



dated 30 December 2022

The Big Exchange Limited

(company number 08964152)

Articles of association

adopted by a special resolution passed on 30 December 2022

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Company number: 08964152

Private company limited by shares

Articles of association

of

The Big Exchange Limited

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1 Table A and Model Articles not to apply

No regulations for the management of a company set out in any schedule to any statute concerning companies or contained in any regulations or instrument made pursuant to a statute shall apply to the Company. References to these articles shall be to the following articles of association as amended from time.

2 Defined terms

In these articles, unless the context requires otherwise:

A Ordinary Majority means those A Ordinary Shareholders who, between them, hold more than 50% in number of the A Ordinary Shares;

A Ordinary Shareholder means a Holder of A Ordinary Shares;

A Ordinary Shares means the A Ordinary Shares of £0.001 each in the capital of the Company;

AC Terms of Reference means the terms of reference of the Advisory Committee, setting out its composition, duties and responsibilities and prescribing such matters as the frequency of meetings of such committee, as such terms or any changes thereto are approved by the Board;

Acting in Concert has the meaning given to it in The City Code on Takeovers and Mergers published by the Panel on Takeovers and Mergers (as amended from time to time);

Advisory Committee means the advisory committee to the board;

Allocation notice has the meaning given in article 42.9.2;

Anti-Dilution Shares has the meaning given in article 51.1;

Applicant has the meaning given in article 42.9.2;

Arrears means in relation to any share, all arrears of any dividend or other sums payable in respect of that share, whether or not earned or declared and irrespective of whether or not the Company has had at any time sufficient Available Profits to pay such dividend or sums, together with all interest and other amounts payable on that share;

Asset Sale means the disposal by the Company of all or substantially all of its undertaking and assets (where disposal may include, without limitation, the grant by the Company of an exclusive licence of intellectual property not entered into in the ordinary course of business);

Associate means in relation to any person means:

- a) any person who is an associate of that person and the question of whether a person is an associate of another is to be determined in accordance with section 435 of the Insolvency Act 1986 and (whether or not an associate as so determined);
- b) any Member of the same Group;
- c) any Member of the same Fund Group;

Auditors means the auditors of the Company from time to time

Available Profits means profits available for distribution within the meaning of part 23 of the Companies Act 2006;

Bad Leaver means a person who ceases to be an Employee as a consequence of: (a) such person's voluntary resignation as an Employee prior to the fourth anniversary of the Commencement Date, except in circumstances which constitute a constructive, wrongful and/or unfair dismissal (save in the case that unfair dismissal is as a result of a procedural defect); or (b) that person's dismissal as an Employee for Cause,

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 (as such term is interpreted in the jurisdictions of either England and Wales or Northern Ireland);

board means the board of directors of the Company;

Bonus Issue or Reorganisation means any return of capital, bonus issue of shares or other securities of the Company by way of capitalisation of profits or reserves (other than a capitalisation issue in substitution for or as an alternative to a cash dividend which is made available to the A Ordinary Shareholders) or any consolidation or sub-division or any repurchase or redemption of shares (other than any A Ordinary Shares) or any variation in the subscription price or conversion rate applicable to any other outstanding shares in each case other than Anti-Dilution Shares;

Business Day means a day other than a Saturday or Sunday or public holiday in England and Wales;

Cause means (i) the lawful termination of that person's contract of employment or consultancy without notice or payment in lieu of notice as a consequence of that person's misconduct or as otherwise permitted pursuant to the terms of that person's contract of employment or consultancy; and/or (ii) that person's fair dismissal pursuant to section 98(2) (a) (capability) or 98(2) (b) (conduct) of the Employment Rights Act 1996;

chair of the board means any person or persons approved as chair of the board from time to time;

chair of the board meeting has the meaning given in article 17.2;

chair of the general meeting has the meaning given in article 64.3;

Change of Control means (a) a sale of equity securities or (b) a merger or other combination, which results in existing Holders (including the Investor Majority) together owning less than 50% of the voting equity securities of the Company or its successor;

Charter means the charter (as updated from time to time, subject to the prior written consent of the Board) to be adopted by the Company (and approved by the Board), setting out the Company's commitment to the Mission and any procedures by which the Mission is to be achieved;

Civil Partner means in relation to a Shareholder, a civil partner (as defined in the Civil Partnership Act 2004) of the Shareholder;

Commencement Date means in respect of (i) all those Employees as at the date of Adoption, the Date of Adoption, and (ii) any other Employee, the date on which the employment or consultancy of the relevant Employee with the Company or any member of the Group commences;

Committees means the committees to the board including the Advisory Committee;

Companies Acts means the Companies Acts (as defined in section 2 of the Companies Act 2006), in so far as they apply to the Company;

Company means The Big Exchange Limited (company number: 08964152);

Company Sale means the sale of Shares in the Company constituting a Change of Control;

Conditions has the meaning in given in article 7.1;

Continuing Shareholders has the meaning given in article 42.8.1;

Controlling Interest means an interest in shares giving to the holder or holders control of the Company within the meaning of section 1124 of the CTA 2010;

Conversion Date has the meaning in given in article 7.1;

Conversion Ratio has the meaning given in article 7.5;

Date of Adoption means the date of adoption of these articles;

default share has the meaning given in article 76.3;

Deferred Conversion Date means the date that the Employee Shares convert into Deferred Shares pursuant to article 46.1;

Deferred Shares means deferred shares of £0.001 each in the capital of the Company from time to time;

direction notice has the meaning given in article 76.3;

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

distribution recipient has the meaning given in article 56.2;

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

Effective Termination Date means the date on which the employment or consultancy services of an Employee terminates;

electronic form has the meaning given in section 1168 of the Companies Act 2006;

Employee means an individual who is employed by or who provides consultancy services to, the Company or any member of the Group from time to time;

Employee Shares means, in relation to an Employee, all those shares held by the Employee in question, including any shares held by any Permitted Transferee of that relevant Employee other than those shares held by those persons that the Board declare (with Investor Majority Consent) were not acquired directly or indirectly from the Employee or by reason of that person's relationship with the Employee;

Encumbrance means any mortgage, charge, security interest, lien, pledge, assignment by way of security, equity, claim, right of pre-emption, option, covenant, restriction, reservation, lease, trust, order, decree, judgment, title defect (including retention of title claim), conflicting claim of ownership or any other encumbrance of any nature whatsoever (whether or not perfected other than liens arising by operation of law);

Equity Securities has the meaning given in sections 560(1) to (3) inclusive of the Act and for the avoidance of doubt an allotment of Equity Securities includes a transfer of shares which immediately before such transfer were held by the Company as Treasury Shares;

Equity Shares means the A Ordinary Shares and the Ordinary Shares from time to time;

Fair Value is as determined in accordance with article 43.2.3;

FNZ Director has the meaning given in the Shareholders' Agreement;

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;

Good Leaver means a person who ceases to be an Employee and who is not a Bad Leaver;

Group means the Company and its subsidiary undertaking(s) (if any) from time to time;

hard copy form has the meaning given in section 1168 of the Companies Act 2006;

Holder or Shareholder in relation to shares means the person whose name is entered in the register of members as the holder of the shares (but, to the extent that these articles would otherwise conflict with the Companies Act 2006, not including the Company in respect of shares held as treasury shares);

Holding Company means a newly formed holding company, pursuant to which the



membership, pro rata shareholdings and classes of shares comprised in such holding company matches that of the Company (excluding Treasury Shares) immediately prior to the transfer of the issued share capital of the Company to such holding company;

instrument means a document in hard copy form;

interested directors has the meaning given in article 20.2.2;

Investor Majority means (i) the A Ordinary Majority and (ii) such other holders of Shares who, together with the A Ordinary Majority, hold between them at least 50% of all voting rights attaching to the Shares;

Investor Majority Consent means the prior written consent of the Investor Majority (not to be unreasonably withheld or delayed);

Leaver means a person who ceases to be an Employee of the Company and who is either a Good Leaver or a Bad Leaver;

**Leaver's Percentage** means, in relation to and for the purposes of determining the number of Employee Shares that are required (pursuant to article 46) to be converted into Deferred Shares as a result of an Employee ceasing to be an Employee within the period commencing on the Commencement Date and ending on the Effective Termination Date, the percentage (rounded to the nearest two decimal places) as calculated using the formula below:

$$100 - ((1/48 \times 100) \times NM),$$

where NM = number of full calendar months from the Commencement Date to the Effective Termination Date such that the Leaver's Percentage shall be zero on the first day of the 49th month after the Commencement Date and thereafter;

Liquidity Event means any liquidation, winding up, sale of all or substantially all of the assets or equity of the Company, Change of Control or a Listing of the Company.

