

PRINT OF RESOLUTIONS FOR FILING

Registered Number: 08862063

**THE COMPANIES ACTS
OVO ENERGY (GROUP) LIMITED
PRIVATE COMPANY LIMITED BY SHARES**

**RESOLUTIONS
to which Chapter 3 of Part 3
of the Companies Act 2006 applies**

COMPANIES HOUSE



R48DSBXT
RC2 28/05/2015 #23

The following resolutions were passed in writing pursuant to Chapter 2 of Part 13 of the Companies Act 2006, resolution 1 as an ordinary resolution and resolutions 2 and 3 as special resolutions on 17 APRIL 2015

ORDINARY RESOLUTION

- 1 THAT, in accordance with section 551 of the CA 2006, the directors of the Company (Directors) be generally and unconditionally authorised to allot Preferred Shares (as defined in the New Articles) in the Company up to an aggregate nominal amount of £14.74 provided that this authority shall, unless renewed, varied or revoked by the Company, expire on the fifth anniversary of the Circulation Date

SPECIAL RESOLUTIONS

2. THAT, (i) each of the 950,890 A Ordinary shares in the capital of the Company transferred to Mayfair Equity Partners Nominees Limited on or around the date of this Resolution be and is hereby converted into and re-designated as one Preferred Share (as defined in the New Articles) and (ii) that the Preferred Shares shall have the rights set out in the New Articles
- 3 THAT, the draft articles of association attached to this resolution (the "New Articles") be adopted as the articles of association of the Company in substitution for, and to the exclusion of, the existing articles of association.

Director/Secretary
Date . . . 7/5/15 . . .

CHRISTOPHER HOUGHTON

Articles of Association

of

OVO Energy (Group) Ltd

Company number 08862063

(Private company limited by shares)

as adopted by written special resolution passed on 17 April 2015

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Company number 08862063

The Companies Act 2006

Private company limited by shares

Articles of Association

of

OVO Energy (Group) Ltd ("the Company")

(as adopted by written special resolution passed on 17 April 2015)

PART A

Interpretation, limitation of liability and other miscellaneous provisions

1 Preliminary

Notwithstanding any other provision of these Articles, no regulations for management of the Company set out in any statute concerning companies or contained in any regulations, order, instrument or other subordinate legislation made pursuant to a statute (including, but not limited to, the regulations contained in the model articles for private companies limited by shares as set out in Schedule 1 to The Companies (Model Articles) Regulations 2008 (SI 2008/3229) (as amended from time to time)) shall apply to the Company. The following shall be the Articles of the Company.

2 Defined terms

In these Articles, unless a contrary intention is expressly stated, the following words and expressions shall have the following meanings:

"A Consent" means the written consent of the holders of more than 50% of the A Ordinary Shares for the relevant time being in issue.

"A Ordinary Shares" means the A ordinary shares of £0.00001 each in the capital of the Company.

"Acting in Concert" has the meaning set out in the City Code on Takeovers and Mergers (as amended from time to time).

"Acts" means the Companies Acts and every other statute, order, regulation, or other subordinate legislation from time to time in force concerning companies and affecting the Company.

"Aggregate D Share Allocation" means the aggregate of the D Share Allocation for each class of D Shares, calculated in accordance with Article 7.2(c).

"alternate" or **"alternate director"** has the meaning set out in Article 41 (*Appointment and removal of alternates*).

"appointor" has the meaning set out in Article 41 (*Appointment and removal of alternates*).

"Approved Offer" means an irrevocable offer in writing that is for all the shares in the capital of the Company on terms providing for a distribution of proceeds in accordance with Article 7.2.

"Articles" means the Company's articles of association as altered or varied from time to time (and **"Article"** means a provision of the Articles).

"Associate" means, in respect of a person:

- (a) a Privileged Relation of the relevant person,
- (b) a Family Trust of the relevant person,

- (c) any nominee or bare trustee for the relevant person or any other Associate of the relevant person,
- (d) if the relevant person is a company, any subsidiary or holding company of the relevant person and any other subsidiary of any such holding company,
- (e) any person with whom the relevant person or any Associate of the relevant person is connected, the question of whether any such person is so connected falling to be determined for this purpose in accordance with the provisions of sections 1122 and 1123 Corporation Tax Act 2010, and
- (f) any person with whom the relevant person is acting in concert (such expression to have the same definition and meaning as that ascribed thereto in the City Code on Takeovers and Mergers as for the relevant time being current)

"Base D1 Ordinary Shares" means 1,000,000

"Base D Ordinary Shares" has the meaning given in Article 6 4

"B Ordinary Shares" means the B ordinary shares of £0 00001 each in the capital of the Company

"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 of the Company from time to time

"Board Invitee" means such person (being an Employee Trust or an existing or prospective Employee) as the Board may nominate (not being a Director or an Associate of a Director, save with Investor Approval)

"C Ordinary Shares" means the C ordinary shares of £0 00001 each in the capital of the Company

"CA2006" means the Companies Act 2006

"call" has the meaning set out in Article 47 1 (*Call notices*)

"call notice" has the meaning set out in Article 47 1 (*Call notices*)

"call payment date" has the meaning set out in Article 51 (*Failure to comply with call notice automatic consequences*)

"Called Shareholders" has the meaning set out in Article 17 1 (*Drag along*)

"Called Shares" has the meaning set out in Article 17 1 (*Drag along*)

"capitalised sum" has the meaning set out in Article 69 (*Authority to capitalise and appropriation of capitalised sums*)

"Cessation Date" means the date on which a Leaver ceases to be an Employee

"Chairman" means the chairman of the Board appointed pursuant to Article 33 (*Chairing of directors' meetings*)

"chairman of the meeting" has the meaning set out in Article 73 (*Chairing general meetings*)

"Companies Acts" has the meaning set out in Section 2, CA2006

"Company's lien" has the meaning set out in Article 45 1 (*Company's lien*)

"Conflicted Director" has the meaning set out in Article 35 1 (*Authorisation of conflicts of interest*)

"Conflict Situation" has the meaning set out in Article 35 1 (*Authorisation of conflicts of interest*)

"Controlling Interest" means an interest in shares (as defined in Schedule 1 of the CA2006) conferring in aggregate more than 50% of the total voting rights conferred by all the shares in the equity share capital of the Company for the time being in issue

"Conversion" means the conversion of Preferred Shares into A Ordinary Shares pursuant to

Article 19, including for these purposes the issue of Anti-Dilution Shares (if any) pursuant to Article 20 (and **"Converted"** shall be construed accordingly)

"D1 Ordinary Shares" means the D1 ordinary shares of £0 00001 each in the capital of the Company

"D2 Ordinary Shares" means the D2 ordinary shares of £0 00001 each in the capital of the Company

"D3 Ordinary Shares" means the D3 ordinary shares of £0 00001 each in the capital of the Company

"D1 Specified Value" means £80,000,000 00 plus any Equity Fundraising Proceeds after the date of issue of any D1 Ordinary Shares

"D2 Specified Value" means £150,000,000 00 plus any Equity Fundraising Proceeds after the date of issue of any D2 Ordinary Shares

"D3 Specified Value" means £200,000,000 00 plus any Equity Fundraising Proceeds after the date of issue of any D3 Ordinary Shares

"Date of Issue" means, in respect of a Preferred Share, the date of issue of such Preferred Share or, if such Preferred Share was issued as an A Ordinary Share and subsequently converted to and/or re-designated as a Preferred Share, the date of such conversion and/or re-designation

"Deferred Shares" means the deferred shares of £0 00001 each in the capital of the Company

"Deemed Transfer Notice Date" has the meaning set out in Article 13 1(b)

"D Ordinary Shares" means the D1 Ordinary Shares or any subsequent class of shares designated as such by the Board

"D Share Allocation" means the allocation for each class of D Shares calculated in accordance with Article 7 2(c)

"D Specified Value" means the D1 Specified Value in relation to the issue of the D1 Ordinary Shares, the D2 Specified Value in relation to the issue of the D2 Ordinary Shares, the D3 Specified Value in relation to the issue of the D3 Ordinary Shares or any subsequent Specified Value for a given class of D Ordinary Shares

"director" means a director of the Company, and includes any person occupying the position of director, by whatever name called

"Disposal" means the sale or other disposal (whether by one transaction or a series of related transactions) of 50% or more of the business and assets of the Company

"Distributable Amount" has the meaning set out in Article 7 2 (*Capital*)

"distribution recipient" has the meaning set out in Article 64 (*Payment of dividends and other distributions*)

"document" includes, unless otherwise specified, any summons, notice, order, register, certificate or other legal process and includes any such document sent or supplied in electronic form

"eligible director" means a director who would have been entitled to vote on the matter had it been proposed as a resolution at a directors' meeting (but excluding any director whose vote is not to be counted in respect of the resolution in question)

"Employee" means a person who at the date of the adoption of these Articles or subsequently is employed by, or is a consultant to, any Group Company

"Employee Trust" means the trust to be established by the Board to encourage or facilitate the holding of shares in the Company by bona fide employees of any Group Company or by any section of such employees, the trustees of which shall be such persons as the Board shall agree

"Equity Fundraising Proceeds" means the aggregate proceeds receivable by the Company

pursuant to a fundraising by the Company by way of subscription for new shares in the capital of the Company net of costs and expenses of that fundraising (as specified by the Board)

"Equity Shares" means the Preferred Shares, the A Ordinary Shares, the B Ordinary Shares and the C Ordinary Shares

"Exit" means a Sale, a Disposal or a Listing

"Exit Notice" has the meaning set out in Article 17 2 (*Drag along*)

"Exit Option" has the meaning set out in Article 17 1 (*Drag along*)

"Family Trust" means a trust under which

- (a) no immediate beneficial interest in the shares held by it or income from such shares is for the time being or may in the future be vested in any person other than
 - (i) the settlor or a Privileged Relation of such settlor, or
 - (ii) any charity or charities as default beneficiaries (meaning that such charity or charities have no immediate beneficial interest in the shares or the income from them when the trust is created but may become so interested if there are no other beneficiaries from time to time except another charity or charities), and
- (b) no power or control over the voting powers conferred by the shares held by it is for the time being exercisable by or subject to the consent of any person other than the trustee or trustees or the settlor or a Privileged Relation of such settlor

"Former Leaver's Shares" means any Leaver's Shares acquired by the holder of the majority of the A Ordinary Shares pursuant to Article 14 8(a)

"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

"Fund Manager" means a person whose principal business is to make, manage or advise upon investments in securities

"Further Issue" has the meaning set out in Article 8 (*Further issues of shares*)

"Good Leaver" means

- (a) a person who ceases to be an Employee where such cessation occurs for one of the following reasons
 - (i) that person's death,
 - (ii) illness or disablement of that person giving rise to a permanent incapacity to continue in employment,
 - (iii) cessation of employment considered by the Board to be by way of retirement,
 - (iv) that person's employment ceasing by way of redundancy, or
- (b) a person who ceases to be an Employee where the Board resolves that such person is to be treated as a "Good Leaver" in circumstances where such person would not, but for this provision, be a Good Leaver

"Group" means the Company and its Subsidiaries (if any) for the time being and **"Group Company"** means any of them

"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

"Investor" means a person who is the holder of a Preferred Share (or, following Conversion, A Ordinary Share that was a Preferred Share)

"Investor Approval" means the prior consent or approval in writing of an Investor Majority

"Investor Director" means a director appointed pursuant to Article 22 4

"Investor Group" means where the Shareholder is a fund, partnership, company, syndicate or other entity whose business is managed by a Fund Manager (an **"Investment Fund"**) or is a nominee of that Investment Fund

- (a) any participant or partner in or member of any such Investment Fund or the holders of any unit trust which is a participant or partner in or member of any Investment Fund (but only in connection with the dissolution of the Investment Fund or any distribution of assets of the Investment Fund pursuant to the operation of the Investment Fund in the ordinary course of business),
- (b) any Investment Fund managed or advised by that Fund Manager,
- (c) any parent undertaking or subsidiary undertaking of that Fund Manager, or any subsidiary undertaking of any parent undertaking of that Fund Manager, or
- (d) any trustee, nominee or custodian of such Investment Fund and vice versa

"Investor Majority" means the holders of not less than one half of the total number of Preferred Shares for the relevant time being in issue (or, following Conversion, the A Ordinary Shares into which such shares have been Converted)

"Leaver" means an Employee who ceases to be so for whatever reason (including death) and does not continue to be an Employee by reason of his status in relation to any Group Company (including a Subsidiary ceasing to be a member of the Group)

"Leaver's Shares" means in relation to a Leaver, all shares in the capital of the Company held by him or his Privileged Relations or their Family Trusts, or any nominees of them, other than shares held by Privileged Relations that the Board declares itself satisfied were not acquired either directly or indirectly from the Leaver or by reason of the Privileged Relation's connection with the Leaver and the decision of the Board in this respect will, in the absence of manifest error, be final and binding

"lien enforcement notice" has the meaning set out in Article 46 (*Enforcement of the Company's lien*)

"Listing" means the becoming effective of a listing of the Company's securities on a Stock Exchange or the granting of permission for the Company's securities to be traded on a Stock Exchange and the listing shall be treated as occurring on the day on which trading in the securities began

"Listing Price" means, in connection with a Listing, the price at which shares are to be issued or admitted to trading at the point of such Listing

"Majority Sellers" has the meaning set out in Article 17 1 (*Drag along*)

"Majority Sellers' Shares" has the meaning set out in Article 17 1 (*Drag along*)

"Market Price" means the market value of the shares concerned on the following assumptions and bases

- (a) to have regard to the rights and restrictions attached to the shares in respect of income, capital and transfer,
- (b) to assume that the sale is on an arms' length basis between a willing vendor and a willing purchaser,
- (c) to disregard whether or not the shares represent a minority or majority interest,
- (d) to take no account of whether the shares do or do not carry control of the Company, and
- (e) if the Company is then carrying on business as a going concern, to assume that it will continue to do so in the same manner as immediately prior to the date of the Transfer Notice or deemed Transfer Notice giving rise to the valuation

"Maximum D Ordinary Shares" means, for each class of D Ordinary Shares, the number calculated in accordance with the following formula

$$\text{Maximum D Ordinary Shares}_i = \sum_{j=1}^i \text{Base D Ordinary Shares}_j - \sum_{j=1}^{n-1} \text{D Ordinary Shares}_j$$

Where

- i is the relevant class of D Ordinary Shares,
- n is the total number of classes of D Ordinary Shares
- $\text{D Ordinary Shares}_j$ are the number of D Ordinary Shares in issue within a given class

"Minimum Qualifications" means in respect of a proposed Investor Director or a proposed alternate of an Investor Director, the requirement that such person must

- (a) be a director, officer, member or employee of an Investor or any entity which is the manager or adviser of any Investor,
- (b) not have been refused any licence or other authorisation by any governmental, administrative, regulatory body or authority, and no such body or authority has revoked such a licence or authorisation, and
- (c) not have been convicted of any criminal offence in any jurisdiction (excluding minor road traffic matters)

"Offered Shares" has the meaning set out in Article 14 2 (*Pre-emption procedure*) or Article 14 3, as applicable

"Original Subscription Price" means, in respect of any shares, the original subscription price (including any premium) paid for that share as adjusted for any Reorganisation of the Company's share capital carried out after such price was paid

"paid" means paid or credited as paid

"participate" in relation to a directors' meeting, has the meaning set out in Article 31 (*Participation in directors' meetings*)

"partly paid" in relation to a share, means that part of that share's nominal value or any premium at which it was issued that has not been paid to the Company

"persons entitled" has the meaning set out in Article 69 1 (*Authority to capitalise and appropriation of capitalised sums*)

"Pre-emption Purchasers" has the meaning set out in Article 14 10 (*Pre-emption procedure*) and **"Pre-emption Purchaser"** means any one of them

"Preferred Shares" means the Preferred Shares of £0 00001 in the capital of the Company

