the Unclaimed Sale Shares by the company pursuant to paragraph (8) above shall take place in accordance with article 32.

(10) If the company does not give a Company Purchase Notice in accordance with paragraph (8) above or the company gives a Company Purchase Notice in respect of part only of the Unclaimed Sale Shares, the Proposed Seller shall be entitled to transfer those Unclaimed Sale Shares which are not to be purchased by the company to the third party buyer identified in the Transfer Notice at a price per Unclaimed Sale Share not less than the Transfer Price at any time within a period of 3 months from the expiry of the Final Acceptance Period.

(11) If the Transfer Notice included a Total Transfer Condition, and by the foregoing procedure, the Proposed Seller has not received, by the expiry of the Final Acceptance Period, acceptances in respect of all the Sale Shares (whether from the Continuing Shareholders pursuant to paragraph (4) above and, where relevant, paragraph (6) above, or by the company by virtue of a Company Purchase Notice pursuant to paragraph (8) above)—

(a) the Proposed Seller shall not be obliged to sell any part only of the Sale Shares to the Continuing Shareholders and/or the company; and

(b) subject to article 27, the Proposed Seller may at any time within the period of 3 months thereafter sell all (but not part only) of the Sale Shares to any person or persons at any price which is not less than the Transfer Price except in respect of any preference shares and any ordinary C shares which may only be redeemed in accordance with the provisions of articles 3(8) to 3(14) (inclusive).

Transfer of shares: deemed transfer

29.—(1) A shareholder (other than a holder of any ordinary A shares) shall be deemed to have served a Transfer Notice pursuant to article 28(1) (a **“Deemed Transfer Notice”**) immediately before any of the following transfer events—

(a) the shareholder's death; or

(b) the shareholder ceases to be a director and/or employee and/or consultant (whether via a service company or otherwise) of the company, subject always to paragraph (3) below; or

(c) the shareholder fails to devote such time and attention to the business of the company as is necessary, in the reasonable opinion of the board, for the proper performance of his duties as a director and/or employee and/or consultant (whether via a service company or otherwise) of the company; or

(d) the shareholder fails to remedy a material or persistent breach by him of any obligation under these articles within 20 business days of notice to remedy the breach being served by the company and/or the other shareholders; or

(e) a bankruptcy order being made against the shareholder, 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.

(2) The Deemed Transfer Notice has the same effect as a Transfer Notice, except that—

(a) the Deemed Transfer Notice takes effect on the basis that it does not identify a third party offer, state a Proposed Sale Price or contain a Total Transfer Condition;

(b) the Deemed Transfer Notice shall be in respect of all (and not only some) of the Sale Shares;

(c) the Transfer Price shall be—

(i) in respect of any ordinary B shares, the aggregate par value of the Sale Shares;

(ii) in respect of any ordinary C shares, the fair value of those Sale Shares as determined by the valuers; and

(iii) in respect of any preference shares, the aggregate issue price of the Sale Shares.

(c) the Proposed Seller does not have a right to withdraw or revoke the Transfer Notice.

(3) Notwithstanding any other provision of this article, if a shareholder is deemed to have served a Transfer Notice in accordance with paragraph (1)(b) above, the board may provide its written consent to the shareholder retaining his shares, which shall have the effect of revoking the Deemed Transfer Notice.

Tag along rights

30.—(1) If at any time one or more shareholders (the **“Majority Holders”**) propose to sell (in one or a series of related transactions), shares which constitute not less than 51% (by nominal value) of the total shares in issue in the share capital of the company (a **“Majority Holding”**) to any person other than another shareholder (a **“Third Party Purchaser”**), the Majority Holders may only sell the Majority Holding to such Third Party Purchaser if they procure that the Third Party Purchaser first offers to buy the shares held by all of the other shareholders (together the **“Minority Holders”** and each a **“Minority Holder”**) at the price per share which is equal to the Tag Price (as defined in paragraph (2) below) and otherwise on the terms set out in this article.

(2) For the purposes of this article, the **“Tag Price”** shall be a price per share which is at least equal to the highest price per share that has been offered to the Majority Holders by the Third Party Purchaser in respect of the Majority Holding, provided that this article 30(2) shall be without prejudice and subject to the rights expressed to be attached to each class of shares under these articles.

(3) The offer to the Minority Holders referred to in paragraph (1) above (the **“Third Party Offer”**) must—

(a) be made to each Minority Holder in writing;

- (b) be irrevocable and unconditional (except for any conditions which apply to the proposed sale of the Majority Holding);
 - (c) fully describe all material terms and conditions (including the terms relating to price, conditions precedent, warranties and indemnities and the proposed completion date) agreed between the Majority Holders and the Third Party Purchaser;
 - (d) specify the Tag Price; and
 - (e) be open for acceptance by each Minority Holder for a period of not less than 10 business days after receipt of such offer.
- (4) If the Third Party Offer is accepted by the Minority Holders in writing within the period for acceptance specified therein, the sale of their shares pursuant to such offer shall be conditional upon the completion of the sale of the Majority Holding to the Third Party Purchaser and shall be completed at the same time as that sale, and on the same terms and conditions as set out in the Third Party Offer and shall otherwise proceed in accordance with the provisions of articles 32.