Listing means the admission of all or any of the Shares or securities representing those shares (including without limitation depositary interests, American depositary receipts, American depositary shares and/or other instruments) on NASDAQ or the Official List of the United Kingdom Listing Authority or the AIM Market operated by the London Stock Exchange Plc or any other recognised investment exchange (as defined in section 285 of the Financial Services and Markets Act 2000);

a Member of the same Fund Group means if 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;

a Member of the same Group means as regards any company, a company which is from time to time a parent undertaking or a subsidiary undertaking of that company or a subsidiary undertaking of any such parent undertaking;

Material Person has the meaning given in any Shareholders' Agreement;

Minimum Transfer Condition has the meaning given in article 42.2.4

Mission has the meaning given in article 4.1;

Net Drag Consideration means the Drag Consideration net of (i) all fees, costs and expenses payable by the A Ordinary Shareholders in respect of the negotiation and completion of the Sale Agreement, and (ii) all taxes payable by that A Ordinary Shareholder arising in respect of its receipt of the Drag Consideration;

New Securities means any shares or other securities convertible into, or carrying the right to subscribe for, those shares issued by the Company after the Date of Adoption (other than shares or securities issued as a result of the events set out in article 44.9) excluding for the avoidance of doubt any Treasury Shares transferred by the Company after the Date of Adoption;

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

Ordinary Shares means the ordinary shares of £0.001 each in the capital of the Company;

paid means paid or credited as paid;

participate, in relation to a directors' meeting, has the meaning given in article 15;

Permitted Transferee means

- a) in relation to a Shareholder who is an individual, any of his or her Privileged Relations, Trustees or Qualifying Companies;
- b) in relation to a Shareholder which is an undertaking (as defined in section 1161(1) of the Act) means any Member of the same Group;
- c) in relation to an A Ordinary Shareholder:
  - a. to any Member of the same Group;
  - b. to any Member of the same Fund Group;
  - c. or to any nominee of that A Ordinary Shareholder;

Preference Amount means, in respect of an A Ordinary Share, the aggregate of the amount paid up (or credited as paid up) in respect of the nominal value and any share premium, together with a sum equal to any Arrears;

Priority Rights means the rights of Shareholders to subscribe or purchase Shares (as the case may be) in the priority stipulated in article 42.7 or 44.4 (as applicable);

Privileged Relation means in relation to a Shareholder who is an individual member or deceased or former member means a spouse, Civil Partner, child or grandchild (including step or adopted or illegitimate child and their issue);

Proposed New Holder means any third party proposed to become a Holder, who is not yet a Holder at the relevant time;

proxy notice has the meaning given in article 70.1;

Qualifying Company means a company in which a Shareholder or Trustee(s) holds the entire issued share capital and over which that Shareholder or Trustee(s) exercises control (within the meaning of section 1124 of the CTA 2010);

Relevant Transferor has the meaning set out in article 49;

Restricted Shares has the meaning given in article 46.5;

Sale Agreement has the meaning given in article 48.3.5;

Sale Shares has the meaning given in article 42.2.1;

Section 793 Notice has the meaning given in article 76.1;

Seller has the meaning given in article 42.2;

Share Option Plan means any share option plan(s) of the Company adopted by the Board (with Investor Majority Consent) from time to time;

**Shareholders' Agreement** means (i) the shareholders' agreement in respect of the Company dated the same date as the Date of Adoption or (ii) any other agreement which replaces it from time to time and made between the Company and some or all of the Shareholders governing the rights and obligations of the Shareholders in relation to their Shares which the Investor Majority agrees in writing shall constitute the Shareholders' Agreement for the purposes of this definition;

Shares or shares means the A Ordinary Shares and the Ordinary Shares;

special resolution has the meaning given in section 283 of the Companies Act 2006;

Starting Price means £1.12;

Subscription Period has the meaning given in article 44.5.1'

subsidiary, subsidiary undertaking and parent undertaking have the respective meanings given in section 1159 and 1162 of the Companies Act 2006;

TBE Community means:

- (i) the Holders;

- (ii) customers of the services provided (directly or indirectly) by the Company and/or its subsidiaries from time to time;
- (iii) employees of the Company and/or its subsidiaries from time to time;

and such of the following as the board may determine, at its absolute discretion acting in good faith, are to be treated as members of the TBE Community (including all other stakeholders of the Company, as determined from time to time by the Board), whether by law, regulation or otherwise in order to remain consistent with the Company's pursuit of the Mission, or in order to remain consistent with the Company's pursuit of the Mission, or as otherwise may be necessary for the practical running of the Business:

- (iv) suppliers of goods and services to the Company and/or its subsidiaries from time to time; and
- (v) other supporters of the Mission and the Company and/or its subsidiaries from time to time;

Temporary Chair has the meaning given in article 17.4;

Transfer Notice has the meaning given in article 42.2;

Transfer Offer Period has the meaning given in article 42.8.1;

Transfer Price has the meaning given in article 42.3;

transmittee means a person entitled to a share by reason of the death or Bankruptcy of a Holder or otherwise by operation of law;

Treasury Shares means shares in the capital of the Company held by the Company as treasury shares from time to time within the meaning set out in section 724(5) of the Act;

Trustee in relation to a Shareholder means the trustee or the trustees of a Family Trust;

United Kingdom means the United Kingdom of Great Britain and Northern Ireland; and

Unvested Shares means those Employee Shares which may be required to be converted into Deferred Shares under article 46;

Vested Shares means those Employee Shares which are not Unvested Shares; and

writing means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise.

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

### 3 Liability of Holders

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

## 4 Mission

4.1 The Company's mission is to create, promote and advance an inclusive financial system in the United Kingdom (and internationally if determined by the board), with the intention that it delivers a positive social and the environmental impact (Mission). The Mission is intended to be achieved through any manner considered expedient, including promoting and providing the following (without limitation, and to the extent they are considered to benefit the Mission):

4.1.1 a platform to access and participate in financial services and products intended to deliver a positive social and environmental impact;

4.1.2 financial inclusion and the reduction of the poverty premium of those persons who are or are considered to be affected by financial exclusion and/or the poverty premium;

4.1.3 financial education; and

4.1.4 investment in all types of charities, social enterprises and other ventures.

4.2 Save with the prior written consent of the board, and subject at all times to any Shareholders' Agreement, the Company's objects shall be restricted to those set out in article 4.1.

4.3 The board shall, wherever practicable, encourage each member of the TBE Community to acknowledge, support and take into account the Charter in their dealings with the Company and/or its subsidiaries from time to time.

## 5 Share capital

5.1 The share capital of the Company is at the Date of Adoption divided into the A Ordinary Shares and the Ordinary Shares.

5.2 Except as otherwise provided in these articles, the A Ordinary Shares and the Ordinary Shares shall rank *pari passu* in all respects but shall constitute separate classes of shares.

5.3 Whenever the share capital of the Company is divided into different classes of shares, the special rights attached to any such class may only be varied or abrogated (either whilst the Company is a going concern or during or in contemplation of a winding-up) with the consent in writing of the holders of more than 75 per cent in nominal value of the issued shares of that class.

## 6 Return of capital and capital sales

6.1 On a return of capital on a Liquidity Event or otherwise (except on a conversion, redemption or purchase by the Company of any shares), the surplus assets of the Company remaining after the payment of its liabilities shall be applied in the following order of priority:

6.1.1 first, in paying to the Holders of A Ordinary Shares, in priority to any other class of shares, an amount per share held equal to the Preference Amount (provided that if there are insufficient surplus assets to pay the amounts per share equal to the Preference Amount, the remaining surplus assets shall be distributed to the holders of A Ordinary Shares *pro rata* to their respective holdings of A Ordinary Shares; and

- 6.1.2 the balance of the surplus assets (if any) shall be distributed amongst the Holders of the Ordinary Shares pro rata to the number of Ordinary Shares held.
- 6.2 In the event of a Company Sale then, notwithstanding anything to the contrary in the terms and conditions governing such Company Sale, the board and the Holders immediately prior to such Company Sale shall procure that the consideration (whenever received) shall be placed in a designated trustee account and shall be distributed amongst the Holders in such amounts and in such order of priority as would be applicable on a return of capital pursuant to paragraph 6.1
- 6.3 In the event of a Liquidity Event approved by the Board (with Investor Majority Consent) in accordance with the terms of these articles, all Shareholders shall consent to, vote for, raise no objections to and waive any applicable rights in connection with that Liquidity Event ("Actions"). The Shareholders shall be required to take all Actions with respect to that Liquidity Event as are reasonably required by the Board to facilitate, give effect to and otherwise implement that Liquidity Event, subject always to the proceeds of that Liquidity Event being distributed to Shareholders in accordance with the provisions of this article.
- 7 Conversion of A Ordinary Shares
- 7.1 Any Holder of A Ordinary Shares shall be entitled, by notice in writing to the Company, to require conversion into Ordinary Shares of all of the fully paid A Ordinary Shares held by them at any time and those A Ordinary 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 it's a Ordinary Shares into Ordinary Shares is conditional upon the occurrence of one or more events (the "Conditions").
- 7.2 All of the fully paid A Ordinary Shares shall automatically convert into Ordinary Shares:
- 7.2.1 on the date of a notice given by the Holder of A Ordinary Shares (which date shall be treated as the Conversion Date); or
- 7.2.2 immediately upon the occurrence of a Listing.
- 7.3 In the case of (i) articles 7.1 and 7.2.1, not more than five Business Days after the Conversion Date or (ii) in the case of article 7.2.2, at least five Business Days prior to the occurrence of the Listing, each holder of the relevant A Ordinary Shares shall deliver the certificate (or an indemnity for lost certificate in a form acceptable to the Board) in respect of the A Ordinary Shares being converted to the Company at its registered office for the time being.
- 7.4 Where conversion is mandatory on the occurrence of a Listing, that conversion will be effective only immediately prior to and conditional upon such Listing (and "Conversion Date" shall be construed accordingly) and, if such Listing does not become effective or does not take place, such conversion shall be deemed not to have occurred. In the event of a conversion under article 7.1, if the Conditions have not been satisfied or waived by the relevant Holder by the Conversion Date such conversion shall be deemed not to have occurred.
- 7.5 On the Conversion Date, the relevant A Ordinary Shares shall without further authority than is contained in these articles stand converted into Ordinary Shares on the basis of one Ordinary Share for each A Ordinary Share held (the "Conversion Ratio"), and the Ordinary

Shares resulting from that conversion shall in all other respects rank pari passu with the existing issued Ordinary Shares.