"Preference Amount" means, in respect of a Preferred Share, an amount equal to

- (a) the Subscription Price, plus
- (b) an amount equal to ten per cent (10%) per annum, accruing daily from (and including) the Date of Issue of such Preferred Shares up to (and including) the date of the distribution, return of capital or Exit, as applicable (calculated on a cumulative basis, compounding on each anniversary of the Date of Issue of such Preferred Share), less
- (c) any amount or amounts already distributed or otherwise returned to the holder from time to time of such Preferred Share in its capacity as a holder of Preference Shares (including without limitation pursuant to Article 7 1(a) or Article 7 2(a)(i))

"Privileged Relation" means in relation to a member, the spouse, civil partner or widow, widower or surviving civil partner of the member and the member's children and grandchildren (including step and adopted children and their issue and step and adopted children of the member's children)

"Prohibited Transferee" means any person which is or is connected with or controlled by

(d) a person resident or established in any jurisdiction identified from time to time by the Financial Action Taskforce as a high-risk and/or non-cooperative jurisdiction, and/or

(e) any Politically Exposed Person or any person subject to any sanctions legislation,

and, for this purpose a **"Politically Exposed Person"** is an individual who is, or has in the previous year been, in a prominent public function, including Associates or persons known to be close associates of such individuals and **"control"** shall have the same meaning as in sections 450 and 451 Corporation Tax Act 2010

"proxy notice" has the meaning set out in Article 79 (*Content of proxy notices*)

"relevant director" means any director or former director of the Company or any associated company (within the meaning of Section 256, CA2006)

"relevant loss" means any costs, charges, losses, expenses and liabilities which have been or may be incurred by a relevant director, secretary or other officer in the actual or purported execution or discharge of his duties or in the actual or purported exercise of his powers in relation to the affairs of the Company, any associated company (within the meaning of Section 256, CA2006), any pension fund (including any occupational pension scheme) or any employees' share scheme of the Company or associated company

"relevant rate" has the meaning set out in Article 51 2 (*Failure to comply with call notice automatic consequences*)

"Relevant Securities" means all shares, rights to subscribe for shares or to receive them for no consideration and all securities convertible into shares, but excluding

(a) the grant of options to subscribe for shares (other than A Ordinary Shares, Preferred Shares and D Ordinary Shares) under a Share Incentivisation Scheme provided that

(i) no Former Leaver's Shares will remain held by the holder of any A Ordinary Shares immediately after such grant, and

(ii) following the issue of those shares, the number of shares (other than A Ordinary Shares, Preferred Shares and D Ordinary Shares) and options to subscribe for shares (other than A Ordinary Shares, Preferred Shares and D Ordinary Shares) does not in aggregate exceed 4% of the aggregate number of A Ordinary Shares (including Preferred Shares on an as Converted basis), B Ordinary Shares and C Ordinary Shares at such time,

(b) shares issued in order for the Company to comply with its obligations under the Articles (other than Article 8 (*Further issues of shares*)),

(c) any shares (other than A Ordinary Shares, Preferred Shares and D Ordinary Shares) to be allotted and issued to an Employee Trust or to an Employee provided that

(i) no Former Leaver's Shares will remain held by the holder of any A Ordinary Shares immediately after such allotment, and

(ii) following the issue of those shares, the number of shares (other than A Ordinary Shares, Preferred Shares and D Ordinary Shares) and options to subscribe for shares (other than A Ordinary Shares, Preferred Shares and D Ordinary Shares) does not in aggregate exceed 4% of the aggregate number of A Ordinary Shares (including Preferred Shares on an as Converted basis), B Ordinary Shares and C Ordinary Shares at such time,

(d) shares or securities convertible into shares issued in consideration of an acquisition by the Company of any company or business, and

(e) the grant of options to subscribe for, or the allotment or issue of, any number of D Ordinary Shares

"Reorganisation" means any return of capital, bonus issue of shares or other securities of the Company by way of capitalisation of profits or reserves or any consolidation or sub-division or any repurchase or redemption of shares or any variation in the subscription price or conversion rate applicable to any outstanding shares of the Company

"Sale" means the sale or other disposal (whether by one transaction or a series of related

transactions) of 50% or more of the A Ordinary Shares in issue for the time being

"Sale Price" has the meaning set out in Article 14 6 (*Pre-emption procedure*)

"Security" means a mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect

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

"Share Incentivisation Scheme" means any share scheme of the Company for the incentivisation and/or reward of current and/or prospective Employees of the Company and any Group Company

"shares" means shares in the Company

"Specified Value" means, for each class of D Ordinary Shares, the total equity value of the Company specified by the Board in its absolute discretion upon issue of the relevant class of D Ordinary Shares

"Stock Exchange" means The London Stock Exchange plc (including the Main Market and the Alternative Investment Market operated by The London Stock Exchange plc), ICAP Securities and Derivatives Exchange Limited (including the ISDX Main Board and ISDX Growth Market operated by ICAP Securities and Derivatives Exchange Limited) or any other recognised investment exchange (as defined by Section 285, Financial Services and Markets Act 2000), any recognised overseas investment exchange (as defined by Section 292, Financial Services and Markets Act 2000) or any investment exchange included in the Financial Conduct Authority's list of designated investment exchanges and their respective share dealing markets

"Subscription Price" means, in respect of a Preferred Share, the amount paid up or credited as paid up (including premium) for such Preferred Share or, if such Preferred Share was issued as an A Ordinary Share and subsequently converted to and/or re-designated as a Preferred Share, the Subscription Price of each of the Preferred Shares issued as Preferred Shares on the date of such conversion and/or re-designation provided that where Preferred Shares have different Subscription Prices, the Subscription Price in relation to the relevant Preferred Shares shall be the average of the different Subscription Prices

"Subsidiary" means a subsidiary (as defined in Section 1159, CA2006) or a subsidiary undertaking (as defined in Section 1162, CA2006) and **"Subsidiaries"** shall be construed accordingly

"Topco Reorganisation" has the meaning set out in Article 17 1 (*Drag along*)

"Third Party Purchaser" has the meaning set out in Article 17 1 (*Drag along*)

"Transfer Notice" has the meaning set out in Article 14 1 (*Pre-emption procedure*)

"transmittee" means a person entitled to a share by reason of the death or bankruptcy of a shareholder or otherwise by operation of law

"Unvested Share" means a B Ordinary Share, a C Ordinary Share or a D Ordinary Share (other than a Vested B Ordinary Share, a Vested C Ordinary Share or a Vested D Ordinary Share)

"Valuation Determination Process" means the determination of the Market Price by reference to any Valuation Report received by the Company closest but prior to the relevant Cessation Date, save where no report has been commissioned by the Company or unless the Board, acting reasonably, considers that the relevant report does not reflect the Market Price of such Leaver's Shares as at the Cessation Date whereby, in each case, the Board shall refer determination of the Market Price to a Valuer

"Valuation Report" means an independent valuation report commissioned by the Board from time to time in respect of the Company

"Valuer" means the auditor of the Company or (if the auditor declines to act for such purpose or, where the appointment is pursuant to articles 7 3, 19 9 or 20, if an Investor Majority so requires by written notice to the Company) an independent accountant nominated by agreement between the Board and the person(s) in disagreement with the Company in relation to a particular matter or, failing agreement within 10 working days, nominated by the

President for the time being of the Institute of Chartered Accountants in England and Wales

"Vested B Ordinary Shares" means any B Ordinary Shares in issue 36 months or more after the date of the agreement between the relevant employee shareholder and, inter alia, the Company in relation to such shares, or which the Board otherwise determines on a Sale or Listing to be Vested B Ordinary Shares (in its absolute discretion)

"Vested C Ordinary Shares" means any C Ordinary Shares in issue 12 months or more after the date of the agreement between the relevant employee and, inter alia, the Company in relation to such shares

"Vested D Ordinary Shares" means any D Ordinary Shares in issue 36 months or more after the date of the agreement between the relevant employee shareholder and, inter alia, the Company in relation to such shares or (as appropriate) which have satisfied the performance and time vesting criteria set out in such agreement, or which the Board otherwise determines on a Sale or Listing to be Vested D Ordinary Shares (in its absolute discretion)

"Vested Equity Shares" means the A Ordinary Shares, the Vested B Ordinary Shares and the Vested C Ordinary Shares

"Vested Share Aggregate Listing Number" means, in respect of each relevant class of share, a number calculated as

$$(A/B) \times C$$

where

- A = the aggregate amount that the holders of such class of share would have been entitled to receive on a Sale (where the aggregate proceeds of Sale shall be calculated on the basis of the Listing Price),
- B = the valuation of the Company on the basis of the Listing Price, and
- C = the total number of ordinary shares of £0 00001 each in the capital of the Company immediately after the conversions and share issues referred to in Article 7 3(c)

"Vested Share Conversion Listing Number" means, in respect of each relevant class of share

- (a) the Vested Share Aggregate Listing Number, or
- (b) the aggregate number of shares of such class immediately prior to the Listing,

whichever is the lower

"Wholly-owned Group" means a body corporate and any holding company of which it is a wholly-owned subsidiary and any other wholly-owned subsidiaries of that holding company (including any wholly-owned subsidiary of the body corporate) with all such terms construed in accordance with the CA2006

"writing" means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods and **"written"** shall be construed accordingly

3 Interpretation

3 1 In these Articles

- (a) words in the singular include the plural and vice versa and words in one gender include any other gender,
- (b) a reference to
 - (i) **"transfer of shares"** or any similar expression shall be deemed to include, in respect of a share in the capital of the Company
 - (A) any sale or other disposition of the legal or equitable interest in a share (including any voting right attached to a share),
 - (B) the creation of any mortgage, charge, pledge or other encumbrance

- over any legal or equitable interest in a share,
- (C) any direction by a person entitled to an allotment or issue of shares that a share be allotted or issued to some other person, and
 - (D) any grant of an option to acquire, or agreement to enter into a grant of an option to acquire, any legal or equitable interest in a share,
- (ii) **"person"** includes any individual, firm, corporation, body corporate, association, partnership, trust, unincorporated association, employee representative body, government or state or agency or department thereof, executors, administrators or successors in title (whether or not having a separate legal personality),
- (c) the table of contents and headings are for convenience only and do not affect the interpretation of these Articles,
 - (d) general words shall not be given a restrictive meaning
 - (i) if they are introduced by the word "other" or "including" or similar words by reason of the fact that they are preceded by words indicating a particular class of act, matter or thing, or
 - (ii) by reason of the fact that they are followed by particular examples intended to be embraced by those general words, and
 - (e) for the purposes only of the membership requirement contained in subsections 1159(1)(b) and (c), CA2006, shares registered in the name of a person (or its nominee) by way of security or in connection with the taking of security shall be treated as held by the person providing the security and shares held by a person as nominee for another shall be treated as held by the other
- 3 2 Unless the context otherwise requires (or unless otherwise defined or stated in these Articles), words or expressions contained in these Articles shall have the same meaning as in the CA2006 as in force from time to time
- 4 **Liability of members**
- The liability of the members is limited to the amount, if any, unpaid on the shares held by them
- 5 **Domicile**
- The Company's registered office is to be situated in England and Wales
- Share capital, rights and transfers**
- 6 **Share capital**
- 6 1 Except as otherwise provided in these Articles, the A Ordinary Shares, B Ordinary Shares, C Ordinary Shares and D Ordinary Shares shall rank *pari passu* in all respects but shall constitute separate classes of shares
- 6 2 The term "D Ordinary Shares" describes a number of different classes of shares which shall be designated D1 Ordinary Shares, D2 Ordinary Shares, D3 Ordinary Shares and so on. Each class of D Ordinary Shares shall have the same rights as the other classes of D Ordinary Shares, save that the Board shall, upon issue of any D Ordinary Shares, specify
- (a) the designation of the D Ordinary Shares (i.e. D1 Ordinary Shares, D2 Ordinary Shares etc), and
 - (b) the Specified Value for that class of D Ordinary Shares
- For the avoidance of doubt, all shares within a class of D Ordinary Shares shall have the same Specified Value
- 6 3 The number of issued D Ordinary Shares of each class may not exceed the Maximum D Ordinary Shares for that class
- 6 4 The **"Base D Ordinary Shares"** means for a given class of D Ordinary Shares

If $i = 1$ then Base D Ordinary Shares₁ = 1,000,000

If $i = 2$

$$\text{Base D Ordinary Shares}_2 = \max \left(\log_2 \frac{\text{D2 Specified Value}}{\text{D1 Specified Value}} \times \text{Base D1 Ordinary Shares}, 0 \right)$$

If $i > 2$

Base D Ordinary Shares_i

$$= \max \left(\log_2 \frac{\text{D Specified Value}_i}{\text{D1 Specified Value}} \times \text{Base D1 Ordinary Shares} - \sum_{j=2}^{i-1} \text{Base D Ordinary Shares}_j, 0 \right)$$

Where

- "i" is the relevant class of Base D Ordinary Shares (i.e. in relation to D2 Ordinary Shares, $i = 2$, so that the Base D Ordinary Shares for D2 Ordinary Shares is Base D Ordinary Shares₂, in relation to D3 Ordinary Shares, $i = 3$, so that the Base D Ordinary Shares for D3 Ordinary Shares is Base D Ordinary Shares₃ etc), and
- "D Ordinary Shares" are the number of D Ordinary Shares in issue within a given class

6 5 Whenever the Company has only one class of shares, unless otherwise authorised by these Articles, the directors shall not exercise any power of the Company pursuant to Section 550, CA2006 to allot shares or to grant rights to subscribe for, or convert any security into, any shares in the Company

6 6 Subject to these 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

6 7 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

6 8 Shares may be issued by the Company which are nil, partly or fully paid

6 9 The Company may pay any person a commission in consideration for that person subscribing, or agreeing to subscribe, for shares or procuring, or agreeing to procure, subscriptions for shares. Any such commission may be paid in cash, or fully paid or partly paid shares or other securities, or partly in one way and partly in the other and in respect of a conditional or an absolute subscription

7 Rights attaching to shares

7 1 Income

(a) Preferred Shares and A Ordinary Shares

In the event that the Company or Board determines to distribute any profits of the Company

- (i) $16\frac{2}{3}\%$ of such amount shall be distributed amongst the holders of the Preferred Shares pro rata according to the number of Preferred Shares held, and
- (ii) the remainder shall be distributed amongst the holders of the A Ordinary Shares pro rata according to the number of A Ordinary Shares held

(b) Other share classes

Save as set out in these Articles, no class of share other than the Preferred Shares and the A Ordinary Shares shall have any entitlement to a dividend or any other distribution

7.2 Capital

- (a) Subject to Article 7.2(b), on a return of assets on liquidation or capital reduction or any other distribution of capital or otherwise (except upon the redemption of shares of any class or the purchase by the Company of its own shares), the assets of the Company remaining after the payment of its liabilities (the "**Distributable Amount**") shall be distributed as follows
- (i) first in paying to the holders of the Preferred Shares, the Preference Amount (if any),
 - (ii) next in paying to the holders of the Vested D Ordinary Shares, the Aggregate D Share Allocation (if any) (divided between the Vested D Ordinary Shares in accordance with paragraph (c) below), and
 - (iii) finally in paying to the holders of the A Ordinary Shares, Vested B Ordinary Shares and Vested C Ordinary Shares the balance of the Distributable Amount, such payment to be apportioned between the holders of the A Ordinary Shares, Vested B Ordinary Shares and Vested C Ordinary Shares pro rata to the number of Vested Equity Shares
- (b) The Deferred Shares shall on a return of assets in a winding up or otherwise entitle the holder only to the repayment of the amounts paid up on such shares after repayment of £10 million per issued A Ordinary Share, B Ordinary Share, C Ordinary Share and D Ordinary Share
- (c) The D Share Allocation for each class of D Ordinary Shares shall be calculated using the following formula

$$\text{D Share Allocation}_i = \sum_{j=1}^n \frac{\text{Vested D Ordinary Shares}_i}{\sum_{j=1}^n \text{Base D Ordinary Shares}_j} \times DV_i$$