Drag along rights

- 31.—(1) Notwithstanding any other provision of these articles, if at any time the Majority Holders propose to transfer a Majority Holding to a Third Party Purchaser, the Majority Holders shall be entitled to require all (but not some only) of the Minority Holders to sell all (but not some only) of their respective shares to the Third Party Purchaser at the Drag Price (as defined in paragraph (2) below) and otherwise on the terms set out in this article.
- (2) For the purposes of this article, the “**Drag Price**” shall be a price per share which is at least equal to the highest price per share that has been offered to the Majority Holders by the Third Party Purchaser in respect of the Majority Holding, provided that this article 31(2) shall be without prejudice and subject to the rights expressed to be attached to each class of shares under these articles.
- (3) The sale of the Minority Holders’ shares pursuant to this article shall be conditional upon, and shall take place at the same time as, the sale of the Majority Holding to the Third Party Purchaser, and shall otherwise proceed in accordance with the provisions of articles 32.

Provisions relating to the transfer of shares

- 32.—(1) The provisions of this article shall apply to any transfer by a shareholder of all or any of his shares (the “**Transfer Shares**”) pursuant to—
- (a) article 28, in which case the “**Sale Price**” shall be the Transfer Price in respect of the Sale Shares being acquired by each Continuing Shareholder or the company, or the price at which the relevant Sale Shares are to be acquired by a third party purchaser pursuant to paragraph (10) or paragraph (11)(b) of that article (as the case may be);
 - (b) article 29, in which case the “**Sale Price**” shall be the Transfer Price as determined in accordance with paragraph (2)(c) of that article;
 - (c) article 30, in which case the “**Sale Price**” shall be the Tag Price; and
 - (d) article 31, in which case the “**Sale Price**” shall be the Drag Price.
- (2) In this article, the shareholder (or personal representative, as the case may be) making the transfer shall be referred to as the “**Transferor**” and the shareholder, the company or third party purchaser (as the case may be) purchasing the Transfer Shares shall be referred to as the “**Transferee**”.
- (3) Completion of the transfer of the Transfer Shares (“**Transfer Completion**”) shall take place not later than three months after the date on which the Sale Price is agreed or determined (or on such later date as the Transferor and Transferee may otherwise agree in writing), at the registered office of the company, whereupon—
- (a) the Transferor shall deliver to the Transferee duly executed transfers in respect of all the Transfer Shares, such transfers being in favour of the Transferee, together with the relevant share certificates (or an acceptable indemnity in lieu of such certificates), and any power of attorney under which the transfers have been executed; and
 - (b) against delivery of the items referred to in paragraph (a) above, the Transferee shall pay to the Transferor the Sale Price in cleared funds at Transfer Completion.
- (4) The Transferor shall execute, deliver and do all other such deeds, documents, acts and things as may be necessary (in such form as the Transferee may reasonably request) to transfer to the Transferee the Transfer Shares with full title guarantee and free from encumbrances, together with all rights attaching thereto at Transfer Completion.
- (5) If a Transferor, having become bound to transfer any shares pursuant to these articles shall default in doing so (or is unable to do so)—
- (a) the directors may authorise one of their number as security for the performance of the Transferor’s obligations, and who is hereby irrevocably and unconditionally appointed as the attorney of the Transferor for the purpose of this article to execute the necessary instrument of transfer of the Transfer Shares and to deliver the same on his behalf; and
 - (b) the company may receive the purchase money in respect of the Sale Price and shall thereupon (subject to such instrument being stamped) cause the Transferee to be registered as the holder of the Transfer Shares and shall

hold the purchase money on trust for the Transferor. The company shall not be bound to pay interest on such purchase money and the receipt of the company shall be a good discharge to the Transferee.

DIVIDENDS AND OTHER DISTRIBUTIONS

Procedure for declaring dividends

- 33.—(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

- 34.—(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 transmittee.

No interest on distributions

35. 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

- 36.—(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

37.—(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

38. 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

39.—(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

40.—(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 shareholders 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

41. 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

- 42.—(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**”.
- (4) The first chairman shall be Paul Edward Binney and he will hold such post for as long as he (or a company under his control) remains a shareholder of the company.

Attendance and speaking by directors and non-shareholders

- 43.—(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

- 44.—(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 seven 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

45.—(1) A resolution put to the vote of a general meeting must be decided on a show of hands unless a poll is duly demanded in accordance with the articles.

(2) No resolution may be passed at any general meeting of the company unless Paul Edward Binney, for as long as he (or a company under his control) remains a shareholder of the company, is present, whether in person or by proxy, at such meeting, and no written resolution may be passed unless Paul Edward Binney agrees to such written resolution.

Errors and disputes

46.—(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

47.—(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.

A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made.

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

Content of proxy notices

48.—(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

49.—(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

- 50.**—(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

- 51.**—(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.

No right to inspect accounts and other records

- 52.** 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

- 53.** 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

- 54.**—(1) Subject to paragraph (2), a relevant director of the company or an associated company shall 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

55.—(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 other officer former director or other officer 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 or officer in connection with that relevant director or 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.