- 7.6 The Company shall on the Conversion Date enter the Holder of the converted A Ordinary Shares on the register of members of the Company as the Holder of the appropriate number of 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 A Ordinary Shares in accordance with this article, the Company shall within 10 Business Days of the Conversion Date forward to such holder of A Ordinary 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 Ordinary Shares.
- 7.7 On the Conversion Date (or as soon afterwards as it is possible to calculate the amount payable), the Company will, if it has sufficient Available Profits, pay to Holders of the A Ordinary Shares falling to be converted a dividend equal to all Arrears and accruals of dividends in relation to those A Ordinary Shares to be calculated on a daily basis down to and including the day immediately preceding the Conversion Date. If the Company has insufficient Available Profits to pay all such Arrears and accruals of dividends in full then it will pay the same to the extent that it is lawfully able to do so and any Arrears and accruals of dividends that remain outstanding shall continue to be a debt due from and immediately payable by the Company.
- 7.8 The Conversion Ratio shall from time to time be adjusted in accordance with the provisions of this article:
- 7.8.1 if A Ordinary Shares remain capable of being converted into new Ordinary Shares and there is a consolidation and/or sub-division of Ordinary Shares, the Conversion Ratio shall be adjusted by an amount, which in the opinion of the Board (with Investor Majority Consent) is fair and reasonable, to maintain the right to convert so as to ensure that each A Ordinary Shareholder is in no better or worse position as a result of such consolidation or sub-division, such adjustment to become effective immediately after such consolidation or sub-division;
- 7.8.2 if A Ordinary Shares remain capable of being converted into Ordinary Shares, on an allotment of fully-paid Ordinary Shares pursuant to a capitalisation of profits or reserves to holders of Ordinary Shares the Conversion Ratio shall be adjusted by an amount, which in the opinion of the Board (with Investor Majority Consent) is fair and reasonable, to maintain the right to convert so as to ensure that each Holder of A Ordinary Shares is in no better or worse position as a result of such capitalisation of profits or reserves, such adjustment to become effective as at the record date for such issue.
- 7.9 If any Holder of A Ordinary Shares becomes entitled to fractions of an Ordinary Share as a result of conversion ("Fractional Holders"), the Directors may (in their absolute discretion) deal with these fractions as they think fit on behalf of the Fractional Holders. In particular, the Directors may aggregate and sell the fractions to a person for the best price reasonably obtainable and distribute the net proceeds of sale in due proportions among the Fractional Holders or may ignore fractions or accrue the benefit of such fractions to the Company rather than the Fractional Holder. For the purposes of completing any such sale of fractions, the chairman of the Company or, failing him, the secretary will be deemed to have been

appointed the Fractional Holder's agent for the purpose of the sale.

- 7.10 If a doubt or dispute arises concerning an adjustment of the Conversion Ratio in accordance with article 7.8, or if so requested by the Investor Majority, the Board shall refer the matter to the Auditors for determination who shall make available to all Holders their report and whose certificate as to the amount of the adjustment is, in the absence of manifest error, conclusive and binding on all concerned and their costs shall be met by the Company.
- 7.11 If A Ordinary Shares remain capable of being converted into new Ordinary Shares and Ordinary Shares are offered by the Company by way of rights to holders of Ordinary Shares (an "Offer By Way of Rights"), the Company shall on the making of each such offer, make a like offer to each Holder of A Ordinary Shares as if immediately before the record date for the Offer By Way Of Rights, his A Ordinary Shares had been converted into fully-paid Ordinary Shares at the then applicable Conversion Ratio.
- 8 Directors' general authority and duty
- 8.1 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.
- 8.2 In addition to any duties imposed on them elsewhere in these articles or pursuant to the Companies Acts, and subject to compliance with all relevant duties of the directors pursuant to the Companies Acts, the directors are required to act in a way that they consider, in good faith, would be most likely to promote the success of the Company for the benefit of the Holders as a whole, and in this regard, the directors must take into account the following:
- 8.2.1 the Mission and the Charter;
- 8.2.2 the likely consequences of any decision in the long term;
- 8.2.3 the interests of the TBE Community;
- 8.2.4 the need to foster the Company's business relationships with members of the TBE Community and others dealing with the Company;
- 8.2.5 the impact of the Company's operations on the wider community and the environment;
- 8.2.6 the desirability of the Company maintaining a reputation for high standards of business conduct and the impact this has on affected stakeholders; and
- 8.2.7 the need to act fairly as between Holders.
- 8.3 For the purposes of a director's duty to act in the way he or she considers, in good faith, most likely to promote the success of the Company, a Director shall not be required to regard the benefit of any particular member or members of the TBE Community or any other particular person or matter as more important than any other.
- 8.4 Nothing in this article 7, express or implied, is intended to or shall create or grant any right or any cause of action to, by or for any person (other than the Company).
- 8.5 The Advisory Committee shall, in respect of each financial year (as a separate section to



the annual report and accounts of the Company) report on the progress which the Company (including the board and each of its Committees) and its subsidiaries from time to time have made in respect of pursuing the Mission and in this regard, the directors shall provide the Advisory Committee with all reasonable means and cooperation for it to produce such report on a timely and comprehensive basis. Such report shall contain such detail as is necessary for members of the TBE Community to have an understanding of the way in which the Company has promoted its success for the benefit of its Holders as a whole and, through its business and operations, sought to have a material positive impact on society and the environment, taken as a whole.

## 9 Holders' reserve power

9.1 Subject to articles 5, Error! Reference source not found. and this article 9, and articles 8.2 to 8.5 inclusive and 10.1 and 10.2, the Holders may, by notice in writing signed by the Investor Majority, direct the directors to take, or refrain from taking, specified action.

9.2 No such notice invalidates anything which the directors have done before the issue of the notice.

## 10 Directors may delegate

10.1 The directors shall delegate their powers (as set out in the AC Terms of Reference) to the Advisory Committee.

10.2 Subject to these articles, the directors may delegate any of the powers which are conferred on them under these articles (other than any powers previously delegated to the Advisory Committee, unless with the prior written consent of the Investor Majority):

10.2.1 to such person or Committee;

10.2.2 by such means (including by power of attorney);

10.2.3 to such an extent;

10.2.4 in relation to such matters or territories; and

10.2.5 on such terms and conditions;

as they think fit.

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

10.4 Subject always to article Error! Reference source not found., the directors may revoke any delegation in whole or part, or alter its terms and conditions.

## 11 Committees

11.1 Subject to paragraphs 11.2 and 11.3, 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.

11.2 Subject always to article Error! Reference source not found., the directors may make

rules of procedure for all or any Committees, including the Advisory Committee, which prevail over rules derived from these articles if they are not consistent with them.

11.3 Subject to these articles, the directors may delegate powers to Committees that include non-directors.

12 Directors to take decisions collectively

12.1 The general rule about decision-making by directors is that any decision of the directors must be made either by a majority of the directors able to vote on the matter present at a meeting, or a unanimous decision taken in accordance with article 13.

12.2 If:

12.2.1 the Company only has one director; and

12.2.2 no provision of these articles requires it to have more than one director,

the general rule does not apply, and the director may take decisions without regard to any of the provisions of these articles relating to directors' decision-making.

13 Unanimous decisions

13.1 In addition to a decision being made by a majority of the directors able to vote on the matter present at a meeting, a decision may be made unanimously, in accordance with this article 13.

13.2 A decision of the directors is a unanimous decision taken in accordance with this article 13 when all eligible directors indicate to each other by any means that they share a common view on a matter.

13.3 Such a decision may take the form of a resolution in writing, which may consist of several copies each signed by one or more eligible directors or to which the eligible directors have otherwise indicated agreement in writing.

13.4 References in this article 13 to eligible directors are to directors who would have been entitled to vote on the matter had it been proposed as a resolution at a directors' meeting.

13.5 A decision may not be taken in accordance with this article 13 if the eligible directors would not have formed a quorum at such a meeting.

14 Calling a directors' meeting

14.1 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.

14.2 Notice of any directors' meeting must indicate:

14.2.1 its proposed date and time;

14.2.2 where it is to take place; and

14.2.3 if it is anticipated that directors participating in the meeting will not be in the same

place, how it is proposed that they should effectively communicate with each other during the entire meeting.

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

14.4 Notice of a directors' meeting need not be given to directors who waive their entitlement to notice of that meeting. A director may waive the requirement that notice of a meeting of the directors or of a Committee of the directors be given to him at any time before or after the date on which the meeting is held by notifying the Company to that effect. Where a director gives such notice after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it.

## 15 Participation in directors' meetings

15.1 Subject to these articles, directors participate in a directors' meeting, or part of a directors' meeting, when:

15.1.1 the meeting has been called and takes place in accordance with these articles, and

15.1.2 they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.

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

15.3 If all the directors participating in a meeting are not in the same place, the meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no such group, where the chair of the board, or any other chair appointed as the chair of the board meeting is.

## 16 Quorum for directors' meetings

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

16.2 The quorum for the transaction of business of the directors shall be two, including the FNZ Director and any other appointed director. A person who holds office only as an alternate director shall, if his appointor is not present, be counted in the quorum.

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

16.3.1 to appoint such number of further directors as are required to make up the quorum required; or

16.3.2 to call a general meeting so as to enable the Holders to appoint further directors;

16.3.3 to appoint further directors; or

16.3.4 to call a general meeting so as to enable the Holders to appoint further directors.