Where

- "i" is the relevant class of D Ordinary Shares (i.e., for D1 Ordinary Shares, i = 1 so that the D Share Allocation for D1 Ordinary Shares is D Share Allocation₁, for D2 Ordinary Shares, i = 2 so that the D Share Allocation for D2 Ordinary Shares is D Share Allocation₂, etc),
- "n" is the total number of classes of D Ordinary Shares in issue,
- If i = n, then $DV_i = \max(10\% \times (\text{Distributable Amount} - \text{D Specified Value}_i), 0)$
- If i < n, then $DV_i = \max(10\% \times (\text{D Specified Value}_{i+1} - \text{D Specified Value}_i), 0)$

A worked example is set out in Appendix 1

For the avoidance of doubt, notwithstanding any other provision of these Articles, the Aggregate D Share Allocation shall in no circumstances be more than 10 per cent in of the Distributable Amount less the D1 Specified Value

7.3 Exit provisions

- (a) Upon a Sale, the members who sell their shares in such Sale will be entitled to share in the proceeds of the Sale in the manner and order of priority set out in Article 7.2 (as if references in that Article to the Distributable Amount were to the proceeds of the Sale) provided that if such Sale is by way of the transfer of less than 100% of the A Ordinary Shares of the Company, the proceeds of the Sale shall be deemed to be the actual proceeds of the Sale grossed up to provide a valuation for the entire issued share capital of the Company and, following the application of the provisions of Article 7.2(a) to such deemed proceeds of the Sale, the resulting Aggregate D Share

Allocation (if any) shall be applied to the number of Vested D Ordinary Shares being sold as part of such Sale and by reference to the relevant D Share Allocation of such D Ordinary Shares in accordance with Article 7 2(c)

- (b) Upon a Disposal, the surplus assets of the Company remaining after payment of its liabilities (the "**Net Surplus Assets**") shall be distributed (to the extent that the Company is lawfully permitted to do so) in the order of priority set out in Article 7 2 (as if references in that Articles to the Distributable Amount were to the Net Surplus Assets) provided always that if it is not lawful for the Company to distribute its surplus assets in accordance with the provisions of these Articles, the members shall take any action required by the Board (acting reasonably and bona fide) (including actions that may be necessary to put the Company into voluntary liquidation) to achieve a distribution in the manner and order of priority set out in Article 7 2
- (c) Immediately prior to a Listing
 - (i) each Preferred Share and each A Ordinary Share shall automatically (without further authority than is contained in this Article) convert into and be re-designated as an ordinary share of £0 00001 each in the capital of the Company,
 - (ii) the Company shall issue to the holders of Preferred Shares (pro rata to their holdings of Preferred Shares) such number of ordinary shares of £0 00001 each in the capital of the Company (if any) as is equal to the aggregate Preference Amount for all of the Preferred Shares in issue immediately prior to the Listing divided by the Listing Price, less the number of Preferred Shares converted into ordinary shares of £0 00001 each in the capital of the Company pursuant to Article 7 3(c)(i),
 - (iii) such number of
 - (A) Vested B Ordinary Shares,
 - (B) Vested C Ordinary Shares, and
 - (C) Vested D Ordinary Shares,in each case held in aggregate by the holders of such shares (pro rata to their holdings of such class of share) shall automatically (without further authority than is contained in this Article) convert into and be re-designated as ordinary shares of £0 00001 each in the capital of the Company as is equal to the Vested Share Conversion Listing Number for such class
 - (iv) in the event that the Vested Share Aggregate Listing Number is greater than the Vested Share Conversion Listing Number in respect of any such class of share, the Company shall issue to the holders of such class of share (pro rata to their holdings of such class of share) such number of ordinary shares of £0 00001 each in the capital of the Company (if any) as is equal to the Vested Share Aggregate Listing Number less the Vested Share Conversion Listing Number
- (d) The ordinary shares of £0 00001 each in the capital of the Company issued pursuant to Article 7 3(c)(ii) and/or 7 3(c)(iv) (if any) shall be paid up by the automatic capitalisation of any amount standing to the credit of the share premium account or any other available reserve of the Company as determined by the directors and those additional shares shall be issued at par fully paid. The capitalisation shall be automatic and shall not require any action on the part of the shareholders and the directors shall allot the shares arising on the capitalisation to the shareholders entitled to them in accordance with this Article. If the Company is not legally permitted to carry out the capitalisation, the relevant shareholders shall be entitled to subscribe in cash at par for that number of additional ordinary shares £0 00001 each in the capital of the Company as would otherwise have been issued to each of them respectively pursuant to Article 7 3(c)(ii) and/or 7 3(c)(iv)
- (e) Immediately prior to any Exit, each Unvested Share and, in the case of a Listing, each Vested B Ordinary Share, Vested C Ordinary Share and Vested D Ordinary Share not

converted into and re-designated as an ordinary share of £0 00001 each in the capital of the Company pursuant to Article 7 3(c)(iii) shall automatically (without further authority than is contained in this Article) convert into and be re-designated as a Deferred Share

7 4 **Voting**

(a) *Preferred Shares*

The holders of the Preferred Shares shall have the right to receive notice of and attend and vote and speak at any general meeting of the Company and shall be entitled to vote on any written resolution of the Company. Save, in each case, as provided otherwise in the CA2006, each such holder present in person or by proxy or by representative shall be entitled on a show of hands to one vote and on a poll or written resolution to such number of votes (as a class) to which the holders of the Preferred Shares would have been entitled, as holders of the relevant number of A Ordinary Shares, had there been a Conversion immediately prior to such vote

(b) *A Ordinary Shares*

The holders of the A Ordinary Shares shall have the right to receive notice of and attend and vote and speak at any general meeting of the Company and shall be entitled to vote on any written resolution of the Company. Save, in each case, as provided otherwise in the CA2006, each such holder present in person or by proxy or by representative shall be entitled on a show of hands to one vote and on a poll or written resolution to one vote for each A Ordinary Share held by him

(c) *Other share classes*

No class of share other than the Preferred Shares and the A Ordinary Shares shall grant the holders thereof any right to receive notice of any general meeting of the Company nor the right to attend, speak or vote at any such general meeting nor to be entitled to vote on any written resolution of the Company

7 5 The holders of any Deferred Shares which arise on the sub-division and re-classification or conversion of any shares shall be deemed immediately to confer irrevocable authority on the Company at any time thereafter to appoint any person to execute on behalf of the holders of the Deferred Shares which so arise a transfer of such Deferred Shares (and/or an agreement to transfer the same) to such person as the Company may determine as custodian thereof and/or the Company to purchase the same (in accordance with the provisions of the Acts) in any such case in consideration for not more than one penny per holder of such Deferred Shares (and the Company or such other person as the Company shall appoint shall be entitled to retain and hold such consideration on trust for the holder(s) of such Deferred Shares until payment of the consideration is requested by the holder(s) or the Company elects to pay out such consideration to the holder(s), whichever is the earlier) without obtaining the sanction of the holder(s) of such Deferred Shares and pending such transfer and/or purchase to retain the certificate(s) (to the extent issued) for such Deferred Shares and no such action shall constitute a modification or abrogation of the rights or privileges attaching to the Deferred Shares

8 **Further issues of shares**

8 1 Unless A Consent and Investor Approval to the contrary is given

(a) any Relevant Securities to be granted or allotted by the Company ("**Further Issue**") shall first be offered to the holders of A Ordinary Shares by way of written offer in the same proportion as nearly as possible as the nominal amount of their existing holding of A Ordinary Shares bears to the total nominal amount of the A Ordinary Shares in issue and such offers shall be open for acceptance for not less than 14 days from the latest date of despatch of the written offer to the members, and

(b) when applying for his allocation, it shall be open to each such holder to specify the number of Relevant Securities in excess of his proportionate entitlement for which he is willing to subscribe

8 2 If the total number of Relevant Securities applied for pursuant to an offer made under Article 8 1 is

- (a) equal to or less than the number of Relevant Securities available, the Relevant Securities shall be allocated in satisfaction of the applications received, or
- (b) more than the number of Relevant Securities available, the Board shall allocate Relevant Securities in accordance with the following formula. This formula shall be applied repeatedly until there are no Relevant Securities remaining to be allocated. Each application of the formula is referred to below as an "iteration"

$$A = \frac{B}{C} \times D$$

A is the number of Relevant Securities to be allocated to the relevant member in the iteration

B is the number of A Ordinary Shares held by the relevant member

C is the number of A Ordinary Shares held by all the members to whom the iteration is being applied

D is the number of Relevant Securities or, after the first iteration, the number of Relevant Securities remaining unallocated by previous iterations

If in any iteration, a member would be allocated more than all of the Relevant Securities for which he applied (including allocations from previous iterations) then any excess will not be allocated to that member, who will cease to take part in any further iterations, and the excess Relevant Securities will be available for allocation in the next iteration

- 8 3 The Board shall notify each member who applied for Relevant Securities of the number of Relevant Securities that have been allocated and the persons to whom they have been allocated. The notification shall include the place and time (being not later than 14 days after the latest date by which applications had to be received) at which the allotment of the Relevant Securities shall be completed
- 8 4 Any Relevant Securities not accepted or subscribed for by the members shall be at the disposal of the directors who may (within a period of 3 months from the end of the last offer period under Article 8 1) allot, grant options over or otherwise dispose of the same to such persons at a price per share and on terms no less favourable than that/those at which the same were offered to the holders of A Ordinary Shares, and otherwise on such terms as they think proper
- 8 5 Pursuant to Section 567, CA2006, sub-section (1) of Section 561, CA2006 and sub-sections (1) to (5) inclusive of Section 562, CA2006 shall be excluded from applying to the Company
- 8 6 For the purpose of this Article 8, the holders of the Preferred Shares shall be treated as if their Preferred Shares had Converted into A Ordinary Shares immediately prior to the Further Issue, and accordingly the Company shall on the making of each such offer hereunder, make a like offer to each holder of Preferred Shares (as if Converted) and references to A Ordinary Shares and the holders of A Ordinary Shares shall be construed accordingly

9 **Dispute**

In the event of disagreement as to whether any distribution, dividend, shares or Relevant Securities shall be due under the provisions of these Articles to the holders of any class of share capital in the Company, or as to the amount of such distribution, dividend or number of such shares or Relevant Securities, or as to the allocation of value under article 7 3, any such disagreement shall be referred to the Valuer to determine and whose decision shall be final and binding (save in the case of fraud or manifest error) and the costs of the Valuer shall be borne equally by the parties to the dispute or disagreement

10 **Variation of class rights**

Whenever the share capital of the Company is divided into different classes of shares, the rights attached to any class may, whether or not the Company is being wound up, be varied, modified, abrogated or cancelled only with the consent in writing of the holders of 75% the issued A Ordinary Shares and 75% of the issued shares of that class

11 Permitted transfers

11.1 Transfers

- (a) Subject to Articles 11.6, 14 and 16, there are no restrictions on the transfer of A Ordinary Shares or Preferred Shares
- (b) B Ordinary Shares, C Ordinary Shares and D Ordinary Shares may only be transferred in accordance with Articles 11, 12, 13, 14, 16 or 17

11.2 Transfers to Privileged Relations, Family Trusts and nominees

- (a) Any member being an Employee may at any time transfer the shares in the capital of the Company held by him to a Privileged Relation (who may transfer such shares without restriction to the original member or to another Privileged Relation of the original member but any other transfer by the Privileged Relation shall be subject to the same restrictions as though they were transfers by the original member himself) or the trustees of his Family Trust
- (b) The trustees of a Family Trust may transfer shares held by them in their capacity as trustees
 - (i) on a change of trustees, to the new trustees of that Family Trust,
 - (ii) to a person (other than a charity) who has an immediate beneficial interest under the Family Trust, or
 - (iii) to another Family Trust which has the same member as the settlor
- (c) Shares may be transferred by a member to a person to hold such shares as his bare nominee and the nominee may transfer such shares without restriction to the original member or to another bare nominee of such original member but any other transfers by the nominee shall be subject to the same restrictions as though they were transfers by the original member himself
- (d) Any Transfer by an Employee under this Article 11.2 may only be made with prior A Consent

11.3 Transfers by corporate shareholders

A corporate member may at any time transfer shares to another member of its Wholly-owned Group

11.4 Transfers with consent

A transfer of shares may be made to any person with A Consent and Investor Approval

11.5 Transfers to and from the Employee Trust

Any member may at any time transfer shares to the trustees of the Employee Trust and the trustees of the Employee Trust may transfer any shares

- (a) upon change of trustees, to the new or remaining trustee or trustees for the time being of the Employee Trust, and
- (b) to any bona fide Employees (other than consultants) on their becoming entitled to the same under the terms of the Employee Trust

11.6 Transfers by Investors

The Investors may transfer shares (i) to another member of its Investor Group and (ii) after the third anniversary of the date of adoption of the Articles, to any person or persons (and for the avoidance of doubt without the application of Articles 14 and 16), provided that no Investor shall transfer any shares to a Prohibited Transferee

12 Mandatory transfers

12.1 Transfer if trust ceases to be a Family Trust

If any trust whose trustees hold shares in the capital of the Company ceases to be a Family Trust or there cease to be any beneficiaries of the Family Trust other than a charity or charities, then the trustees shall without delay notify the Company that such event has

occurred and if the trustees have not, within 14 days of receiving a request from the directors to do so, transferred the shares back to the settlor of that Family Trust, they shall be deemed to have served the Company with a Transfer Notice in respect of all such shares on the date on which the trust ceased to be a Family Trust or the date there ceased to be any beneficiaries other than a charity or charities (as appropriate) and such shares may not otherwise be transferred

12 2 *Transfer if shares cease to be held by a Privileged Relation*

If a Privileged Relation holding shares transferred to him under Article 11 2 ceases to be a Privileged Relation of the original member who held them (other than by reason of death), the Privileged Relation then holding the shares shall without delay notify the Company that this event has occurred and shall be deemed to have served the Company with a Transfer Notice in respect of all such shares as at the date on which he ceased to be a Privileged Relation and such shares may not otherwise be transferred

12 3 *Transfer on death or bankruptcy of member*

A person entitled to a share or shares in consequence of the death of a member (save where such member becomes a Leaver) or the bankruptcy of a member

- (a) shall be bound at any time, if and when required in writing by the Board so to do, to give a Transfer Notice in respect of such share(s), and if such person fails to give a Transfer Notice, he shall be deemed to have served the Company with a Transfer Notice in respect of all such share(s) on the date of the Board's request, and
- (b) shall be bound by any notice given to the member in respect of the share(s)

12 4 *Transfer on insolvency of corporate member*

If a corporate member either suffers or resolves for the appointment of a liquidator, administrator or administrative or other receiver over it or any material part of its assets or enters into an arrangement with its creditors, the relevant member shall be deemed to have given a Transfer Notice in respect of all the shares held by it as at the date of such liquidation, administration, administrative or other receivership or arrangement

12 5 *Change of control of corporate Member*

If a corporation which is a holder and/or beneficial owner of any Shares in the Company ceases to be controlled by the person or persons (being the "**Controllers**") who were in control of the corporation at the time when the corporation became a Member of the Company (or if later the date of adoption of these Articles) (other than by virtue of a transfer to another entity controlled by the Controllers), it shall, within seven days of such cessation of control, give notice in writing to the Company of that fact and unless the directors (with Investor Approval) determine otherwise at the relevant time there shall be deemed to have been given as from the date on which the directors become aware of such cessation (however they become so aware) a Transfer Notice in respect of all Shares held and/or beneficially owned by such corporation and the Controllers and their Associates. For the purposes of this paragraph "**control**" shall have the same meaning as in sections 450 and 451 Corporation Tax Act 2010 (save that references to a majority of shares or voting rights shall be deemed to be a reference to not less than 75% of such shares or voting rights). The provisions of this sub-paragraph shall not apply to any corporation which is a member of an Investor Group (unless such member of an Investor Group shall be controlled by a Prohibited Transferee) at the time when these provisions would otherwise operate or any holding company for the time being of any such corporation or any subsidiary of any such holding company

12 6 *Enforcement of Security*

- (a) Upon the enforcement (the "**Enforcement**") of Security by any third party (the "**Security Holder**") in respect of any A Ordinary Shares and without prejudice to the rights of the holders of any other A Ordinary Shares or any Preferred Shares, the holders of all B Ordinary Shares, C Ordinary Shares, D Ordinary Shares and Deferred Shares shall be deemed to have transferred such shares with immediate effect to the party exercising security or any person nominated by them for consideration in cash equal to the nominal value per share

- (b) For the purposes of the Enforcement in accordance with this Article 12.6, each holder of B Ordinary Shares, C Ordinary Shares and D Ordinary Shares shall be deemed to have irrevocably appointed any person nominated for the purpose by the relevant Security Holder to be his agent and attorney to execute all necessary transfer(s), power(s) of attorney relating to the rights attached to the shares subject to the relevant Security and indemnities for missing share certificate(s) on his behalf and deliver such transfer(s), power(s) and indemnities to the Security Holder (or as he may direct). The directors shall (subject only to stamping of the transfers, if required) immediately register the Security Holder or any person nominated by them as the holder of the relevant shares. After the Security Holder (or his nominee) has been registered as the holder of the relevant shares, the validity of such proceedings shall not be questioned by any person. It shall be no impediment to registration of shares under this Article 12.6 that no share certificate has been produced.