- 17 Chairing of directors' meetings
- 17.1 The directors may appoint a director to chair their meetings (who may or may not be the chair of the board, or one of them).
- 17.2 The person so appointed for the time being is known as the chair of the board meeting.
- 17.3 The directors may terminate the chair of the board meeting's appointment at any time.
- 17.4 If the chair of the board meeting is not participating in a directors' meeting within ten minutes of the time at which it was to start, the participating directors must appoint one of themselves to chair it (Temporary Chair).
- 18 No casting vote; unanimous vote of any joint Chairs of the board
- 18.1 For the avoidance of doubt, if the numbers of votes for and against a proposal are equal, the chair(s) of the board, the chair of the board meeting, or any Temporary Chair, does not have a casting vote.
- 18.2 If the position of chair of the board, chair of the board meeting or chair of the general meeting is occupied by more than one person at any time, where any rights are expressed in these articles as applying to the holder of such position, such rights shall only be capable of being exercised if all such persons in the relevant position act unanimously.
- 19 Conflicts of interest
- 19.1 If a proposed decision of the directors is concerned with an actual or proposed transaction or arrangement with the Company in which a director is interested, then provided that the director has disclosed his interest in such actual or proposed transaction or arrangement with the Company in accordance with the Companies Acts or the provisions of these articles, he may nevertheless be counted as participating in the decision-making process for quorum and voting purposes in respect of any such matter in which the director is in any way interested, and shall not, save as otherwise agreed, be accountable to the Company for any benefit which he derives under or in consequence of any such transaction or arrangement.
- 19.2 For the purposes of this article 19, references to proposed decisions and decision-making processes include any directors' meeting or part of a directors' meeting.
- 19.3 Subject to paragraph 19.4, if a question arises at a meeting of directors or of a Committee 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 chair of the board meeting (or any Temporary Chair) whose ruling in relation to any director other than the chair of the board meeting (or any Temporary Chair) is to be final and conclusive.
- 19.4 If any question as to the right to participate in the meeting (or part of the meeting) should arise in respect of the chair of the board meeting (or any Temporary Chair), the question is to be decided by a decision of the directors at that meeting, for which purpose the chair of the board meeting (or any Temporary Chair) is not to be counted as participating in the meeting (or that part of the meeting) for voting or quorum purposes.

- 20 Authorisation of directors' conflicts of interest
- 20.1 For the purposes of section 175 of the Companies Act 2006, as amended, consolidated or re-enacted from time to time, the directors shall have the power to authorise any matter which would or might otherwise constitute or give rise to a breach by a director of the duty to avoid conflicts of interest set out in that section of the Companies Act 2006. Any reference in these articles to a conflict of interest includes a conflict of interest and duty and a conflict of duties.
- 20.2 Authorisation of a matter under this article 20 shall be effective only if:
- 20.2.1 the matter in question shall have been proposed in writing for consideration by the directors, or in such other manner as the directors may determine;
- 20.2.2 any requirement as to the quorum at the meeting of the directors at which the matter is considered is met without counting the director in question and any other interested director (together, the interested directors); and
- 20.2.3 the matter was agreed to without the interested directors voting or would have been agreed to if the votes of the interested directors had not been counted.
- 20.3 Unless otherwise determined by the directors (excluding the interested directors), any authorisation of a matter under this article 20 shall extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter so authorised.
- 20.4 Any authorisation of a matter under this article 20 shall be on such terms and/or conditions as the directors (excluding the interested directors) may determine, whether at the time such authorisation is given or subsequently and may be varied or terminated by the directors (excluding the interested directors) at any time. Such terms or conditions may include (without limitation) terms and conditions as to the duration, renewal and/or revocation of the authorisation, and/or the exclusion of the interested directors from all information and discussion of the matter in question. A director shall comply with any obligations imposed on him by the directors (excluding the interested directors) pursuant to any such authorisation.
- 20.5 If a director receives or has received any information otherwise than by virtue of his position as a director of the Company and in respect of which he owes a duty of confidentiality to another person, the director is under no obligation to:
- 20.5.1 disclose any such information to the Company, the directors or any other director or employee of the Company; or
- 20.5.2 use or apply any such information in connection with the performance of his duties as a director;
- provided that to the extent that such duty of confidentiality arises out of a situation or relationship which would or might otherwise constitute or give rise to a breach by the director of the duty to avoid conflicts of interest set out in section 175 of the Companies Act 2006, this paragraph 20.5 shall apply only if such situation or relationship has been authorised by the directors under this article 20.
- 20.6 A director shall not, save as otherwise agreed by him, be accountable to the Company for

any benefit which he (or a person connected with him) derives from any matter authorised by the directors under this article 20 and any contract, transaction or arrangement relating thereto shall not be liable to be avoided on the grounds of any such benefit.

21 Records of decisions to be kept

The directors, and any Company secretary appointed pursuant to these articles 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.

22 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.

23 Appointment of directors

23.1 The board will comprise a minimum of two and up to ten Directors.

23.2 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:

23.2.1 by ordinary resolution, or

23.2.2 by a decision of the directors.

Every such appointment shall be effected by notice in writing to the Company and shall take effect immediately (or on such later date, if any, specified in the notice). Any such notice of appointment may consist of several documents in similar form, each signed by or on behalf of one or more Holders.

24 Retirement by rotation

Subject to these articles, at each annual general meeting one-third of the directors (or, if their number is not a multiple of three, the number of directors nearest to but not greater than one-third, unless their number is fewer than three, in which case one director) shall retire from office by rotation, having been determined (both as to number and identity) by the composition of the board at the start of business on the date of the notice convening the annual general meeting. This article shall not apply to the FNZ Director and nothing in these articles shall require the retirement of the FNZ Director.

25 Directors subject to retirement by rotation

Subject to the provisions of the Companies Acts and of these articles, the directors to retire by rotation pursuant to these articles shall comprise, so far as necessary to obtain the number required, first, any director who wishes to retire at the meeting and not to offer himself for re-election and secondly, those directors who have been longest in office since their last appointment or re-appointment. As between two or more directors who have been in office an equal length of time, the director to retire shall in default of agreement between them be determined by lot. No director shall be required to retire or be relieved from retiring by reason of any change in the number or identity of the directors after that time on the date of the notice but before the close of general meeting. In addition, any director who would

not otherwise be required to retire shall retire by rotation at the third annual general meeting after his last appointment or re-appointment.

26 Position of retiring Director

A director who retires at an annual general meeting (whether by rotation or otherwise) may, if willing to act, be re-appointed. If he is not re-appointed or deemed to have been re-appointed, he shall retain office until that meeting appoints someone in his place or, if it does not do so, until the end of that meeting.

27 Deemed re-appointment

At any annual general meeting at which a director retires, by rotation or otherwise, the Company may fill the vacancy and, if it does not do so, the retiring director shall, if willing, to act be deemed to have been re-appointed unless it is expressly resolved not to fill the vacancy or a resolution for the re-appointment of the directors is put to the meeting and lost.

28 Termination of director's appointment

A person ceases to be a director as soon as:

28.1 that person ceases to be a director by virtue of any provision of the Companies Act 2006 or is prohibited from being a director by law;

28.2 that person, having been appointed to the board to perform a function and to discharge duties that require him or her to be authorised or regulated by any regulator, ceases to be so authorised or regulated;

28.3 other than in respect of the FNZ Director, the directors resolve that person's office be vacated;

28.4 a Bankruptcy order is made against that person;

28.5 a composition is made with that person's creditors generally in satisfaction of that person's debts;

28.6 that person is convicted of a criminal offence (other than an offence under the Road Traffic Acts for which a non-custodial punishment is imposed);

28.7 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;

28.8 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.

29 Directors' remuneration

29.1 Directors may undertake any services for the Company that the directors decide.

29.2 Directors are entitled to such remuneration as the directors determine:

29.2.1 for their services to the Company as directors; and

29.2.2 for any other service which they undertake for the Company.

29.3 Subject to these articles, a director's remuneration may:

29.3.1 take any form, and

29.3.2 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.

29.4 Unless the directors decide otherwise, directors' remuneration accrues from day to day.

29.5 Unless the directors decide otherwise, directors are not accountable to the Company for any remuneration which they receive as directors or other officers or employees of the Company's subsidiaries or of any other body corporate in which the Company is interested.

30 Directors' expenses

The Company may pay any reasonable expenses which the directors properly incur in connection with their attendance at:

30.1 meetings of directors or Committees;

30.2 general meetings; or

30.3 separate meetings of the Holders of any class of shares or of debentures of the Company, or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the Company.

31 Company secretary

The directors may appoint a Company secretary for such term, at such remuneration and upon such conditions as they think fit. Any Company secretary may be removed or replaced by the directors.

32 Nil- or partly-paid shares permitted

If the Company at any time has nil or partly-paid shares in issue, articles 52 to 62 (inclusive) of the model articles of association for public companies contained in Schedule 3 to the Companies (Model Articles) Regulations 2008, as amended prior to the Date of Adoption, shall apply to the Company and form part of these articles as if the text of such provisions was set out in full in these articles.

33 Purchase of own shares

33.1 Subject to the provisions of the Companies Act 2006 but without prejudice to any other provision of these articles, the Company may purchase its own shares:

33.1.1 in accordance with Chapter 4 of Part 18 of the Companies Act 2006, including (without limitation) with cash;



- 33.1.2 out of capital in accordance with Chapter 5 of Part 18 of the Companies Act 2006; and
- 33.1.3 out of capital otherwise than in accordance with Chapter 5 of Part 18 of the Companies Act 2006, up to an aggregate purchase price in a financial year of the lower of:
  - (a) £15,000; or
  - (b) the nominal value of 5 per cent of the Company's fully paid share capital as at the beginning of the financial year.

#### 34 Powers to issue different classes of share

- 34.1 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.
- 34.2 The Company may issue shares which are to be redeemed, or are liable to be redeemed at the option of the Company or the Holder, and the directors may determine the terms, conditions and manner of redemption of any such shares.

#### 35 Payment of commissions on subscription for shares

- 35.1 The Company may pay any person a commission in consideration for that person:
  - 35.1.1 subscribing, or agreeing to subscribe, for shares; or
  - 35.1.2 procuring, or agreeing to procure, subscription for shares.
- 35.2 Any such commission may be paid:
  - 35.2.1 in cash, or in fully paid or partly paid shares or other securities, or partly in one
  - 35.2.2 way and partly in the other; and
  - 35.2.3 in respect of a conditional or an absolute subscription.

#### 36 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.

#### 37 Share certificates

- 37.1 The Company must issue each Holder, free of charge, with one or more certificates in respect of the shares which that Holder holds.
- 37.2 Every certificate must specify:

- 37.2.1 in respect of how many shares, of what class, it is issued;
- 37.2.2 the nominal value of those shares;
- 37.2.3 the amount paid up on the shares to which it relates; and
- 37.2.4 any distinguishing numbers assigned to them.
- 37.3 No certificate may be issued in respect of shares of more than one class.
- 37.4 If more than one person holds a share, only one certificate may be issued in respect of it.
- 37.5 Certificates must:
  - 37.5.1 have affixed to them the Company's common seal; or
  - 37.5.2 be otherwise executed in accordance with the Companies Acts.
- 38 Replacement share certificates
- 38.1 If a certificate issued in respect of a Holder's shares is:
  - 38.1.1 damaged or defaced; or
  - 38.1.2 said to be lost, stolen or destroyed,that Holder is entitled to be issued with a replacement certificate in respect of the same shares.
- 38.2 A Holder exercising the right to be issued with such a replacement certificate:
  - 38.2.1 may at the same time exercise the right to be issued with a single certificate or separate certificates;
  - 38.2.2 must return the certificate which is to be replaced to the Company if it is damaged or defaced; and
  - 38.2.3 must comply with such conditions as to evidence, indemnity and the payment of a reasonable fee as the directors decide.
- 39 Share transfers: general
- 39.1 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 is accompanied by an executed deed of adherence by the transferee to any shareholders' agreement from time to time in force in relation to the Company.
- 39.2 In these articles, reference to the transfer of a share includes the transfer or assignment of a beneficial or other interest in that share or the creation of a trust or Encumbrance over that share and reference to a share includes a beneficial or other interest in a share.
- 39.3 The instrument of transfer of any share taken on formation of the Company by a subscriber to the Company's memorandum of association need not be executed by or on behalf of the transferee even where the share is not fully paid.

- 39.4 No fee may be charged for registering any instrument of transfer or other document relating to or affecting the title to any share.
- 39.5 The Company may retain any instrument of transfer which is registered.
- 39.6 The transferor remains the Holder of a share until the transferee's name is entered in the register of members as Holder of it.
- 39.7 The directors may refuse to register the transfer of a share in accordance with article 41, or if:
- 39.7.1 it is a transfer of a Share to a bankrupt, a minor or a person of unsound mind;
  - 39.7.2 the transfer is to an Employee, Director or prospective Employee or prospective director of the Company, who in the opinion of the Board is subject to taxation in the United Kingdom, and such person has not entered into a joint section 431 ITEPA election with the Company;
  - 39.7.3 it is a transfer of a share which is not fully paid:
  - 39.7.4 it is a transfer of an Ordinary Share to a person of whom the Directors do not approve; or
  - 39.7.5 on which share the Company has a lien;
  - 39.7.6 the transfer is not lodged at the registered office or at such other place as the Directors may appoint;
  - 39.7.7 the transfer is not accompanied by the certificate for the shares to which it relates (or an indemnity for lost certificate in a form acceptable to the Board) and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer;
  - 39.7.8 the transfer is to a proposed transferee listed on a Sanctions List from time to time; or if
  - 39.7.9 these articles otherwise provide that such transfer shall not be registered.
- 39.8 If the Directors refuse to register a transfer, the instrument of transfer must be returned to the transferee with the notice of refusal unless they suspect that the proposed transfer may be fraudulent.
- 39.9 No share may be transferred unless the transfer is made in accordance with these articles and/or the Shareholders' Agreement.
- 39.10 If a Shareholder transfers or purports to transfer a Share otherwise than in accordance with these articles and/or the Shareholders' Agreement, he will, on receipt of written notice from the Board confirming the same, be deemed immediately to have served a Transfer Notice in respect of all Shares held by him or her.
- 39.11 To enable the Directors to determine whether or not there has been any disposal of shares in the capital of the Company (or any interest in shares in the capital of the Company) in breach of these articles the Directors may require any holder or the legal personal

representatives of any deceased holder or any person named as transferee in any transfer lodged for registration or any other person who the Directors may reasonably believe to have information relevant to that purpose, to furnish to the Company that information and evidence the Directors may request regarding any matter which they deem relevant to that purpose, including (but not limited to) the names, addresses and interests of all persons respectively having interests in the shares in the capital of the Company from time to time registered in the holder's name. If the information or evidence is not provided to enable the Directors to determine to their reasonable satisfaction that no breach has occurred, or where as a result of the information and evidence the Directors are reasonably satisfied that a breach has occurred, the Directors shall immediately notify the holder of such shares in the capital of the Company in writing of that fact and the following shall occur:

- 39.11.1 the relevant shares shall cease to confer upon the holder of them (including any proxy appointed by the holder) any rights to vote (whether on a show of hands or on a poll and whether exercisable at a general meeting or on a written resolution of the Company or at any separate meeting or written resolution of the class in question); or
- 39.11.2 the withholding of payment of all dividends or other distributions otherwise attaching to the relevant shares or to any further shares issued in respect of those shares; and
- 39.11.3 the holder may be required at any time following receipt of the notice to transfer some or all of its Shares to any person(s) at the price that the Directors may require by notice in writing to that holder.

40 The rights referred to in 39.11.1 and 39.11.2 above may be reinstated by the Board and shall in any event be reinstated upon the completion of any transfer referred to in 39.11.3 above.

40.1 In any case where the Board requires a Transfer Notice to be given in respect of any Shares, if a Transfer Notice is not duly given within a period of 10 Business Days of demand being made, a Transfer Notice shall be deemed to have been given at the expiration of that period.

40.2 If a Transfer Notice is required to be given by the Board or is deemed to have been given under these articles, the Transfer Notice, unless otherwise specified in the articles, will be treated as having specified that:

40.2.1 the Transfer Price for the Sale Shares will be as agreed between the Board (with, in respect of any Transfer Price in the case of a Leaver, the consent of the FNZ Director) (any director who is a Seller or with whom the Seller is connected (within the meaning of section 252 of the Act) not voting) and the Seller, or, failing agreement within five Business Days after the date on which the Board becomes aware that a Transfer Notice has been deemed to have been given, will be the Fair Value of the Sale Shares;

40.2.2 it does not include a Minimum Transfer Condition (as defined in article 15.2(d)); and

40.2.3 the Seller wishes to transfer all of the shares held by it.

40.3 Notwithstanding any other provision of these articles, the transfer of:

- 40.3.1 any shares, at any time, to any entity or individual listed on a Sanctions List; and
- 40.3.2 subject to article 40.4, any shares by a Material Person prior to the third anniversary of the Date of Adoption (except in the case of transfers pursuant to article 50 (Compulsory Transfers) or 46 (Departing Employees),

may not be made without the consent of the Board with Investor Majority Consent.

- 40.4 Article 40.3.2 shall not apply to The Big Issue Group Limited for so long as it holds Shares constituting less than 20% of the issued share capital of the Company from time to time.

#### 41 Permitted Transfers

- 41.1 For the purposes of this article 41, an “Original Shareholder” shall mean any Shareholder who is not a Permitted Transferee. Subject to article 40.3, an Original Shareholder may transfer all or any of his or her Shares to a Permitted Transferee without restriction as to price or otherwise save that no Restricted Shares shall be transferred to a Permitted Transferee without both Board approval and Investor Majority Consent.

- 41.2 Shares previously transferred as permitted by article 41.1 may be transferred by the transferee to any other Permitted Transferee of the Original Shareholder without restriction as to price or otherwise.

- 41.3 Where under the provision of a deceased Shareholder’s will or laws as to intestacy, the persons legally or beneficially entitled to any Shares, whether immediately or contingently, are Permitted Transferees of the deceased Shareholder, the legal representative of the deceased Shareholder may transfer any Share to those Permitted Transferees, in each case without restriction as to price or otherwise.

- 41.4 If a Permitted Transferee who was a Member of the same Group as the Original Shareholder ceases to be a Member of the same Group as the Original Shareholder, the Permitted Transferee must not later than five Business Days after the date on which the Permitted Transferee so ceases, transfer the Shares held by it to the Original Shareholder or a Member of the same Group as the Original Shareholder (which in either case is not in liquidation) without restriction as to price or otherwise failing which it will be deemed to have given a Transfer Notice in respect of those Shares.

- 41.5 If a Permitted Transferee who was a Member of the same Fund Group as the Original Shareholder ceases to be a Member of the same Fund Group, the Permitted Transferee must not later than five Business Days after the date on which the Permitted Transferee so ceases, transfer the Shares held by it to the Original Shareholder or a Member of the same Fund Group as the Original Shareholder (which in either case is not in liquidation) without restriction as to price or otherwise failing which it will be deemed to give a Transfer Notice in respect of such Shares.