13 Employee shares

13.1 Transfer by Leaver

Unless the Board determines otherwise during the period of 30 days following the Cessation Date

- (a) the following Shares of such Leaver shall automatically (without further authority than is contained in this Article) convert into and be re-designated as Deferred Shares on the date falling 30 days after the Cessation Date
- (i) if the Leaver is not a Good Leaver, any B Ordinary Shares held by such Leaver which, as at the Cessation Date, are Unvested Shares,
 - (ii) any D Ordinary Shares held by such Leaver if the Leaver is a Good Leaver and the Cessation Date is prior to the date falling 15 months after the date of the agreement between such Leaver and, inter alia, the Company in relation to such shares, and
 - (iii) if the Leaver is not a Good Leaver, any D Ordinary Shares held by such Leaver which, as at the Cessation Date, are Unvested Shares, and
- (b) a transfer notice shall be deemed to have been given in respect of the remainder of the Leaver's Shares on the date falling 30 days after the Cessation Date ("**Deemed Transfer Notice Date**") and such shares shall be offered for sale in accordance with Article 14, and no such shares shall be transferred pursuant to Article 11 until the Leaver can no longer be bound to transfer them under Article 14

13.2 Price of Leaver's Shares

Unless as otherwise determined by the Board, the price for the Leaver's Shares shall be as follows

- (a) in respect of any B Ordinary Shares held by that Leaver, if the relevant B Ordinary Shares are Vested B Ordinary Shares or if that Leaver is a Good Leaver, the price for those Leaver's B Ordinary Shares shall be the Market Price as at the Cessation Date as agreed between the Leaver and the Board, save that if agreement is not reached within 14 days of the Deemed Transfer Notice Date, the Valuation Determination Process shall be applied,
- (b) in respect of any C Ordinary Shares held by the relevant Leaver, if the Cessation Date of that Leaver is
- (i) prior to the date falling 12 months after the date upon which that Leaver subscribed for the relevant C Ordinary Shares and that Leaver is not a Good Leaver, the price for those Leaver's C Ordinary Shares shall be the lower of
 - (A) the Original Subscription Price in respect of such C Ordinary Shares, and
 - (B) the Market Price as at the Cessation Date as agreed between the Leaver and the Board, save that if agreement is not reached within 14 days of the Deemed Transfer Notice Date, the Valuation Determination Process shall be applied,

- (ii) prior to the date falling 12 months after the date upon which that Leaver subscribed for the relevant C Ordinary Shares and that Leaver is a Good Leaver, the price for those Leaver's C Ordinary Shares shall be the Market Price as at the Cessation Date as agreed between the Leaver and the Board, save that if agreement is not reached within 14 days of the Deemed Transfer Notice Date, the Valuation Determination Process shall be applied,
- (iii) on or after the date falling 12 months after the date upon which that Leaver subscribed for the relevant C Ordinary Shares, the price for those Leaver's C Ordinary Shares shall be the Market Price as at the Cessation Date as agreed between the Leaver and the Board, save that if agreement is not reached within 14 days of the Deemed Transfer Notice Date, the Valuation Determination Process shall be applied,
- (c) in respect of any D Ordinary Shares held by the relevant Leaver, if the Leaver is a Good Leaver and the Cessation Date of that Leaver is
 - (i) on or after the date falling 15 months after, but prior to 36 months after, in each case the date upon which that Leaver subscribed for the relevant D Ordinary Shares, the price paid for X% of that Leaver's Shares shall be the Market Price as at the Cessation Date (based on the most recent valuation of the Company agreed by the Board), as agreed between the Leaver and the Board, save that if agreement is not reached within 14 days of the Deemed Transfer Notice Date, the Valuation Determination Process shall be applied, and the price paid for the balance of such Leaver's Shares shall be nil,

where X% shall be a percentage determined in accordance with the following table and by reference to the period of time from the date of subscription for the relevant D Ordinary Shares to the Cessation Date

Period of time from the date of subscription for the relevant D Ordinary Shares to the Cessation Date	X%
Less than 15 months	0%
More than or equal to 15 months but less than 18 months	12 5%
More than or equal to 18 months but less than 21 months	25%
More than or equal to 21 months but less than 24 months	37 5%
More than or equal to 24 months but less than 27 months	50%
More than or equal to 27 months but less than 30 months	62 5%
More than or equal to 30 months but less than 33 months	75%
More than or equal to 33 months but less than 36 months	87 5%

- (ii) on or after the date falling 36 months after the date upon which that Leaver subscribed for the relevant D Ordinary Shares, the price for all of that Leaver's D Ordinary Shares shall be the Market Price as at the Cessation Date as agreed between the Leaver and the Board, save that if agreement is not reached within 14 days of the Deemed Transfer Notice Date, the Valuation Determination Process shall be applied,
- (d) in respect of any D Ordinary Shares held by the relevant Leaver, if the Leaver is not a Good Leaver and the Cessation Date of that Leaver is on or after the date falling 36 months after the date upon which that Leaver subscribed for the relevant D Ordinary Shares, the price for all of that Leaver's D Ordinary Shares shall be the Market Price as at the Cessation Date as agreed between the Leaver and the Board, save that if

agreement is not reached within 14 days of the Deemed Transfer Notice Date, the Valuation Determination Process shall be applied,

provided that, in the case of any transfer of Shares in accordance with Article 13 1(b) where the price for the Leaver's Shares will be the Market Price using the Valuation Determination Process and the transfer of Shares has not been completed until after a Valuation Report received by the Company after the Deemed Transfer Notice Date, the price for the Leaver's Shares shall be based on the Valuation Report closest to but prior to the date on which the transfer of the Shares is completed

14 Pre-emption procedure

14 1 Subject to Article 13 1(b) and except as permitted in these Articles, any interest in shares held by a member who is deemed to have given a transfer notice pursuant to Articles 12 or 13 (as the case may be) (a "**Deemed Transfer Notice**") to transfer (or enter into an agreement to transfer) any interest in his shares, must be offered to the other members (or the Company (as the case may be)) whether or not of the same class in accordance with this Article 14

14 2 Any member who is deemed to have given a Deemed Transfer Notice shall be deemed to have irrevocably appointed any director

- (a) to be his agent to sell the number and class of shares which are the subject of the Deemed Transfer Notice (the "**Offered Shares**") at the Sale Price, and
- (b) to execute all necessary transfer(s), power(s) of attorney relating to the right to the shares subject to the relevant indemnities for missing share certificate(s) on such member's behalf and to deliver such transfer(s), power(s) and indemnities

14 3 A Shareholder who holds A Ordinary Shares or Preferred Shares who wishes to transfer Shares (a "**Seller**") shall, except where the provisions of Article 11 applies and subject to Articles 16 2 and 17 6, before transferring or agreeing to transfer any Shares (or any interest in any Shares) give notice in writing (a "**Voluntary Transfer Notice**") to the Company specifying

- (a) the number of Shares which he wishes to transfer (the "**Offered Shares**"),
- (b) if he wishes to sell the Offered Shares to a third party, the name of the proposed transferee,
- (c) the price at which he wishes to transfer the Offered Shares, and
- (d) whether the Transfer Notice is conditional on all or a specific number of the Offered Shares being sold to Shareholders (a "**Minimum Transfer Condition**")

If no cash price is specified by the Seller, the Sale Price at which the Offered Shares are to be transferred must be agreed by the Board. In addition, if the price is not specified in cash, an equivalent cash value price must be agreed between the Seller and the Board. In both cases, if agreement is not reached within 10 working days of the day on which the Voluntary Transfer Notice is given, the price will be the Market Price and either the transferor or the Board may refer the determination of the Market Price to a Valuer

14 4 Except with prior consent of the Board and Investor Approval, no Voluntary Transfer Notice once given or deemed to have been given under these Articles may be withdrawn

14 5 A Voluntary Transfer Notice constitutes the Company the agent of the Seller for the sale of the Offered Shares at the Sale Price

14 6 The Sale Price means

- (a) in the case of a Deemed Transfer Notice in respect of a Leaver's Shares, the price determined in accordance with Article 13 2, and
- (b) in the case of a Deemed Transfer Notice (other than in respect of a Leaver's Shares), the Market Price as at the date of the Deemed Transfer Notice as agreed between the transferor and the Board save that if agreement is not reached within 10 working days of the day on which the Deemed Transfer Notice is deemed to be given, either the transferor or the Board may refer determination of the Market Price to a Valuer, and
- (c) in the case of a Voluntary Transfer Notice, either the price specified in such notice or

as otherwise determined in accordance with Article 14 2

- 14 7 If the Offered Shares are subject to a Minimum Transfer Condition, then any offer or allocation under Articles 14 8 to 14 11 would be conditional upon fulfilment of the Minimum Transfer Condition
- 14 8 As soon as practicable after determination of the Sale Price, any Offered Shares to the extent they are Leaver's Shares will be offered as follows
- (a) firstly, to the holder of the majority of A Ordinary Shares, and
 - (b) secondly, to the Company, which may
 - (i) direct that all or some of such shares be transferred to one or more Board Invitees, and/or
 - (ii) accept the offer in respect of some or all of the shares itself provided the purchase is permitted by the Companies Acts

Any Offered Shares declined by the holders of A Ordinary Shares or the Company or not accepted by a Board Invitee within 20 working days of the offer to it being made will immediately be offered to the members as set out below

- 14 9 As soon as practicable after the determination of the Sale Price, or if Article 14 8 applies, as soon as practicable after the shares are available to be offered to the members, the Board shall give notice to all the members (other than the relevant transferor) of the number and description of the Offered Shares (excluding any which have been taken up by the A Ordinary Shareholders or the Company or a Board Invitee under Article 14 8 (as the case may be)) and the Sale Price (and, if applicable, the other details set out in the Voluntary Transfer Notice referred to in Article 14 2). The notice shall invite each of the members to state in writing to the Company within 20 working days of such notice being given or deemed to be given whether he is willing to purchase any of the remaining Offered Shares, and if so the maximum number. The directors shall at the same time give a copy of the notice to the relevant transferor
- 14 10 On the expiration of the 20 working day period the directors shall allocate the remaining Offered Shares to or amongst the members who have accepted the invitation ("**Pre-emption Purchasers**") and such allocation shall be made so far as practicable as follows
- (a) if and to the extent that the Offered Shares are A Ordinary Shares or Preferred Shares, they shall be allocated in the following order amongst the following persons to the extent they are Pre-emption Purchasers
 - (i) firstly, to the holders of A Ordinary Shares and the holders of the Preferred Shares (pari passu as if the Preferred Shares had Converted into A Ordinary Shares),
 - (ii) secondly, to the extent any Offered Shares have not already been allocated to the holders of A Ordinary Shares or the holders of Preferred Shares, to the Employee Trust, and
 - (iii) thirdly, to such person(s) as the Board may determine,
 - (b) if and to the extent that the Offered Shares are B Ordinary Shares, C Ordinary Shares or D Ordinary Shares, they shall be allocated in the following order amongst the following persons to the extent they are Pre-emption Purchasers
 - (i) firstly, to the holders of A Ordinary Shares (other than the Employee Trust) and the holders of the Preferred Shares (pari passu as if the Preferred Shares had Converted into A Ordinary Shares),
 - (ii) secondly, to the extent any Offered Shares have not already been allocated to the holders of A Ordinary Shares or the holders of Preferred Shares, to the Employee Trust, and
 - (iii) thirdly, to the extent any Offered Shares have not already been allocated to the holders of A Ordinary Shares, the holders of Preferred Shares or the Employee Trust, to such person(s) as the Board may determine, and
 - (c) each allocation between the holders of any class (or, in the case of allocations of A

Ordinary Shares or Preferred Shares, between the holders of either such class) shall in the case of competition be made pro rata to the nominal amount of shares of that class held by them (or in the case of Preferred Shares as if the Preferred Shares had Converted into A Ordinary Shares) but shall not exceed the maximum which such holders have expressed a willingness to purchase

- 14 11 On the allocation being made, the directors shall give details of the allocation in writing each Pre-emption Purchaser and, on the 5th working day after such details are given, the Pre-emption Purchasers to whom the allocation has been made shall be bound to pay the Sale Price for, and to accept a transfer of, the Offered Shares allocated to them respectively and the directors shall, upon payment to the Company of the Sale Price, transfer the Offered Shares to the respective Pre-emption Purchasers to whom the allocation has been made
- 14 12 The Company is authorised to receive the Sale Price (for onward transmission to the transferor) and the directors may appoint a person (acting as agent for the transferor(s)) to execute instruments of transfer of the Offered Shares in favour of the Pre-emption Purchasers to whom the allocation has been made and shall (subject only to stamping of the transfers, if required) cause the names of those Pre-emption Purchasers to be entered in the register of members of the Company as the holders of the Offered Shares and shall hold the Sale Price on trust for the relevant transferor. The receipt of the Company shall be a good discharge to those Pre-emption Purchasers and, after their names have been entered in the register of members of the Company under this provision, the validity of the transactions shall not be questioned by any person
- 14 13 If the Offered Shares are offered pursuant to a Voluntary Transfer Notice and, following the expiry of the 20 working day period referred to in Article 14 9, any of the Offered Shares have not been allocated under that Article, the relevant transferor may at any time within a period of 3 months after the expiry of the 20 working day period transfer the Offered Shares not allocated to any person and at any price (being not less than the Sale Price) provided that
- (a) the transferee is a person (or nominee for a person) who the Board determine in its absolute discretion is not a competitor with, or associated with a competitor with, the business of any Group Company,
 - (b) the directors may require to be satisfied that those shares are being transferred under a bona fide sale for the consideration stated in the transfer without any deduction, rebate or allowance to the proposed purchaser and, if not so satisfied, may refuse to register the instrument of transfer (without prejudice, however, to the directors' absolute discretion to refuse to approve or register any transfer of shares in the circumstances described in Article 18), and
 - (c) the transferor has not failed or refused to provide promptly information available to him and reasonably requested by the directors for the purpose of enabling them to form the opinions mentioned above
- 14 14 The Company is authorised to purchase its own shares pursuant to Section 692(1)(b), Companies Act 2006
- 15 Valuation**
- 15 1 Any Valuer is deemed to be appointed jointly by the Company and the person(s) in disagreement with the Company but the Board (with Investor Approval) has sole discretion to agree the terms of the Valuer's engagement with the Valuer and such terms as the Board (with Investor Approval) agrees shall be binding on the Company and the relevant transferor provided they are not contradictory or irrational. Any director authorised by the Board shall be entitled to sign such terms on behalf of the Company and the relevant transferor. If the Valuer is the auditor of the Company, its appointment is effective upon it agreeing to act for this purpose. In any other case, the Valuer's appointment is effective upon its terms of engagement being agreed by the Valuer and the Board
- 15 2 Any Valuer appointed under these Articles shall be considered to be acting as an expert and not as an arbitrator and its decision shall be final and binding on the parties (in the absence of fraud or manifest error)
- 15 3 The Board will give the Valuer access to all accounting records or other relevant documents of the Company subject to it agreeing such confidentiality provisions as the Board may

reasonably impose

- 15 4 The Valuer shall be requested to reach its determination within 20 working days of its appointment and to notify the Board of its determination. The Board shall deliver a copy of the determination to the relevant transferor(s) (or their agent) as soon as reasonably practicable after receipt
- 15 5 The fees, expenses and any other charges of the Valuer in respect of a valuation shall be borne in the manner directed by the Valuer or (in the absence of any direction) by the Company
- 16 **Tag along**
- 16 1 Except as permitted by article 11 6 or as required by Articles 12 and 13, no sale or transfer of any interest in any shares may be made or validly registered if, as a result of such sale or transfer and registration, a Controlling Interest in the Company would be obtained by a person or persons Acting in Concert (in either case, the "**Offeror**") unless such persons are bona fide arms' length purchasers and have made an Approved Offer that is open for acceptance for a period of not less than 30 days and not more than 60 days. For purposes of calculating the distribution of proceeds pursuant to Article 7 2, any shares acquired by, and any consideration given by the Offeror during the period commencing 12 months before the proposed completion of the transfer of the Controlling Interest shall be included
- 16 2 Any transfer of shares pursuant to an Approved Offer shall not be subject to the restrictions on transfer contained in these Articles
- 16 3 Except as permitted by Article 11 or required by Articles 12 and 13, no sale or transfer of any interest in A Ordinary Shares may be made by a member (being a "**Proposed Transferor**") or validly registered unless and until the proposed purchaser (being a bona fide arms' length purchaser) shall have made an offer to all the holders of Preferred Shares at the relevant time to purchase from them a proportion of their Preferred Shares (or following Conversion thereof, their A Ordinary Shares) as is equal to the proportion which the A Ordinary Shares being transferred by the Proposed Transferor represents of the total number of shares held by such Proposed Transferor. For the purposes of this Article, such tag along rights (with the corresponding offer to acquire a proportion of Preferred Shares (or A Ordinary Shares) shall apply mutatis mutandis in circumstances of any transfer of any interest in shares in a corporation that is a Member or any parent undertaking of such corporation. The price per share under the offer pursuant to this Article 16 3 shall be based upon the price offered by the relevant purchaser but taking into account Articles 7 2 and 7 3 such that the price per Preferred Share shall be a sum equal to that to which they would be entitled if the consideration payable by the purchaser to the Proposed Transferor were used to determine the valuation of the entire issued share capital of the Company and such valuation was then allocated as between the Shares in accordance with Articles 7 2 and 7 3
- 17 **Drag along**
- 17 1 If the holders of 50% or more of the A Ordinary Shares in issue for the time being (the "**Majority Sellers**") wish to transfer all their interest in A Ordinary Shares (the "**Majority Sellers' Shares**") to a bona fide purchaser or purchasers Acting in Concert (the "**Third Party Purchaser**") who has made an Approved Offer, the Majority Sellers shall have the option (the "**Exit Option**") to require
- (a) all the other members, and
 - (b) any holders of any options or other rights to acquire or convert an interest into shares (which is fully and unconditionally exercisable) to exercise them,
- (together the "**Called Shareholders**") to sell and transfer all their shares, including those allotted pursuant to such exercise or conversion (the "**Called Shares**") to the Third Party Purchaser or as the Third Party Purchaser shall direct in accordance with the provisions of Articles 17 2 to 17 8 below. For the purposes of this Article 17 1, a bona fide purchaser shall include any company that shall acquire the entire issued share capital of the Company and in exchange for the transfer of the shares issued by the Company shall issue shares in its own capital that, in all material respects, replicate the share structure of the Company immediately before the transfer (a "**Topco Reorganisation**")

- 17 2 The Majority Sellers may exercise the Exit Option by giving a written notice to that effect (an "Exit Notice") at any time before the transfer of the Majority Sellers' Shares to the Third Party Purchaser. An Exit Notice shall specify that the Called Shareholders are required to transfer all their Called Shares pursuant to this Article, the person to whom they are to be transferred, the consideration for which the Called Shares are to be transferred (calculated in accordance with this Article) and the proposed date of transfer.
- 17 3 Exit Notices shall be irrevocable but shall lapse if for any reason there is not a sale of the Majority Sellers' Shares by the Majority Sellers to the Third Party Purchaser within 30 working days after the date of service of the Exit Notice. The Majority Sellers shall be entitled to serve further Exit Notices following the lapse of any particular Exit Notice.
- 17 4 Subject to the terms of the Approved Offer, the Called Shares shall be acquired on the same terms and conditions (including time of payment and form of consideration) for which the Majority Sellers shall have agreed to sell.
- 17 5 Completion of the sale of the Called Shares shall take place on the same date as the date proposed for completion of the sale of the Majority Sellers' Shares unless
- (a) the relevant Called Shareholder and the Majority Sellers agree otherwise, or
 - (b) that date is less than three working days after the Exit Notice where it shall be deferred until the third working day after the Exit Notice.
- 17 6 The restrictions in Articles 13 and 14 shall not arise on any transfer of shares to a Third Party Purchaser (or as they may direct) pursuant to a sale in respect of which an Exit Notice has been duly served in accordance with Article 17 2.
- 17 7 If any Called Shareholder fails to complete the sale of his Called Shares in accordance with this Article 17, he shall be deemed to have irrevocably appointed any person nominated for the purpose by the Majority Sellers to be his agent and attorney to execute all necessary transfer(s), power(s) of attorney relating to the rights attached to his Called Shares and indemnities for missing share certificate(s) on his behalf and, against receipt by the Company of the purchase monies or any other consideration payable for the Called Shares (held on trust for the relevant Called Shareholder), to deliver such transfer(s), power(s) and indemnities to the Third Party Purchaser (or as he may direct). The directors shall (subject only to stamping of the transfers, if required) immediately register the Third Party Purchaser (or as he may direct) as the holder of the relevant Called Shares. After the Third Party Purchaser (or his nominee) has been registered as the holder of the relevant Called Shares, the validity of such proceedings shall not be questioned by any person. It shall be no impediment to registration of shares under this Article 17 7 that no share certificate has been produced.
- 17 8 Upon any person, following the issue of an Exit Notice which has not lapsed, exercising a pre-existing option to acquire shares, whether or not such person is registered as a member of the Company, an Exit Notice shall be deemed to have been served upon such person on the same terms as the previous Exit Notice who shall thereupon be bound to sell and transfer all such shares acquired by him to the Third Party Purchaser or as the Third Party Purchaser may direct and the provisions of this Article 17 shall apply mutatis mutandis to such person save that completion of the sale of such shares shall take place immediately upon the Exit Notice being deemed served on such person where completion of the transfer of the Called Shares has already taken place.
- 18 **Registration**
- 18 1 The directors shall refuse to register
- (a) a purported transfer of any share not made under or permitted by Articles 11 to 17, and/or
 - (b) subject to Article 12 6, a purported transfer of any share on a Sale where the proceeds of such Sale are not distributed in accordance with Article 7 3(a).
- 18 2 The directors may in their absolute discretion refuse to register a transfer of any share, whether or not it is a fully paid share and whether or not the Company has a lien on such share (save that (in the absence of fraud) the directors shall have no such discretion in respect of and shall register a transfer of shares made under or permitted by Articles 11 to 17).

- 18 3 For the purposes of ensuring that a transfer of shares is duly authorised or that no circumstances have arisen whereby a Transfer Notice is required to be given the directors may and at the Company's expense request any member or past member or the personal representative or trustee in bankruptcy, administrative receiver or liquidator or administrator of any member or any person named as transferee in any instrument of transfer lodged for registration to furnish to the Company such information and evidence as the directors may reasonably think fit regarding any matter which they may deem relevant to such purpose
- 18 4 Failing such information or evidence being furnished to the reasonable satisfaction of the directors within 10 working days after such request or if such information or evidence discloses that the transfer was made in breach of these Articles (including that a Transfer Notice ought to have been given in respect of any shares)
- (a) the directors shall be entitled to refuse to register the transfer in question,
 - (b) the relevant shares shall cease to confer upon the holder of them (or any proxy) any rights
 - (i) to vote on a show of hands or poll at a general meeting of the Company or at any meeting of the class of shares in question or on any written resolution of the Company or the class of shares in, or
 - (ii) to receive dividends or other distributions otherwise attaching to the shares or to receive any further shares issued in respect of those shares, and
 - (c) the directors may by notice in writing require that a Transfer Notice be given forthwith in respect of all the shares concerned
- 18 5 Any transfer of a share by way of sale which is required to be made under these Articles will be deemed to include a warranty that the transferor sells with full title guarantee
- 18 6 No share shall be issued or transferred to any undischarged bankrupt or a person who lacks mental capacity
- 19 Conversion of Preferred Shares**
- 19 1 Any holder of Preferred Shares shall be entitled, by notice in writing to the Company, to require conversion into A Ordinary Shares of all of the fully paid Preferred Shares held by them at any time and those Preferred Shares shall convert automatically on the date of such notice (the "**Conversion Date**"), provided that the holder may in such notice, state that conversion of its Preferred Shares into A Ordinary Shares is conditional upon the occurrence of one or more events (the "**Conditions**")
- 19 2 All of the fully paid Preferred Shares shall automatically convert into A Ordinary Shares on the date of a notice given by the Investor Majority (which date shall be treated as the Conversion Date), or
- 19 3 At least five Business Days prior to the Conversion Date, each holder of the relevant Preferred Shares shall deliver the certificate (or an indemnity for lost certificate in a form acceptable to the Board) in respect of the Preferred Shares being converted to the Company at its registered office for the time being
- 19 4 On the Conversion Date the relevant Preferred Shares shall without further authority than is contained in these Articles be converted into and re-designated as A Ordinary Shares and the A Ordinary Shares resulting from that conversion and re-designation shall in all other respects rank pari passu with the existing issued A Ordinary Shares
- 19 5 If Preferred Shares remain capable of being converted into new A Ordinary Shares and there is a consolidation and/or sub-division of A Ordinary Shares, the Preferred Shares shall, immediately prior to any Conversion into A Ordinary Shares, without further authority than is contained in these Articles be consolidated and/or sub-divided on such basis as is required to ensure that each holder of Preferred Shares is in no better or worse position as a result of such consolidation or sub-division of A Ordinary Shares
- 19 6 If Preferred Shares remain capable of being converted into A Ordinary Shares, on an allotment of fully-paid A Ordinary Shares pursuant to a capitalisation of profits or reserves or by way of a bonus issue to holders of A Ordinary Shares, the Company shall issue to the holders of Preferred Shares (pro rata to their holdings of Preferred Shares) such number of A

Ordinary Shares (if any) so as to ensure that each holder of Preferred Shares is in no better or worse position as a result of such capitalisation of profits or reserves (taking into account any amount or amounts already distributed or otherwise returned to the holders of such Preferred Shares by virtue of such capitalisation of profits or reserves or by way of a bonus issue (including without limitation pursuant to Article 7 1(a) or Article 7 2(a)(i)), such adjustment to become effective as at the date for such issue

- 19 7 The A Ordinary Shares issued pursuant to Article 19 5 or 19 6 (if any) shall be paid up by the automatic capitalisation of any amount standing to the credit of the share premium account or any other available reserve of the Company as determined by the directors and those additional shares shall be issued at par fully paid. The capitalisation shall be automatic and shall not require any action on the part of the shareholders and the directors shall allot the shares arising on the capitalisation to the shareholders entitled to them in accordance with this Article. If the Company is not legally permitted to carry out the capitalisation, the relevant shareholders shall be entitled to subscribe in cash at par for that number of additional A Ordinary Shares as would otherwise have been issued to each of them respectively pursuant to Article 19 6
- 19 8 The Company shall on the Conversion Date enter the holder of the converted Preferred Shares on the register of members of the Company as the holder of the appropriate number of A Ordinary Shares and, subject to the relevant holder delivering its certificate(s) (or an indemnity for lost certificate in a form acceptable to the Board) in respect of the Preferred Shares in accordance with this Article, the Company shall within 10 Business Days of the Conversion Date forward to such holder of Preferred Shares by post to his address shown in the register of members, free of charge, a definitive certificate for the appropriate number of fully paid A Ordinary Shares
- 19 9 If a doubt or dispute arises concerning the application of Article 19 5 or Article 19 6 or if so requested by an Investor Majority, the Board shall refer the matter to a Valuer for determination who shall make available to all Shareholders their report and whose certificate as to the calculation of any consolidated, sub-division or share issue (as applicable) is, in the absence of manifest error, conclusive and binding on all concerned and their costs shall be met by the Company

20 Anti-Dilution protection

- 20 1 If Relevant Securities are issued by the Company at a price per Relevant Security which equates to less than 90% of the Subscription Price (such price being the "**Starting Price**") for the Preferred Shares (a "**Qualifying Issue**") (which in the event that the Relevant Security is not issued for cash shall be a price certified by a Valuer acting as expert and not as arbitrator as being in their opinion the current cash value of the new consideration for the allotment of the Relevant Securities) then, unless the Investor Majority shall have specifically agreed otherwise for all of the holders of Preferred Shares, then on a Conversion the Company shall issue to each holder of Preferred Shares to be Converted (the "**Investor**") such number of new A Ordinary Shares determined by applying the following formula (and rounding the product, N, up to the nearest whole share) (the "**Anti-Dilution Shares**")

$$N = \left(\left(\frac{SIP}{WA} \right) \times Z \right) - Z$$

Where

N = Number of Anti-Dilution Shares

$$WA = \frac{(SIP \times ESC) + (QISP \times NS)}{(ESC + NS)}$$

SIP = Starting Price

ESC = the number of Equity Shares in issue (multiplied by 1 03377) plus the aggregate number of Equity Shares in respect of which options to subscribe have been granted, or which are subject to convertible securities (including but not limited to warrants) in each case immediately prior to the Qualifying Issue

QISP = the average per share price of the Relevant Securities issued pursuant to the Qualifying Issue (which in the event that that Relevant Security is not issued for cash

shall be the sum certified by the Valuer acting as expert and not arbitrator as being in their opinion the current cash value of the non-cash consideration for the allotment of the Relevant Security)

NS = the number of Relevant Securities issued pursuant to the Qualifying Issue

Z = the number of A Ordinary Shares to which the Investor would have been entitled upon Conversion prior to the Qualifying Issue

- 20 2 In the event of any dispute between the Company and any Investor as to the effect of Article 20 1, the matter shall be referred (at the cost of the Company) to a Valuer for certification of the number of Anti-Dilution Shares hereunder. The Valuer's certification of the matter shall in the absence of manifest error be final and binding on the Company and the Investor
- 20 3 In the event of any adjustment pursuant to Article 19 5 or Article 19 6, the Starting Price shall also be subject to adjustment on such basis as may be agreed by the Company with the Investor Majority within 10 Business Days after such Adjustment Event. If the Company and the Investor Majority cannot agree such adjustment it shall be referred to the Valuer whose determination shall, in the absence of manifest error, be final and binding on the Company and each of the Shareholders. The costs of the Valuer shall be borne by the Company and the Investors in such proportions as the Valuer shall determine
- 20 4 For the purposes of this Article 20 any Shares held as Treasury Shares by the Company shall be disregarded when calculating the number of Anti-Dilution Shares
- 20 5 The ordinary shares of £0 00001 each in the capital of the Company issued pursuant to Article 20 1 (if any) shall be paid up by the automatic capitalisation of any amount standing to the credit of the share premium account or any other available reserve of the Company as determined by the directors and those additional shares shall be issued at par fully paid. The capitalisation shall be automatic and shall not require any action on the part of the shareholders and the directors shall allot the shares arising on the capitalisation to the shareholders entitled to them in accordance with this Article. If the Company is not legally permitted to carry out the capitalisation, the relevant shareholders shall be entitled to subscribe in cash at par for that number of additional ordinary shares £0 00001 each in the capital of the Company as would otherwise have been issued to each of them respectively pursuant to Article 20 1

PART B

Directors and Secretary

Number and appointment of directors

21 Number of directors

The number of directors (other than alternate directors) shall not be less than one

22 Methods of appointing directors

- 22 1 Subject to these Articles, 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