- 41.6 Trustees may:

- 41.6.1 transfer Shares to a Qualifying Company; or

- 41.6.2 transfer Shares to the Original Shareholder or to another Permitted Transferee of the Original Shareholder; or

- 41.6.3 transfer Shares to the new or remaining trustees upon a change of Trustees without restrictions as to price or otherwise.
- 41.7 No transfer of Shares may be made to Trustees unless the Board is satisfied:
- 41.7.1 with the terms of the trust instrument and in particular with the powers of the trustees;
- 41.7.2 with the identity of the proposed trustees;
- 41.7.3 the proposed transfer will not result in 50 per cent or more of the aggregate of the Company's equity share capital being held by trustees of that and any other trusts; and
- 41.7.4 that no costs incurred in connection with the setting up or administration of the Family Trust in question are to be paid by the Company.
- 41.8 If a Permitted Transferee who is a Qualifying Company of the Original Shareholder ceases to be a Qualifying Company of the Original Shareholder, it must within five Business Days of so ceasing, transfer the Shares held by it to the Original Shareholder (or, to any Permitted Transferee of the Original Shareholder) (any may do so without restriction as to price or otherwise) failing which it will be deemed (unless it obtains the approval of the Board with Investor Majority Consent) to have given a Transfer Notice in respect of such Shares.
- 41.9 On the death (subject to article 41.3), bankruptcy, liquidation, administration or administrative receivership of a Permitted Transferee (other than a joint holder) his or her personal representatives or trustee in bankruptcy, or its liquidator, administrator or administrative receiver must within five Business Days after the date of the grant of probate, the making of the bankruptcy order or the appointment of the liquidator, administrator or the administrative receiver execute and deliver to the Company a transfer of the Shares held by the Permitted Transferee without restriction as to price or otherwise. The transfer shall be to the Original Shareholder if still living (and not bankrupt or in liquidation) or, if so directed by the Original Shareholder, to any Permitted Transferee of the Original Shareholder. If the transfer is not executed and delivered within five Business Days of such period or if the Original Shareholder has died or is bankrupt or is in liquidation, administration or administrative receivership, the personal representative or trustee in bankruptcy or liquidator, administrator or administrative receiver will be deemed to have given a Transfer Notice.
- 41.10 A transfer of any shares approved by the Board (with the consent of the Investor Majority) may be made without restriction as to price or otherwise and with any such conditions as may be imposed and each such transfer shall be registered by the Directors.
- 41.11 Any Shares may at any time be transferred where there is a sale of the entire issued share capital of the Company to a Holding Company, which has been approved by the Board (with Investor Majority Consent).
- 42 Transfers of shares subject to pre-emption rights
- 42.1 Save where the provisions of article 41 (Permitted Transfers) apply, any transfer of shares by a Shareholder shall be subject to the pre-emption rights contained in this article 42.

- 42.2 A Shareholder who wishes to transfer Shares (a “Seller”) shall, except as otherwise provided in these articles, before transferring or agreeing to transfer any shares give notice in writing (a “Transfer Notice”) to the Company specifying:
- 42.2.1 the number of shares which he or she wishes to transfer (the “Sale Shares”);
  - 42.2.2 if he or she wishes to sell the Sale Shares to a third party, the name of the proposed transferee;
  - 42.2.3 the price at which he or she wishes to transfer the Sale Shares; and
  - 42.2.4 whether the Transfer Notice is conditional on all or a specific number of the Sale Shares being sold to Shareholders (a “Minimum Transfer Condition”).
- 42.3 If no cash price is specified by the Seller, the price at which the Sale Shares are to be transferred (the “Transfer Price”) 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, the price will be deemed to be the Fair Value of the Sale Shares if no price is agreed within 5 Business Days of the Company receiving the Transfer Notice.
- 42.4 Except with the approval of the Board or as otherwise specified in these articles, no Transfer Notice once given or deemed to have been given under these articles may be withdrawn.
- 42.5 A Transfer Notice constitutes the Company the agent of the Seller for the sale of the Sale Shares at the Transfer Price.
- 42.6 As soon as practicable following the later of:
- 42.6.1 receipt of a Transfer Notice; and
  - 42.6.2 in the case where the Transfer Price has not been agreed, the determination of the Transfer Price under article 43 (Valuation of Shares),
- the Board shall offer the Sale Shares for sale to the relevant Shareholders in the manner and priority order set out in article 42.7 and 42.8. Each offer must be in writing and give details of the number and Transfer Price of the Sale Shares offered.
- 42.7 The Sale Shares shall be offered to the Shareholders as follows:
- 42.7.1 where the proposed transfer of all Sale Shares would, if put into effect, result in:
    - (a) any purchaser of those Sale Shares (and Associates of his or her or persons Acting in Concert with him or her) acquiring a Controlling Interest in the Company; or
    - (b) any existing Holder who has a Controlling Interest in the Company ceasing to have that Controlling Interest,to the holders of the A Ordinary Shares only; and

- 42.7.2 in respect of any other proposed transfer of Sale Shares, to all Shareholders on a pari passu and pro rata basis to the number of shares held by those Holders (as nearly as may be without involving fractions).

42.8 Transfers: Offer

- 42.8.1 The Board shall then offer the Sale Shares to the applicable Shareholders (other than the Seller) pursuant to the Priority Rights (the "Continuing Shareholders") inviting them to apply in writing within the period from the date of the offer to the date 30 Business Days after the offer (inclusive) (the "Transfer Offer Period") for the maximum number of Sale Shares they wish to buy.
- 42.8.2 If the Sale Shares are subject to a Minimum Transfer Condition then any allocation made under article 42.8 will be conditional on the fulfilment of the Minimum Transfer Condition.
- 42.8.3 If, at the end of the Transfer Offer Period, the number of Sale Shares applied for is equal to or exceeds the number of Sale Shares, the Board shall allocate the Sale Shares to each Continuing Shareholder (subject at all times to the Priority Rights) who has applied for Sale Shares in the proportion (fractional entitlements being rounded to the nearest whole number) which his or her existing holding of the relevant class(es) of Shares bears to the total number of the relevant class(es) of Shares held by those Continuing Shareholders who have applied for Sale Shares, which procedure shall be repeated until all Sale Shares have been allocated but no allocation shall be made to a Shareholder of more than the maximum number of Sale Shares which he or she has stated he or she is willing to buy.
- 42.8.4 If, at the end of the Transfer Offer Period, the number of Sale Shares applied for is less than the number of Sale Shares, the Board shall allocate the Sale Shares to the Continuing Shareholders in accordance with their applications (subject at all times to the Priority Rights) and the balance will be dealt with in accordance with article 15.8(e).

42.9 Completion of transfer of Sale Shares

- 42.9.1 If the Transfer Notice includes a Minimum Transfer Condition and the total number of shares applied for does not meet the Minimum Transfer Condition the Board shall notify the Seller and all those to whom Sale Shares have been conditionally allocated under article 42.8 stating the condition has not been met and that the relevant Transfer Notice has lapsed with immediate effect.
- 42.9.2 If:
- (a) the Transfer Notice does not include a Minimum Transfer Condition; or
  - (b) the Transfer Notice does include a Minimum Transfer Condition and allocations have been made in respect of all or the minimum required number of the Sale Shares,

the Board shall, when no further offers are required to be made under article 42.8, give written notice of allocation (an "Allocation Notice") to the Seller and each



Shareholder to whom Sale Shares have been allocated (an "Applicant") specifying the number of Sale Shares allocated to each Applicant and the place and time (being not less than 10 Business Days nor more than 20 Business Days after the date of the Allocation Notice) for completion of the transfer of the Sale Shares.

42.9.3 Upon service of an Allocation Notice, the Seller must, against payment of the Transfer Price, transfer the Sale Shares in accordance with the requirements specified in it.

42.9.4 If the Seller fails to comply with the provisions of article 42.9.3:

(a) the chair of the Company or, failing him or her, one of the directors, or some other person nominated by a resolution of the Board, may on behalf of the Seller:

i complete, execute and deliver in his or her name all documents necessary to give effect to the transfer of the relevant Sale Shares to the Applicants;

ii receive the Transfer Price and give a good discharge for it; and

iii (subject to the transfer being duly stamped) enter the Applicants in the register of Shareholders as the holders of the Shares purchased by them; and

(b) the Company shall pay the Transfer Price into a separate bank account in the Company's name on trust (but without interest) or otherwise hold the Transfer Price on trust for the Seller until he has delivered to the Company his or her certificate or certificates for the relevant Shares (or an indemnity for lost certificate in a form acceptable to the Board).

42.9.5 If an Allocation Notice does not relate to all the Sale Shares then the Seller may, within eight weeks after service of the Allocation Notice and only with the approval of the Board (with Investor Majority Consent), transfer the unallocated Sale Shares to any person at a price at least equal to the Transfer Price.

42.9.6 Any Sale Shares offered under this article 42 to an A Ordinary Shareholder may be accepted in full or part only by a Member of the same Fund Group as that A Ordinary Shareholder or a Member of the same Group as the A Ordinary Shareholder in accordance with the terms of this article 42.

#### 43 Valuation of shares

43.1 If no Transfer Price can be agreed between the Seller and the Board in accordance with provisions of articles 40.2 or 42.2 or otherwise then, on the date of failing agreement, the Board shall either:

43.1.1 appoint an Expert Valuer in accordance with article 43.2 to certify the Fair Value of the Sale Shares; or

- 43.1.2 (if the Fair Value has been certified by an Expert Valuer within the preceding 12 weeks) specify that the Fair Value of the Sale Shares will be calculated by dividing any Fair Value so certified by the number of Sale Shares to which it related and multiplying such Fair Value by the number of Sale Shares the subject of the Transfer Notice.
- 43.2 The Expert Valuer will be either:
- 43.2.1 the Auditors; or
- 43.2.2 (if otherwise agreed by the Board and the Seller) an independent firm of chartered accountants to be agreed between the Board and the Seller or failing agreement not later than the date 10 Business Days after the date of service of the Transfer Notice to be nominated by the then President of the Institute of Chartered Accountants in England and Wales on the application of either party and approved by the Company.
- 43.2.3 The Fair Value of the Sale Shares shall be determined by the Expert Valuer on the following assumptions and bases:
- (a) valuing the Sale Shares as on an arm's-length sale between a willing seller and a willing buyer;
  - (b) if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so;
  - (c) that the Sale Shares are capable of being transferred without restriction;
  - (d) valuing the Sale Shares as a rateable proportion of the total value of all the issued Shares (excluding any shares held as Treasury Shares) without any premium or discount being attributable to the percentage of the issued share capital of the Company which they represent but taking account of the rights attaching to the Sale Shares; and
  - (e) reflect any other factors which the Expert Valuer reasonably believes should be taken into account.
- 43.3 If any difficulty arises in applying any of these assumptions or bases then the Expert Valuer shall resolve that difficulty in whatever manner they shall in their absolute discretion think fit.
- 43.4 The Expert Valuer shall be requested to determine the Fair Value within 20 Business Days of their appointment and to notify the Board of their determination.
- 43.5 The Expert Valuer shall act as experts and not as arbitrators and their determination shall be final and binding on the parties (in the absence of fraud or manifest error).
- 43.6 The Board will give the Expert Valuer access to all accounting records or other relevant documents of the Company subject to them agreeing to such confidentiality provisions as the Board may reasonably impose.
- 43.7 The Expert Valuer shall deliver their certificate to the Company. As soon as the Company receives the certificate it shall deliver a copy of it to the Seller. Unless the Sale Shares are

to be sold under a Transfer Notice, which is deemed to have been served, the Seller may by notice in writing to the Company within five Business Days of the service on him or her of the copy certificate, cancel the Company's authority to sell the Sale Shares.