- 22 2 In any case where, as a result of death or bankruptcy, the Company has no shareholders and no directors, the transmittee of the last shareholder to have died or to have had a bankruptcy order made against him, as the case may be, shall have the right, by notice in writing to the Company, to appoint any one person to be a director, provided such person is a natural person in accordance with Section 155, CA2006 and provided such person is willing to be so appointed and is otherwise permitted by law to be a director of the Company

- 22 3 For the purposes of Article 22 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

- 22 4 The holders of the Preferred Shares shall be entitled from time to time to appoint a person with the Minimum Qualifications as a Director of the Company and to remove any such person from office
- 22 5 Any such appointment or removal as is referred to in Article 22 4 above shall be made by notice in writing to the Company signed by or on behalf of an Investor Majority upon the Company at its registered office
- 22 6 Notwithstanding any provision of these Articles to the contrary, any person appointed as a Director pursuant to Article 22 4 may appoint such person as he thinks fit to be his alternate Director, provided that any alternate of an Investor Director must have the Minimum Qualifications

23 Termination of director's appointment

A person ceases to be a director as soon as

- (a) that person ceases to be a director by virtue of any provision of the CA2006 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) by reason of that person's mental health, a court having jurisdiction (whether in the United Kingdom or elsewhere) makes an order which wholly or partly prevents that person from personally exercising any powers or rights which that person would otherwise have,
- (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, or
- (g) that person has, for more than six consecutive months, been absent without permission of the directors from meetings of directors held during that period and the directors make a decision that that person's office be vacated

Directors' powers and responsibilities

24 Directors' general authority

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

25 Shareholders' reserve power

- 25 1 The shareholders may, by special resolution, direct the directors to take, or refrain from taking, specified action
- 25 2 No such special resolution invalidates anything which the directors have done before the passing of the resolution

26 Directors may delegate

- 26 1 Subject to these Articles, the directors may delegate any of the powers which are conferred on them under these 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 (including whether any such delegation shall be made either collaterally with or

to the exclusion of the powers otherwise conferred on the directors under these Articles)

26 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

26 3 The directors may revoke any delegation in whole or part, or alter its terms and conditions

27 Committees

27 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 these Articles which govern the taking of decisions by directors

27 2 The directors may make rules of procedure for all or any committees, which prevail over rules derived from these Articles if they are not consistent with them

27 3 Committees to whom the directors delegate any of their powers may consist of one or more co-opted persons other than directors on whom voting rights may be conferred as members of the committee but so that

(a) the number of co-opted members of the committee shall be less than one-half of the total number of members of the committee, and

(b) no resolution of the committee shall be effective unless a majority of the members of the committee voting on the resolution are directors

Decision-making by directors

28 Directors to take decisions collectively

28 1 The general rule about decision-making by directors is that, save as otherwise provided for in these Articles, any decision of the directors must be either a majority decision at a meeting or a decision taken in accordance with Article 29 (*Unanimous decisions*)

28 2 At any meeting of the directors each director (or his alternate director) present at the meeting shall be entitled to one vote

29 Unanimous decisions

29 1 A decision of the directors is taken in accordance with this Article when all eligible directors indicate to each other by any means, excluding the means of text messaging, that they share a common view on a matter

29 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

29 3 A decision may not be taken in accordance with this Article if the eligible directors would not have formed a quorum at a directors' meeting held to discuss the matter in question

30 Calling a directors' meeting

30 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

30 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

30 3 Save as otherwise provided in these Articles, notice of a directors' meeting must be given to each director, but need not be in writing

30 4 Except with the prior consent of all members of the Board, at least 5 working days' notice of each directors' meeting shall be given in accordance with these Articles

30 5 Notice of a directors' meeting need not be given to directors who waive their entitlement to

notice of that meeting, by giving notice to that effect to the Company not more than 7 days after the date on which the meeting is held. Where such notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it

31 Participation in directors' meetings

31 1 Subject to these 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 these Articles, and
- (b) they can each communicate orally including by means of telephone, video conference or other audio or audio-visual link or any other form of telecommunication to the others any information or opinions they have on any particular item of the business of the meeting

31 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, provided that all persons participating in the meeting can hear each other

31 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

32 Quorum for directors' meetings

32 1 At a directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting

32 2 Subject to Article 32 3, the quorum necessary for the transaction of business of the directors is two eligible directors, save that

- (a) where there is a sole director, the quorum is one,
- (b) subject to Article 32 3, where an Investor Director is in office, his presence shall be required of the meeting to be quorate, and
- (c) where the business to be transacted at the meeting is authorisation of a Conflict Situation pursuant to Section 175(4), CA2006 and Article 35 (*Authorisation of conflicts of interest*), the quorum is one eligible director

32 3 If such a quorum is not present within half an hour from the time appointed for the meeting, or if during a meeting such quorum ceases to be present, the meeting shall stand adjourned to the same day in the next week at the same time and place or at such time and place as determined by the directors present at such meeting. If a quorum is not present at any such adjourned meeting within half an hour from the time appointed, then the meeting shall proceed and the directors present shall constitute a quorum

32 4 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

33 Chairing of directors' meetings

33 1 The directors may appoint a director to chair their meetings

33 2 If the directors appoint a director to chair their meetings, the person so appointed for the time being is known as the Chairman and the directors may terminate his appointment at any time

33 3 If the Chairman is unwilling to chair a directors' meeting or is not participating in a directors' meeting within ten minutes of the time at which it was to start or, if at any time during the meeting, the Chairman ceases to be a participating director, the participating directors must appoint one of themselves to chair it (or chair such part of it in relation to which the Chairman ceases to be a participating director, as the case may be)

34 Casting vote

34 1 Subject to Article 34 2, if, at a meeting of the directors, the numbers of votes for and against a proposal are equal, the Chairman or other director appointed to chair the meeting pursuant to

these Articles shall have a casting vote

- 34 2 At a meeting of the directors (or any part thereof), the Chairman or other director appointed to chair the meeting pursuant to these Articles shall have a casting vote in respect of any proposal where the numbers of votes for and against are equal if, in relation to such proposal, such Chairman or other director appointed to chair the meeting is not an eligible director

35 **Authorisation of conflicts of interest**

- 35 1 Subject to and in accordance with the CA2006

- (a) the directors may authorise any matter or situation arising on or after 1 October 2008 in which a director (the "**Conflicted Director**") has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company (including, without limitation, in relation to the exploitation of any property, information or opportunity, whether or not the Company could take advantage of it) and for this purpose a conflict of interest includes a conflict of interest and duty and a conflict of duties (the "**Conflict Situation**"),
- (b) any authorisation given in accordance with this Article 35 may be made on such terms and subject to such conditions and/or limitations as the directors may, in their absolute discretion, determine (including, without limitation, excluding the Conflicted Director and any other interested director from certain directors' meetings, withholding from him or them certain Board or other papers and/or denying him or them access to certain confidential Company information) and such terms, conditions and/or limitations may be imposed at the time of or after the authorisation and may be subsequently varied or terminated, and
- (c) in considering any request for authorisation in respect of a Conflict Situation, the directors shall be entitled to exclude the Conflicted Director from any meeting or other discussion (whether oral or written) concerning the authorisation of such Conflict Situation and they shall also be entitled to withhold from such Conflicted Director any Board or other papers concerning the authorisation of such Conflict Situation

- 35 2 If any Conflict Situation is authorised or otherwise permitted under these Articles, the Conflicted Director (for as long as he reasonably believes such Conflict Situation subsists)

- (a) shall not be required to disclose to the Company (including the directors or any committee) any confidential information relating to such Conflict Situation which he obtains or has obtained otherwise than in his capacity as a director of the Company, if to make such disclosure would give rise to a breach of duty or breach of obligation of confidence owed by him to another person,
- (b) shall be entitled to attend or absent himself from all or any meetings of the directors (or any committee) at which anything relating to such Conflict Situation will or may be discussed, and
- (c) shall be entitled to make such arrangements as he thinks fit to receive or not to receive documents or information (including, without limitation, directors' papers (or those of any committee of the directors)) relating to any such Conflict Situation and/or for such documents or information to be received and read by a professional adviser on his behalf,

and in so doing, such Conflicted Director shall not be in breach of any general duty he owes to the Company pursuant to Sections 171 to 177 (inclusive), CA2006 and the provisions of this Article 35 shall be without prejudice to any equitable principle or rule of law which may excuse the Conflicted Director from disclosing information or attending meetings or receiving documents or information, in circumstances where such disclosure, attendance or receipt would otherwise be required under these Articles

- 35 3 Provided permitted by the Acts, and provided he has disclosed to the other directors the nature and extent of his interest pursuant to Section 177 or Section 182, CA2006 or otherwise in accordance with these Articles (as the case may be), a director, notwithstanding his office

- (a) may be a party to, or otherwise directly or indirectly interested in any contract, arrangement, transaction or proposal with the Company or in which the Company is otherwise interested and may hold any other office or place of profit under the

Company (except that of auditor or of auditor of a Subsidiary) in addition to the office of director and may act by himself or through his firm in a professional capacity for the Company and in any such case on such terms as to remuneration and otherwise as the directors may arrange either in addition to or in lieu of any remuneration provided for by any other Article,

- (b) may be a member, director or other officer of, or employed by, or hold any other office or position with, or be directly or indirectly interested in, any contract, arrangement, transaction or proposal with or a party to or otherwise directly or indirectly interested in, any Group Company,
- (c) shall not, by reason of his office, be liable to account to the Company for any dividend, profit, remuneration, superannuation, payment or other benefit which he derives from
 - (i) any matter, office, employment or position which relates to a Conflict Situation authorised in accordance with Article 35 1, or
 - (ii) any office, employment, contract, arrangement, transaction or proposal or other interest permitted pursuant to paragraphs (a) and (b) of this Article 35 3,

and no contract, arrangement, transaction or proposal shall be avoided on the grounds of any director having any such interest or receiving any such dividend, profit, remuneration, superannuation, payment or other benefit authorised in accordance with Article 35 1 or permitted pursuant to paragraphs (a) or (b) of this Article 35 3 and the receipt of any such dividend, profit, remuneration, superannuation, payment or other benefit so authorised or permitted shall not constitute a breach of the duty not to accept benefits from third parties as set out in Section 176, CA2006

- 35 4 For the avoidance of doubt, a director may be or become subject to one or more Conflict Situations as a result of any matter referred to in paragraph (b) of Article 35 3 without requiring authorisation under the provisions of Article 35 1 provided he has declared, as soon as reasonably practicable, the nature and extent of his interest in the Conflict Situation. The provisions of Section 177(2), Section 177(3), Section 177(5), Section 177(6), Section 184 and Section 185, CA2006 shall be applied (with any necessary modifications) in respect of any declaration required pursuant to this Article

36 Directors may have interests and vote and count for quorum

- 36 1 Subject to Section 175(6), CA2006 and save as otherwise provided in these Articles, a director may vote at any meeting of the directors or any meeting of any committee of which he is a member on any resolution and a director may participate in the transaction of the business of the directors and count in the quorum at any such meeting of the directors or meeting of any committee of which he is a member notwithstanding that it concerns or relates in any way to a matter in which he has directly or indirectly any kind of interest or duty. This Article does not affect any obligation of a director to disclose any such interest, whether pursuant to Section 177, CA2006, Section 182, CA2006 or otherwise

- 36 2 Subject to Article 36 3, 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 (except in a case where the nature or extent of any interest of the director has not been fairly disclosed)

- 36 3 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

37 Records of decisions to be kept

The directors must ensure that the Company keeps a record, in writing, for at least 10 years from the date of the decision recorded, of every unanimous or majority decision taken by the directors. Notwithstanding the provisions of Article 28, where the Company only has one director, the provisions of this Article 37 shall apply to any decision taken by such director, howsoever taken by him

38 Directors' discretion to make further rules

Subject to these 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

36A Transfer of shares and pre-emption on transfer in relation to security held by a secured institution

36A 1 Notwithstanding anything contained in these articles, the directors shall not decline to register any transfer of shares, nor may they suspend registration of any transfer of shares where such transfer

- (a) is to any bank or institution or other person to which such shares have been charged or mortgaged, or to any nominee of such a bank or institution or other person ("**Secured Institution**"), or
- (b) is delivered to the Company for registration by a Secured Institution or its nominee in order to perfect its security over the shares, or
- (c) is executed by a Secured Institution or its nominee pursuant to the power of sale or other power under its security over the shares,

and the directors shall register any such transfer of shares forthwith following receipt

36A 2 Notwithstanding anything to the contrary contained in these articles, no transferor or proposed transferor of any shares in the Company to a Secured Institution or its nominee and no Secured Institution or its nominee shall be required to offer the shares which are or are to be the subject of any transfer to the shareholders for the time being of the Company or any of them, and no such shareholder shall have any right under these articles or under any agreement or otherwise to require those shares to be offered to or transferred to it whether for consideration or not. The Company shall have no lien over shares in it which are charged or mortgaged in favour of a Secured Institution

Remuneration of Directors

39 Directors' remuneration

39 1 Directors may undertake any services for the Company that the directors decide

39 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

39 3 Subject to these 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

39 4 Unless the directors decide otherwise, directors' remuneration accrues from day to day

39 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 Subsidiaries or of any other body corporate in which the Company is interested

40 Directors' expenses

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

- (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 business of the Company, the exercise of their powers and the discharge of their duties and responsibilities in relation to the Company

Alternate directors and Secretary

41 Appointment and removal of alternates

41 1 Any director (other than an alternate director) (the "appointor") may appoint as an alternate any other director, or any other person approved by resolution of the directors, who is willing to act to

- (a) exercise that director's powers, and
- (b) carry out that director's responsibilities,

in relation to the taking of decisions by the directors in the absence of the alternate's appointor. A person (whether or not otherwise a director) may be appointed as an alternate by more than one appointor.

41 2 Any appointment or removal of an alternate must be effected by notice in writing to the Company signed by the appointor, or in any other manner approved by the directors.

41 3 The notice must identify the proposed alternate and, in the case of a notice of appointment, contain a statement signed by the proposed alternate that the proposed alternate is willing to act as the alternate of the director giving the notice.

41 4 The appointment of an alternate director who is not otherwise a director shall be valid notwithstanding that he is approved by a resolution of the directors after his appointment as alternate director. Where an alternate director who is not otherwise a director attends a meeting of the directors and no objection is raised at the meeting to his presence then he shall be deemed to have been approved by a resolution of the directors.

42 Rights and responsibilities of alternate directors

42 1 Except as these Articles specify otherwise, an alternate director has the same rights in relation to any directors' meeting, directors' written resolution or any other directors' decision-making as the alternate's appointor, including, but not limited to, the right to receive notice of all meetings of directors and all meetings of committees of directors of which his appointor is a member.

42 2 Except as these Articles specify otherwise, alternate directors

- (a) are deemed for all purposes to be directors,
- (b) are liable for their own acts and omissions,
- (c) are subject to the same restrictions as their appointors, and
- (d) are not deemed to be agents of or for their appointors.

42 3 A person who is an alternate director but not otherwise a director

- (a) may be counted as participating for the purposes of determining whether a quorum is participating (but only if that person's appointor is not participating), and
- (b) may participate in a unanimous decision of the directors (but only if that person's appointor is an eligible director in respect of such decisions and only if that person's appointor does not participate),

provided that (notwithstanding any other provision of these Articles) such person shall not be counted as more than one director for the purposes of paragraphs (a) and (b) above.

42 4 A director who is also an alternate for one or more directors is entitled, in the absence of the relevant appointor, to a separate vote on behalf of each appointor in addition to his own vote on any decision of the directors (provided the relevant appointor is an eligible director in relation to that decision) but shall not count as more than one director for the purposes of determining whether a quorum is present.

42 5 An alternate director is not entitled to receive any remuneration from the Company for serving as an alternate director except such part of the alternate's appointor's remuneration as the appointor may direct by notice in writing made to the Company.

43 Termination of alternate directorship

An alternate director's appointment as an alternate terminates

- (a) when the alternate's appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate,
- (b) on the occurrence, in relation to the alternate, of any event which, if it occurred in relation to the alternate's appointor, would result in the termination of the appointor's appointment as a director,
- (c) on the death of the alternate's appointor, or
- (d) when the alternate's appointor ceases to be a director for any reason

44 Secretary

The directors may appoint any person who is willing to act as the secretary of the Company on such terms (including but not limited to, term of office and remuneration) and subject to such conditions as they may think fit and from time to time remove such person and, if the directors determine, appoint a replacement secretary of the Company, in each case by a decision of the directors

Liens, share certificates and distributions

Liens, calls and forfeiture

45 Company's lien

45 1 The Company has a lien (the "**Company's lien**") over any share which is not fully paid up for all monies payable by him or his estate (and whether payable by him alone or jointly with any other person) to the Company (whether presently payable or not) to pay up such shares

45 2 The Company's lien over a share

- (a) takes priority over any third party's interest in that share, and
- (b) extends to any dividend (or other assets attributable to it) or other money payable by the Company in respect of that share and (if the lien is enforced and the share is sold by the Company) the proceeds of sale of that share

45 3 The directors may, at any time, decide that a share which is or would otherwise be subject to a lien pursuant to these Articles shall not be subject to it, either wholly or in part

46 Enforcement of the Company's lien

46 1 Subject to the provisions of this Article 46, if a lien enforcement notice has been given in respect of a share and the person to whom the notice was given has failed to comply with it, the Company may sell that share in such manner as the directors decide

46 2 A lien enforcement notice

- (a) may only be given in respect of a share which is subject to the Company's lien, in respect of which a sum is payable and the due date for payment of that sum has passed,
- (b) must specify the share concerned,
- (c) must require payment of the sum payable within 14 clear days of the notice (that is, excluding the date on which the notice is given and the date on which that 14 day period expires),
- (d) must be addressed either to the holder of the share or to any transmittee of that holder or any other person otherwise entitled to the share, and
- (e) must state the Company's intention to sell the share if the notice is not complied with

46 3 Where any share is sold pursuant to this Article

- (a) the directors may authorise any person to execute an instrument of transfer of the shares to the purchaser or a person nominated by the purchaser, and
- (b) the transferee of the share(s) shall be registered as the holder of the share(s) to which the transfer relates notwithstanding that he may not be able to produce the share

certificate(s) and such transferee is not bound to see to the application of the consideration and the transferee's title to the share is not affected by any irregularity in or invalidity of the process leading or relating to the sale

46 4 The net proceeds of any such sale (after payment of the costs of sale and any other costs of enforcing the lien) must be applied

- (a) first, in payment of so much of the sum for which the lien exists as was payable at the date of the lien enforcement notice,
- (b) second, to the person entitled to the share(s) immediately before the sale took place, but only after the certificate for the share(s) sold has been surrendered to the Company for cancellation or an indemnity in a form acceptable to the directors has been given to the Company for any lost certificate(s) and subject to a lien (equivalent to the Company's lien over the share(s) immediately before the sale took place) for all monies payable by such person or his estate (whether immediately payable or not) in respect of all share(s) registered in the name of such person (whether he is the sole registered holder or one of two or more joint holders) and in respect of any other monies payable (whether immediately payable or not) by him or his estate to the Company, after the date of the lien enforcement notice

46 5 A statutory declaration by a director or the Company secretary (if any) that the declarant is a director or the Company secretary and that a share has been sold to satisfy the Company's lien on a specified date

- (a) is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share(s), and
- (b) subject to compliance with any other formalities of transfer required by these Articles or by law, constitutes a good title to the share(s)

47 Call notices

47 1 Subject to these Articles and the terms on which shares are allotted, the directors may send a notice (a "call notice") to a shareholder (or his estate) requiring such shareholder (or his estate) to pay the Company a specified sum of money (a "call") which is payable to the Company in respect of shares which that shareholder (or his estate) holds at the date when the directors decide to send the call notice

47 2 A call notice

- (a) may not require a shareholder (or his estate) to pay a call which exceeds the total sum unpaid on the shares in question (whether as to nominal value or any amount payable to the Company by way of premium),
- (b) must state when and how any call to which it relates is to be paid, and
- (c) may permit or require the call to be paid by instalments

47 3 A shareholder (or his estate) must comply with the requirements of a call notice but shall not be obliged to pay any call before 14 clear days (that is, excluding the date on which the notice is given and the date on which that 14 day period expires) have passed since the notice was sent

47 4 Before the Company has received any call due under a call notice, the directors may revoke it wholly or in part or specify a later date and/or time for payment than is specified in the notice, by a further notice in writing to the shareholder (or his estate) in respect of whose shares the call is made

48 Liability to pay calls

48 1 Liability to pay a call is not extinguished or transferred by transferring the shares in respect of which it is required to be paid. Joint holders of a share are jointly and severally liable to pay all calls in respect of that share

48 2 Subject to the terms on which shares are allotted, the directors may, when issuing shares, provide that call notices sent to the holders of those shares may require them to pay calls which are not the same or to pay calls at different times

49 Payment in advance of calls

- 49 1 The directors may, if they think fit, receive from any shareholder willing to advance it all or any part of the monies uncalled and unpaid on the shares held by him. Such payment in advance of calls shall extinguish only to that extent the liability on the shares on which it is made.
- 49 2 The Company may pay interest on the money paid in advance or so much of it as exceeds the amount for the time being called up on the shares in respect of which such advance has been made at such rate not exceeding 15% per annum as the directors may decide until and to the extent that it would, but for the advance, become payable.
- 49 3 The directors may at any time repay the amount so advanced on giving to such shareholder not less than 14 days' notice (that is, excluding the date on which the notice is given and the date on which that 14 day period expires) of its intention in that regard, unless before the expiration of such notice the amount so advanced shall have been called up on the shares in respect of which it was advanced.
- 49 4 No sum paid in advance of calls shall entitle the holder of a share in respect of them to any portion of a dividend subsequently declared in respect of any period prior to the date upon which such sum would, but for such payment, become payable.

50 When call notice need not be issued

- 50 1 A call notice need not be issued in respect of sums which are specified, in the terms on which a share is issued, as being payable to the Company in respect of that share (whether in respect of nominal value or premium)
- (a) on allotment,
 - (b) on the occurrence of a particular event, or
 - (c) on a date fixed by or in accordance with the terms of issue
- 50 2 If, however, the due date for payment of such a sum has passed and it has not been paid, the holder of the share(s) concerned (or his estate) is treated in all respects as having failed to comply with a call notice in respect of that sum, and is liable to the same consequences as regards the payment of interest and forfeiture.

51 Failure to comply with call notice. automatic consequences

- 51 1 If a person is liable to pay a call and fails to do so by the call payment date (as such is defined below) the directors may issue a notice of intended forfeiture to that person and unless and until the call is paid, that person must pay the Company interest on the call from the call payment date at the relevant rate (as such is defined below)
- 51 2 Subject to 51 3, for the purposes of this Article
- (a) the "**call payment date**" is the time when the call notice states that a call is payable, unless the directors give a notice specifying a later date, in which case the "call payment date" is that later date,
 - (b) the "**relevant rate**" is
 - (i) the rate fixed by the terms on which the share in respect of which the call is due was allotted, or, if none,
 - (ii) such other rate as was fixed in the call notice which required payment of the call, or has otherwise been determined by the directors,provided that if no rate is fixed in either of the manners specified in paragraph (b)(i) or (b)(ii) above it shall be 5 per cent per annum
- 51 3 The relevant rate must not exceed by more than 5 percentage points the base lending rate most recently set by the Monetary Policy Committee of the Bank of England in connection with its responsibilities under Part 2 of the Bank of England Act 1998(a)
- 51 4 The directors may waive any obligation to pay interest on a call wholly or in part

52 Notice of intended forfeiture

- 52 1 A notice of intended forfeiture

- (a) may be sent in respect of any share in respect of which a call has not been paid as required by a call notice,
- (b) must be sent to the holder of that share (or to all the joint holders of that share) or to a transferee of that holder,
- (c) must require payment of the call and any accrued interest together with all costs and expenses that may have been incurred by the Company by reason of such non-payment by a date which is not less than 14 clear days after the date of the notice (that is, excluding the date on which the notice is given and the date on which that 14 day period expires),
- (d) must state how the payment is to be made, and
- (e) must state that if the notice is not complied with, the shares in respect of which the call is payable will be liable to be forfeited

53 Directors' power to forfeit shares

If a notice of intended forfeiture is not complied with before the date by which payment of the call is required in the notice of intended forfeiture, the directors may decide that any share in respect of which it was given is forfeited, and the forfeiture is to include all dividends or other monies payable in respect of the forfeited shares and not paid before the forfeiture

54 Effect of forfeiture

54 1 Subject to these Articles, the forfeiture of a share extinguishes all interests in that share, and all claims and demands against the Company in respect of it and all other rights and liabilities incidental to the share as between the person whose share it was prior to the forfeiture and the Company

54 2 Any share which is forfeited in accordance with these Articles

- (a) is deemed to have been forfeited when the directors decide that it is forfeited,
- (b) is deemed to be the property of the Company, and
- (c) may be sold, re-allotted or otherwise disposed of as the directors think fit

54 3 If a person's shares have been forfeited

- (a) the Company must send that person notice that forfeiture has occurred and record it in the register of members,
- (b) that person ceases to be a shareholder in respect of those shares,
- (c) that person must surrender the certificate for the shares forfeited to the Company for cancellation,
- (d) that person remains liable to the Company for all sums payable by that person under these Articles at the date of forfeiture in respect of those shares, including any interest, costs and expenses (whether accrued before or after the date of forfeiture), and
- (e) the directors may waive payment of such sums wholly or in part or enforce payment without any allowance for the value of the shares at the time of forfeiture or for any consideration received on their disposal

54 4 At any time before the Company disposes of a forfeited share, the directors may decide to cancel the forfeiture on payment of all calls and interest, costs and expenses due in respect of it and on such other terms as they think fit

55 Procedure following forfeiture

55 1 If a forfeited share is to be disposed of by being transferred, the Company may receive the consideration for the transfer and the directors may authorise any person to execute the instrument of transfer

55 2 A statutory declaration by a director or the Company secretary that the declarant is a director or the Company secretary and that a share has been forfeited on a specified date is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the

share and subject to compliance with any other formalities of transfer required by these Articles or by law, constitutes a good title to the share

55 3 A person to whom a forfeited share is transferred is not bound to see to the application of the consideration (if any) nor is that person's title to the share affected by any irregularity in or invalidity of the process leading to the forfeiture or transfer of the share

55 4 If the Company sells a forfeited share, the person who held it prior to its forfeiture is entitled to receive from the Company the proceeds of such sale, net of any commission, and excluding any amount which

(a) was, or would have become, payable, and

(b) had not, when that share was forfeited, been paid by that person in respect of that share,

but no interest is payable to such a person in respect of such proceeds and the Company is not required to account for any money earned on them

56 **Surrender of shares**

56 1 A shareholder may surrender any share

(a) in respect of which the directors may issue a notice of intended forfeiture,

(b) which the directors may forfeit, or

(c) which has been forfeited

56 2 The directors may accept the surrender of any such share. The effect of surrender on a share is the same as the effect of forfeiture on that share. A share which has been surrendered may be dealt with in the same way as a share which has been forfeited

57 **Company not bound by less than absolute interests**

Except as required by law, no person is to be recognised by the Company as holding any share upon any trust, and except as otherwise required by law or these 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

58 **Share certificates**

58 1 Save where otherwise agreed or set out in the terms of subscription, the Company must issue each shareholder with one or more certificates in respect of the shares which that shareholder holds and, save as provided otherwise in these Articles, such certificates must be issued free of charge

58 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) the amount paid up on the shares, and

(d) any distinguishing numbers assigned to them

58 3 No certificate may be issued in respect of shares of more than one class

58 4 If more than one person holds a share, only one certificate may be issued in respect of it

58 5 Certificates must

(a) have affixed to them the Company's common seal, or

(b) be otherwise executed in accordance with the Companies Acts

59 **Replacement share certificates**

59 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

59 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

60 **Instruments of transfer**

60 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 and unless the share is fully paid, by and on behalf of the transferee

60 2 No fee may be charged for registering any instrument of transfer or other document relating to or affecting the title to any share

60 3 The Company may retain any instrument of transfer which is registered

60 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

60 5 Any instrument of transfer which the directors refuse to register must (unless they suspect that the proposed transfer may be fraudulent) be returned to the transferee

61 **Fractional entitlements**

61 1 Whenever, as a result of a consolidation or division of shares, any shareholders are entitled to fractions of shares, the directors may

- (a) sell the shares representing the fractions to any person (including (provided permitted by law) the Company) for the best price reasonably obtainable,
- (b) authorise any person to execute an instrument of transfer of the shares to the purchaser or a person nominated by the purchaser, and
- (c) distribute the net proceeds of sale in due proportion among those shareholders

61 2 Whenever any shareholder's entitlement to a portion of sale amounts to less than a minimum figure determined by the directors, that shareholder's portion may be distributed to an organisation which is a charity for the purposes of the law of England and Wales, Scotland or Northern Ireland

61 3 The person to whom the shares are transferred is not obliged to ensure that any purchase money is received by the person entitled to the relevant fractions and nor shall such transferee's title to the shares be affected by any irregularity in or invalidity of the process leading to their sale

Dividends and Other Distributions

62 **Procedure for declaring dividends**

62 1 The Company may by ordinary resolution declare dividends, and the directors may decide to pay interim dividends

62 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

62 3 No dividend may be declared or paid unless it is in accordance with shareholders' respective rights

62 4 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

62 5 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

- 62 6 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

- 62 7 This Article 62 is subject to the provisions of Article 7

63 Calculation of dividends

- 63 1 Except as otherwise provided by these Articles and by the rights attached to shares, all dividends must be

- (a) declared and paid according to the amounts paid up on the shares on which the dividend is paid, and
- (b) apportioned and paid pro rata according to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid

- 63 2 If any share is issued on terms providing that it shall rank for dividend as from a particular date or be entitled to dividends declared after a particular date it shall rank for or be entitled to dividends accordingly

- 63 3 For the purposes of calculating dividends, no account is to be taken of any amount which has been paid up on a share in advance of a call or otherwise paid up in advance of its due payment date

64 Payment of dividends and other distributions

- 64 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

- 64 2 If

- (a) a share is subject to the Company's lien, and
- (b) the directors are entitled to issue a lien enforcement notice in respect of it,

they may, instead of issuing a lien enforcement notice, deduct from any dividend or other sum payable in respect of the share any sum of money which is payable to the Company in respect of that share to the extent that they are entitled to require payment under a lien enforcement notice. Money so deducted must be used to pay any of the sums payable in respect of that share

- 64 3 The Company must notify the distribution recipient in writing of

- (a) the fact and amount of any such deduction,
- (b) any non-payment of a dividend or other sum payable in respect of a share resulting from any such deduction, and
- (c) how the money deducted has been applied

- 64 4 In these 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

65 No interest on distributions

The Company may not pay interest on any dividend or other sum payable in respect of a share unless otherwise provided by

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

66 Unclaimed distributions

66 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

66 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

66 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

67 Non-cash distributions

67 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)

67 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

68 Waiver of distributions

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

69 Authority to capitalise and appropriation of capitalised sums

- 69 1 Subject to these 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
- 69 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
- 69 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. A capitalised sum which was appropriated from profits available for distribution may be applied
- (a) in or towards paying up any amounts unpaid on existing shares held by the person(s) entitled, or
 - (b) 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
- 69 4 Subject to these Articles, the directors may
- (a) apply capitalised sums in accordance with Article 69 3(a) and Article 69 3(b) 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

Decision-making by Shareholders

70 Notice of general meetings

- 70 1 A general meeting of the Company (other than an adjourned meeting) shall be called by notice of at least 14 clear days (that is, excluding the date on which the notice is given and the date on which that 14 day period expires) but a general meeting may be called by shorter notice if it is so agreed by a majority in number of the shareholders having a right to attend and vote being a majority together holding not less than ninety percent in nominal value of the shares giving that right
- 70 2 Every notice convening a general meeting shall specify
- (a) the place, the date and the time of the meeting,
 - (b) the general nature of the business to be dealt with at the meeting,
 - (c) if the meeting is convened to consider a special resolution, the text of the resolution and intention to propose the resolution as a special resolution, and
 - (d) with reasonable prominence, that a member is entitled to appoint another person (who does not have to be a member) as his proxy to exercise all or any rights of his to attend, speak and vote at the meeting and that a member may appoint more than one proxy in relation to the meeting (provided that each proxy is appointed to exercise the rights attached to a different share or shares held by him) and shall also specify any more extensive rights (if any) conferred by these Articles to appoint more than one proxy
- 70 3 The notice shall be given to the members (other than any who under the provisions of these