43.8 The cost of obtaining the certificate shall be paid by the Company unless:

43.8.1 the Seller cancels the Company's authority to sell; or

43.8.2 the sale price certified by the Expert Valuer is less than the price (if any) offered by the directors to the Seller for the Sale Share before the Expert Valuer was instructed,

in which case the Seller shall bear the cost.

44 Allotment of new shares or other securities: pre-emption

44.1 Subject to the remaining provisions of this article, the Directors are generally and unconditionally authorised for the purpose of section 551 of the Act to exercise any power of the Company to:

44.1.1 allot shares; or

44.1.2 grant rights to subscribe for or convert any securities into shares,

to any persons, at any times and subject to any terms and conditions as the Directors think proper.

44.2 Sections 561(1) and 562(1) to (5) (inclusive) of the Act do not apply to an allotment of Equity Securities made by the Company.

44.3 Unless otherwise agreed by the Board and an Investor Majority, if the Company proposes to allot any New Securities, those New Securities shall not be allotted to any person unless the Company has in the first instance offered them to all holders of Equity Shares (the "Subscribers") on the same terms and at the same price as those New Securities are being offered to other persons.

44.4 The New Securities shall be offered to the Shareholders as follows:

44.4.1 where the proposed allotment of the New Securities would, if put into effect, result in:

(a) any subscriber of those New Securities (and Associates of his or her or persons Acting in Concert with him or her) acquiring a Controlling Interest in the Company; or

(b) any existing Holder who has a Controlling Interest in the Company ceasing to have that Controlling Interest,

to the holders of the A Ordinary Shares only; and

44.4.2 in respect of any other proposed allotment of New Securities, to all Shareholders on a pari passu and pro rata basis to the number of shares held by those holders (as nearly as may be without involving fractions).

- 44.5 The Board shall offer the New Securities to the Subscribers, pursuant to the Priority Rights, by way of an offer which:
- 44.5.1 shall be in writing, be open for acceptance from the date of the offer to the date 20 Business Days after the date of the offer (inclusive) (the “Subscription Period”) and give details of the number and subscription price of the New Securities; and
  - 44.5.2 may stipulate that any Subscriber who wishes to subscribe for a number of New Securities in excess of the proportion to which each is entitled shall in their acceptance state the number of excess New Securities for which they wish to subscribe.
- 44.6 If, at the end of the Subscription Period, the number of New Securities applied for is equal to or exceeds the number of New Securities, the New Securities shall be allotted to the Subscribers who have applied for New Securities on a pro rata basis to the number of Shares held by such Subscribers which procedure shall be repeated until all New Securities have been allotted (as nearly as may be without involving fractions or increasing the number allotted to any Subscriber beyond that applied for by him or her).
- 44.7 If, at the end of the Subscription Period, the number of New Securities applied for is less than the number of New Securities, the New Securities shall be allotted to the Subscribers in accordance with their applications and any remaining New Securities shall be offered in accordance with article 44.8.
- 44.8 Subject to the requirements of articles 44.3 to 44.7 (inclusive) and to the provisions of section 551 of the Act, and subject to the provisions of any Shareholders’ Agreement, any New Securities shall be at the disposal of the Board who may allot, grant options over or otherwise dispose of them to any persons at those times and generally on the terms and conditions they think proper.
- 44.9 The provisions of articles 44.3 to 44.8 (inclusive) shall not apply to:
- 44.9.1 options to subscribe for Shares pursuant to the exercise of options granted under any Share Option Plan;
  - 44.9.2 New Securities issued or granted in order for the Company to comply with its obligations under these articles;
  - 44.9.3 New Securities which the Board (acting with Investor Majority Consent) has agreed in writing should be issued without complying with the procedure set out in this article 43; or
  - 44.9.4 Shares issued or granted pursuant to, and in accordance with, the terms of the Shareholders’ Agreement<sup>1</sup>.
- 44.10 Any New Securities offered under this article 43 to a Holder of A Ordinary Shares may be accepted in full or part only by a Member of the same Fund Group as that Holder or a Member of the same Group as the Holder in accordance with the terms of this article 43.

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<sup>1</sup> CMS note to draft: Pre-emption rights to be waived at closing in ancillary documents over all New Shares and ASA Shares / rights over ASA Shares

- 44.11 No Shares shall be allotted (nor any Treasury Shares be transferred) to any Employee, Director, prospective Employee or prospective director of the Company, who in the opinion of the Board is subject to taxation in the United Kingdom, unless such person has entered into a joint section 431 ITEPA election with the Company if so required by the Company.
- 45 Right of the board to reject or expel unsuitable Holders
- 45.1 The board may, at any time, at its absolute discretion and on the basis that such person is for any reason considered to be a person, or proposes to hold Ordinary Shares on behalf of a person, whose profile is likely to not be compatible with the Mission, and/or whose objectives, experience, history, goals and ethos are not considered to be fully aligned with those of the Company and the Mission, decline to issue any new Ordinary Shares, or register any purported transfer of Ordinary Shares, to any Proposed New Holder.
- 45.2 In making a determination at its absolute discretion pursuant to paragraph 45.1, the board shall be entitled in particular, to refer the Proposed New Holder to the Advisory Committee for an assessment and a recommendation on the matter, and to take into account any such recommendation, and to also take into account such factors as the other interests of the Proposed New Holder or existing Holder, and, where relevant, the ownership or control of the Proposed New Holder or existing Holder, and any changes to these.
- 46 Departing Employees
- 46.1 Unless the Board and the Investor Majority determine that this article 46.1 shall not apply, where an Employee becomes a Leaver, the Leaver's Percentage of the Employee Shares relating to such Employee shall automatically convert into Deferred Shares (on the basis of one Deferred Share for each share held) on the Effective Termination Date (rounded down to the nearest whole share) save that if such Employee ceases to be an Employee within 12 months from the Commencement Date all of such Employee Shares shall so convert.
- 46.2 Upon conversion into Deferred Shares pursuant to article 46.1, the Company shall be entitled to enter the Holder of the Deferred Shares on the register of members of the Company as the holder of the appropriate number of Deferred Shares as from the Deferred Conversion Date. Upon the Deferred Conversion Date, the Leaver (and his or her Permitted Transferee(s) who have received shares from the Leaver pursuant to a Permitted Transfer) shall deliver to the Company at its registered office the shares certificate(s) (to the extent not already in the possession of the Company) (or an indemnity for lost certificate in a form acceptable to the Board) for the Unvested Shares so converting and upon such delivery there shall be issued to him or her (or his or her Permitted Transferee(s)) share certificate(s) for the number of any remaining Shares (other than Deferred Shares) which they continue to hold.
- 46.3 Unless the Board and the Investor Majority determine that this article 46.3 shall not apply, where an Employee becomes a Leaver, the relevant Employee shall be deemed to have given a Transfer Notice in respect of all Vested Shares on the Effective Termination Date, and the provisions of article 39 (Share transfers: general) and article 42 (Transfers of shares subject to pre-emption) will apply to that transfer, save that in such circumstances the Transfer Price shall be as follows:
- 46.3.1 where the relevant Employee ceases to be an Employee by reason of being a Bad Leaver, the lower of Fair Value and the nominal value of the Employee Shares; and

- 46.3.2 where the relevant Employee ceases to be an Employee by reason of being a Good Leaver, the Fair Value.