Articles or of any restrictions imposed on any shares are not entitled to receive notice from the Company), to the directors and to the auditors and if more than one for the time being, to each of them

70 4 Subject to the provisions of these Articles, notice of a general meeting of the Company may be given

- (a) in hard copy form,
- (b) in electronic form, or
- (c) by means of a website,

or partly by one such means and partly by another and the provisions of Article 84 (*Company communications*) shall apply accordingly

70 5 The accidental failure to give notice of general meeting or, in cases where it is intended that it be sent out with the notice, an instrument of proxy, or to give notice of a resolution intended to be moved at a general meeting to, or the non-receipt of any of them by, any person or persons entitled to receive the same shall not invalidate the proceedings at that meeting and shall be disregarded for the purpose of determining whether the notice of the meeting, instrument of proxy or resolution were duly given

71 Attendance and speaking at general meetings

71 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

71 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

71 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

71 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

71 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

72 Quorum for general meetings

72 1 No business other than the appointment of the chairman of the meeting is to be transacted at a general meeting unless the persons attending it constitute a quorum when the meeting proceeds to business (and nothing in these Articles shall prevent any other business being transacted at such general meeting if the persons attending it do not constitute a quorum from time to time thereafter throughout the meeting)

72 2 Whenever the Company has only one member, the member present (being an individual) in person or by proxy, or (being a corporation) by a duly authorised representative or by proxy, shall be a quorum. Subject to the provisions of Section 318(2), CA2006, whenever the Company has two or more members, two persons entitled to vote upon the business to be transacted each being a member (being an individual) present in person or by proxy, or (being a corporation) present by a duly authorised representative or by proxy (at least one of whom must be a holder of A Ordinary Shares and at least one must be a holder of Preferred Shares (or, following Conversion, the A Ordinary Share into which such shares have been Converted) or, in either case, a proxy or a duly authorised representative of such a holder), shall be a quorum

73 Chairing general meetings

- 73 1 If the directors have appointed a Chairman, the Chairman shall chair general meetings if present and willing to do so
- 73 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 (which may not include any proxy appointed by a shareholder) to chair the meeting, and the appointment of the chairman of the meeting must be the first business of the meeting
- 73 3 The person chairing a meeting in accordance with this Article is referred to as **"the chairman of the meeting"**
- 74 **Attendance and speaking by directors and non-shareholders**
- 74 1 Directors may attend and speak at general meetings, whether or not they are shareholders.
- 74 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
- 75 **Adjournment**
- 75 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, the chairman of the meeting must adjourn it
- 75 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
- 75 3 The chairman of the meeting must adjourn a general meeting if directed to do so by the meeting
- 75 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
- 75 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
- 75 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. If a quorum is not present at any such adjourned meeting within half an hour from the time appointed for that meeting (or if, during the meeting, a quorum ceases to be present), the meeting shall be dissolved
- 76 **Voting: general**
- 76 1 A resolution put to the vote of a general meeting must be decided on a show of hands unless a poll is duly demanded in accordance with these Articles

- 76 2 No shareholder shall, unless the directors otherwise decide, be entitled to vote (either in person or by proxy) at a general meeting, at any adjournment of it or on any poll called at or in relation to it in respect of any share held by him or to exercise any right as a shareholder unless all calls or other sums presently payable by him in respect of that share in the Company have been paid to the Company
- 77 **Errors and disputes**
- 77 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
- 77 2 Any such objection must be referred to the chairman of the meeting, whose decision is final and conclusive
- 78 **Demanding a poll and procedure on a poll**
- 78 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
- 78 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,
 - (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, or
 - (e) by a person or persons holding shares in the Company conferring a right to vote on the resolution, being shares on which an aggregate sum has been paid up to not less than one tenth of the total sum paid up on all the shares conferring that right
- 78 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,
- and a demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made
- 78 4 Polls must be taken immediately and in such manner as the chairman of the meeting directs
- 79 **Content of proxy notices**
- 79 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 these Articles and any instructions contained in the notice of the general meeting to which they relate
- 79 2 The Company may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes
- 79 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
- 79 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

80 Delivery of proxy notices

80 1 The appointment of a proxy and the power of attorney or other authority (if any) under which it is signed (or a copy of such authority certified notarially or in some other way approved by the directors) shall be sent or supplied in hard copy form, or (subject to any conditions and limitations which the directors may specify) in electronic form

- (a) to the registered office of the Company, or
- (b) to such other address (including electronic address) as is specified in the notice convening the meeting or in any instrument of proxy or any invitation to appoint a proxy sent or supplied by the Company in relation to the meeting, or
- (c) as the directors shall otherwise direct,

to be received before the time for the holding of the meeting or adjourned meeting to which it relates or, in the case of a poll taken after the date of the meeting or adjourned meeting, before the time appointed for the poll

80 2 Any instrument of proxy not so sent or supplied or received shall be invalid unless the directors at any time prior to the meeting or the chairman of the meeting at the meeting, in their or his absolute discretion, accept as valid an instrument of proxy where there has not been compliance with the provisions of this Article and such proxy shall thereupon be valid notwithstanding such default

80 3 A person who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a general meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid proxy notice has been delivered to the Company by or on behalf of that person

80 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

81 Revocation of proxy notices

81 1 The validity of

- (a) a vote given or poll demanded in accordance with the terms of an appointment of a proxy, or
- (b) anything done by a proxy acting as duly appointed chairman of a meeting, or
- (c) any decision determining whether a proxy counts in a quorum at a meeting,

shall not be affected notwithstanding the death or mental disorder of the appointor or the revocation of the appointment of the proxy (or of the authority under which the appointment of the proxy was executed) or the transfer of the share in respect of which the appointment of the proxy is given, unless notice in writing of such death, mental disorder, revocation or transfer shall have been

- (a) sent or supplied to the Company or any other person as the Company may require in the notice of the meeting, any instrument of proxy sent out by the Company in relation to the meeting or in any invitation to appoint a proxy issued by the Company in relation to the meeting, in any manner permitted for the sending or supplying of appointments of proxy pursuant to these Articles, and
- (b) received at the registered office of the Company (or such other address (including electronic address) as has been designated for the sending or supplying of appointments of proxy), before the time for the holding of the meeting or adjourned meeting to which it relates or, in the case of a poll taken after the date of the meeting or adjourned meeting, before the time appointed for the poll

82 Votes of proxies

82 1 The Company shall be under no obligation to ensure or otherwise verify that any vote(s) cast

by a proxy are done so in accordance with any such instructions given by the member by whom such proxy is appointed. In the event that a vote cast by such proxy is not done so in accordance with the instructions of the member by whom such proxy is appointed, such vote shall not be deemed to be invalid.

- 82 2 On a vote on a resolution on a show of hands, where a proxy is appointed by more than one member (provided that, where some only of those members by whom the proxy is appointed instruct the proxy to vote in a particular way, those members all instruct such proxy to vote in the same way on a resolution (either "for" or "against")) such proxy shall be entitled to cast a second vote the other way in relation to any discretionary vote(s) given to him by other members by whom such proxy is appointed.

83 Amendments to resolutions

- 83 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.
- 83 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.
- 83 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 of the meeting's error does not invalidate the vote on that resolution.

Administrative Arrangements

84 Company communications

- 84 1 Subject to the provisions of the Acts (and save as otherwise provided in these Articles), any document or information required or authorised to be sent or supplied by the Company to any member or any other person (including a director) pursuant to these Articles, the Companies Acts or any other rules or regulations to which the Company may be subject, may be sent or supplied in hard copy form, in electronic form, by means of a website or in any other way in which documents or information may be sent or supplied by the Company pursuant to the Companies Acts.
- 84 2 Subject to these 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 in writing to be sent or supplied with such notices or documents for the time being.
- 84 3 The provisions of the CA2006 which apply to sending or supplying a document or information required or authorised to be sent or supplied by the Companies Acts by making it available on a website shall, mutatis mutandis, apply to the sending or supplying of any document or information required or authorised to be sent by these Articles or any other rules or regulations to which the Company may be subject, by making it available on a website.
- 84 4 The Company may send or supply any document or information to a member or any other person (including a director) pursuant to these Articles, the Companies Acts or any other rules or regulations to which the Company may be subject, either personally, or by post in a prepaid envelope addressed to the member (or such other person) at his registered address or at his address for service, or by leaving it at that address or any other address for the time being notified to the Company by the member (or such other person) for the purpose, or by sending or supplying it using electronic means to an electronic address for the time being notified to

- the Company by the member (or such other person) for the purpose, or by any other means authorised in writing by the member (or such other person) concerned
- 84 5 A shareholder whose registered address is not within the United Kingdom and who gives the Company an address within the United Kingdom to which documents or information may be sent or supplied to him or gives an electronic address to which documents or information may be sent or supplied using electronic means, shall be entitled to have documents or information sent or supplied to him at that address, but otherwise no such shareholder shall be entitled to receive any document or information from the Company
- 84 6 In the case of joint holders of a share, if the Company sends or supplies any document or information to one of the joint holders, it shall be deemed to have properly sent or supplied such document or information to all the joint holders
- 84 7 If, on at least 2 consecutive occasions, the Company has attempted to send any document or information by electronic means to an address specified (or deemed specified) for the purpose and a delivery failure (or other similar) notification has been received by the Company, the Company thereafter shall, send documents or information in hard copy form or electronic form (but not by electronic means) to such member at his registered address or address for service within the United Kingdom (whether by hand, by post or by leaving it or them at such address), in which case the provisions of Article 84 7 shall apply
- 84 8 If on 3 consecutive occasions documents or information have been sent or supplied to any shareholder at his registered address or address for the service of such documents or information in the United Kingdom but have been returned undelivered, such shareholder shall not thereafter be entitled to receive any documents or information from the Company until he shall have communicated with the Company and supplied in writing a new registered address or address within the United Kingdom for the service of documents or information or an electronic address to which documents or information may be sent or supplied using electronic means
- 84 9 Any shareholder present, in person or by proxy at any meeting of the Company or of the holders of any class of shares of the Company, shall be deemed to have received due notice of such meeting and, where requisite, of the purposes for which such meeting was called
- 84 10 Save as provided otherwise in these Articles, any document or information, addressed to a shareholder (or other person to whom such document or information is required or authorised to be sent pursuant to these Articles, the Companies Acts or otherwise) at his registered address or address for service (in the case of a shareholder, in the United Kingdom) or electronic address, as the case may be shall
- (a) if hand delivered or left at a registered address or other address for service (in the case of a shareholder in the United Kingdom), be deemed to have been served or delivered on the day on which it was so delivered or left,
 - (b) if sent or supplied by post (whether in hard copy form or in electronic form), be deemed to have been received at the expiration of 24 hours after the envelope was posted,
 - (c) if sent or supplied by electronic means (other than by means of website), be deemed to have been received (if sent or supplied between the hours of 9 a m and 5 p m on a working day) at the time it was sent, or (if sent or supplied at any other time) at 9 a m on the next following working day, and
 - (d) if sent or supplied by means of a website, be deemed to have been received when the material was first made available on the website or, if later, when the recipient received (or is deemed to have received) notice of the fact that the material was available on the website
- 84 11 In calculating a period of hours for the purpose of Article 84 10, no account shall be taken of any part of a day that is not a working day
- 84 12 A director may agree with the Company that 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 those set out in Article 84 10
- 84 13 Subject to Article 84 9, in proving such service or delivery it shall be sufficient to prove that the

envelope containing the document or information was properly addressed and put into the post in a prepaid envelope or, in the case of a document or information sent or supplied by electronic means, that it was sent or supplied in accordance with guidance issued by the Institute of Chartered Secretaries and Administrators entitled "Electronic Communications with Shareholders 2007" (as such guidance is amended or updated from time to time)

- 84 14 The Company shall not be held responsible for any failure in transmission beyond its reasonable control and the provisions of Article 84 9 to Article 84 13 (inclusive) shall apply regardless of any document or information being returned undelivered and regardless of any delivery failure notification or "out of office" or other similar response and any such "out of office" or other similar response shall not be considered to be a delivery failure

85 Company seals

- 85 1 Any common seal may only be used by the authority of the directors or a committee of the directors

- 85 2 The directors may decide by what means and in what form any common seal is to be used

- 85 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

- 85 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

86 No right to inspect accounts and other records

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

87 Provision for employees on cessation of business

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

88 Indemnity and funds

- 88 1 Subject to Article 88 2 (but otherwise to the fullest extent permitted by law) and without prejudice to any indemnity to which he may otherwise be entitled

- (a) a relevant director, secretary or other officer (other than any person engaged as auditor) of the Company or an associated Company may be indemnified out of the Company's assets against all or any part of any costs, charges, losses, expenses and liabilities incurred by that director, secretary or other officer
 - (i) in the actual or purported exercise of his powers in relation to the affairs of the Company or associated Company, and
 - (ii) in connection with the activities of the Company or an associated Company in its capacity as a trustee of an occupational pension scheme, and
- (b) a relevant director, secretary or other officer (other than any person engaged as auditor) of the Company or any holding Company may be provided with funds to meet any expenditure incurred or to be incurred by him as provided in Section 205 and/or Section 206, CA2006 (or enable him to avoid incurring any such expenditure)

- 88 2 This Article does not authorise any indemnity or provision of funds which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law

89 Insurance

Subject to the provisions of the CA2006, the directors may in their absolute discretion decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any relevant director, secretary or other officer (other than any person engaged as auditor) of the Company or associated Company in respect of all or any part of any relevant loss

Appendix 1

A worked example of the D Ordinary Shares is set out below

There are 1,000,000 Base D1 Ordinary Shares and the D1 Specified Value is £80,000,000 The scenario is set out below

D2 Specified Value is £150,000,000

D3 Specified Value is £200,000,000

The number of Vested D Ordinary Shares for a given class is set out below

- 900,000 D1 Ordinary Shares,
- 120,000 D2 Ordinary Shares, and
- 170,000 D3 Ordinary Shares

The Distributable Amount is £220,000,000

Base D Ordinary Shares

$$\text{Base D Ordinary Shares}_2 = \max \left(\log_2 \frac{150,000,000}{80,000,000} \times 1,000,000, 0 \right) = 906,891$$

$$\text{Base D Ordinary Shares}_3 = \max \left(\log_2 \frac{200,000,000}{80,000,000} \times 1,000,000, 0 \right) - 906,891 = 415,037$$

Maximum D Ordinary Shares

$$\text{Maximum D2 Ordinary Shares} = (1,000,000 + 906,891) - 900,000 = 1,006,891$$

$$\text{Maximum D3 Ordinary Shares} = (1,000,000 + 906,891 + 415,037) - (900,000 + 120,000) = 1,301,928$$

D Share Allocation

D1 Share Allocation

$$\begin{aligned} &= \frac{900,000}{(1,000,000)} \times 0.1 \times (150,000,000 - 80,000,000) \\ &+ \frac{900,000}{(1,000,000 + 906,891)} \times 0.1 \times (200,000,000 - 150,000,000) \\ &+ \frac{900,000}{(1,000,000 + 906,891 + 415,037)} \times 0.1 \times (220,000,000 - 180,000,000) = 9,435,080 \end{aligned}$$

$$\text{D2 Share Allocation} = \frac{120,000}{(1,000,000 + 906,891)} \times 0.1 \times (200,000,000 - 150,000,000)$$

$$+ \frac{120,000}{(1,000,000 + 906,891 + 263,034)} \times 0.1 \times (220,000,000 - 200,000,000) = 408,011$$

$$\text{D3 Share Allocation} = \frac{170,000}{(1,000,000 + 906,891 + 263,034)} \times 0.1 \times (220,000,000 - 200,000,000) = 146,430$$