#### Suspension of voting rights

- 46.4 All voting rights attached to Employee Shares held by the Employee or by any Permitted Transferee of that Employee (where such person became a Permitted Transferee after the Date of Adoption) (the “Restricted Member”), if any, shall at the time he ceases to be an Employee be suspended unless the Board notify him or her otherwise.
- 46.5 Any Employee Shares whose voting rights are suspended pursuant to article 46.4 (“Restricted Shares”) shall confer on the Holders of Restricted Shares the right to receive a notice of and attend all general meetings of the Company but shall have no right to vote either in person or by proxy or to vote on any proposed written resolution. Voting rights suspended pursuant to article 46.4 shall be automatically restored immediately prior to a Listing. If a Restricted Member transfers any Restricted Shares in accordance with these articles all voting rights attached to the Restricted Shares so transferred shall upon completion of the transfer (as evidenced by the transferee’s name being entered in the Company’s register of members) automatically be restored.
- 47 Tag Along
- 47.1 Except in the case of Permitted Transfers and transfers pursuant to articles 46 (Departing Employees) and article 50 (Compulsory Transfers), and after going through the pre-emption procedure in article 42, the provisions of article 47.2 will apply if one or more Proposed Sellers propose to transfer in one or a series of related **transactions any Shares (the “Proposed Transfer”) which would, if put into effect,** result in any Proposed Purchaser (and Associates of his or her or persons Acting in Concert with him or her) acquiring a Controlling Interest in the Company.
- 47.2 A Proposed Seller must, before making a Proposed Transfer procure the making by **the Proposed Purchaser of an offer (the “Offer”) to all other Shareholders to acquire** all of the Shares held by them for a consideration per share the value of which is at least equal to the Specified Price (as defined in article 47.7).
- 47.3 **The Offer must be given by written notice (a “Proposed Sale Notice”) at least 15 Business Days (the “Offer Period”) prior to the proposed sale date (“Proposed Sale Date”). The Proposed Sale Notice must set out, to the extent not described in any** accompanying documents, the identity of the Proposed Purchaser, the purchase price and other terms and conditions of payment, the Proposed Sale Date and the number of Shares proposed to be purchased by the Proposed Purchaser (the “Proposed Sale Shares”).
- 47.4 If any Shareholder is not given the rights accorded to him or her by this article, the Proposed Sellers will not be entitled to complete their sale and the Company will not register any transfer intended to carry that sale into effect.
- 47.5 **If the Offer is accepted by any Shareholder (an “Accepting Shareholder”) within** the Offer Period, the completion of the Proposed Transfer will be conditional upon the completion of the purchase of all the Shares held by Accepting Shareholders.

47.6 The Proposed Transfer is subject to the pre-emption provisions of article 42 but the **purchase of the Accepting Shareholders' shares shall not be subject to** article 42.

47.7 For the purpose of this article:

47.7.1 **the expression “Specified Price” shall mean in respect of each Share a sum** in cash equal to the highest price per Share offered or paid by the Proposed Purchaser:

(a) in the Proposed Transfer; or

(b) in any related or previous transaction by the Proposed Purchaser or any person Acting in Concert with the Proposed Purchaser in the 12 months preceding the date of the Proposed Transfer,

plus an amount equal to the Relevant Sum, as defined in article 47.7.2, of any other consideration (in cash or otherwise) paid or payable by the Proposed Purchaser or any other person Acting in Concert with the Proposed Purchaser, which having regard to the substance of the transaction as a whole, can reasonably be regarded as an addition to the **price paid or payable for the Shares (the “Supplemental Consideration”)** provided that the total consideration paid by the Proposed Purchaser in respect of the Proposed Transfer is distributed to the Proposed Seller and the Accepting Shareholders in accordance with the provisions of article 6.

47.7.2 Relevant Sum =  $C \div A$

where: A = number of Shares being sold in connection with the relevant Proposed Transfer;

C = the Supplemental Consideration.

48 Drag-Along

48.1 Unless otherwise agreed by an Investor Majority, the provisions of articles 48.2 to 48.13 (inclusive) shall not apply to the A Ordinary Shareholders (and the A Ordinary Shareholders shall not be Called Shareholders) unless the Net Drag Consideration to be received by the A Ordinary Shareholders on the Drag Completion Date is greater than the Minimum Amount (as defined in the Shareholders' Agreement).

48.2 After going through the pre-emption procedure in article 42, if the holders of Shares constituting more than 50 per cent of the voting rights attaching to all Shares (excluding any Treasury Shares) (together, the “Selling Shareholders”) wish to transfer shares (the **“Sellers' Shares”**) to a Proposed Purchaser, which would, if put into effect, result in any Proposed Purchaser (and Associates of his or her or persons Acting in Concert with him or her) acquiring a Controlling Interest in the Company, the Selling Shareholders shall have the option (the “Drag Along Option”) to compel each other holder of Shares (each a “Called Shareholder” and together the “Called Shareholders”) to sell and transfer all their shares to the Proposed Purchaser or as the Proposed Purchaser shall direct (the “Drag Purchaser”) in accordance with the provisions of this article.

- 48.3 The Selling Shareholders may exercise the Drag Along Option by giving a written notice to that effect (a “Drag Along Notice”) to the Company, which the Company shall forthwith copy to the Called Shareholders, at any time before the transfer of the Sellers’ Shares to the Drag Purchaser. A Drag Along Notice shall specify that:
- 48.3.1 the Called Shareholders are required to transfer all their Shares (the “Called Shares”) under this article;
  - 48.3.2 the person to whom they are to be transferred;
  - 48.3.3 the consideration (whether in cash or otherwise) for which the Called Shares are to be transferred (calculated in accordance with this article);
  - 48.3.4 the proposed date of transfer, and
  - 48.3.5 the form of any sale agreement or form of acceptance or any other document of similar effect that the Called Shareholders are required to sign in connection with such sale (the “Sale Agreement”),
- (and, in the case of paragraphs 48.3.2 to 48.3.4 above, whether actually specified or to be determined in accordance with a mechanism described in the Drag Along Notice). No Drag Along Notice or Sale Agreement may require a Called Shareholder to agree to any terms except those specifically provided for in this article.
- 48.4 Drag Along Notices shall be irrevocable but will lapse if for any reason there is not a sale of the Sellers’ Shares by the Selling Shareholders to the Drag Purchaser within 60 Business Days after the date of service of the Drag Along Notice. The Selling Shareholders shall be entitled to serve further Drag Along Notices following the lapse of any particular Drag Along Notice.
- 48.5 The consideration (in cash or otherwise) for which the Called Shareholders shall be obliged to sell each of the Called Shares shall be that to which they would be entitled if the total consideration proposed to be paid, allotted or transferred by the Drag Purchaser were distributed to the holders of the Called Shares and the Sellers’ Shares in accordance with the provisions of article 6 (the “Drag Consideration”).
- 48.6 In respect of a transaction that is the subject of a Drag-Along Notice and with respect to any Drag Document, a Called Shareholder shall only be obliged to undertake to transfer his or her Shares with full title guarantee (and provide an indemnity for lost certificate in a form acceptable to the Board if so necessary) in receipt of the Drag Consideration when due and shall not be obliged to give warranties or indemnities except a warranty as to capacity to enter into a Drag Document and the full title guarantee of the Shares held by such Called Shareholder.
- 48.7 Within three Business Days of the Company copying the Drag Along Notice to the Called Shareholders (or such later date as may be specified in the Drag Along Notice) (the “Drag Completion Date”), each Called Shareholder shall deliver:
- 48.7.1 duly executed stock transfer form(s) for its Shares in favour of the Drag Purchaser;



- 48.7.2 the relevant share certificate(s) (or a duly executed indemnity for lost certificate in a form acceptable to the Board) to the Company; and
- 48.7.3 duly executed Sale Agreement, if applicable, in the form specified in the Drag Along Notice or as otherwise specified by the Company,

(together the “Drag Documents”).

- 48.8 On the Drag Completion Date, the Company shall pay or transfer to each Called Shareholder, on behalf of the Drag Purchaser, the Drag Consideration that is due to the extent the Drag Purchaser has paid, allotted or transferred such consideration to the Company. The Company’s receipt of the Drag Consideration shall be a good discharge to the Drag Purchaser. Following the Company’s receipt of the Drag Consideration, but pending its payment or transfer to the Called Shareholder, the Company shall hold the Drag Consideration in trust for each of the Called Shareholders without any obligation to pay interest.
- 48.9 To the extent that the Drag Purchaser has not, on the Drag Completion Date, paid, allotted or transferred the Drag Consideration that is due to the Company, the Called Shareholders shall be entitled to the immediate return of the Drag Documents for the relevant Shares and the Called Shareholders shall have no further rights or obligations under this article 48.9 in respect of their shares.
- 48.10 If a Called Shareholder fails to deliver the Drag Documents for its shares to the Company by the Drag Completion Date, the Company and each Director shall be constituted the agent of such defaulting Called Shareholder to take such actions and enter into any Drag Document or such other agreements or documents as are necessary to effect the transfer of the Called Shareholder’s Shares pursuant to this article 48.10 and the Directors shall, if requested by the Drag Purchaser, authorise any Director to transfer the Called Shareholder’s Shares on the Called Shareholder’s behalf to the Drag Purchaser to the extent the Drag Purchaser has, by the Drag Completion Date, paid, allotted or transferred the Drag Consideration to the Company for the Called Shareholder’s Shares offered to him or her. The Board shall then authorise registration of the transfer once appropriate stamp duty (if any is required) has been paid. The defaulting Called Shareholder shall surrender his or her share certificate for his or her Shares (or suitable executed indemnity) to the Company. On surrender, he or she shall be entitled to the Drag Consideration due to him or her.
- 48.11 Any transfer of the Sellers’ Shares to a Drag Purchaser pursuant to a sale in respect of which a Drag Along Notice has been duly served shall be subject to the provisions of article 42 (Transfers subject to pre-emption rights), but the purchase of the Called Shares shall not be subject to article 42.
- 48.12 On any person, following the issue of a Drag Along Notice, becoming a Shareholder pursuant to the exercise of a pre-existing option or warrant to acquire shares in the Company or pursuant to the conversion of any convertible security of the Company (a “New Shareholder”), a Drag Along Notice shall be deemed to have been served on the New Shareholder on the same terms as the previous Drag Along Notice who shall then be bound to sell and transfer all Shares so acquired to the Drag Purchaser and the provisions of this article shall apply with the necessary changes to the New Shareholder except that completion of the sale of the Shares shall take place immediately on the Drag Along Notice being deemed served on the New Shareholder

## Asset Sale

- 48.13 In the event that an Asset Sale is approved by the Selling Shareholders (with Investor Majority Consent), the Selling Shareholders shall have the right, by notice in writing to all other Shareholders, to require such Shareholders to take any and all such actions as it may be necessary for Shareholders to take in order to give effect to or otherwise implement such Asset Sale, subject always to the proceeds from such Asset Sale being distributed to Shareholders in accordance with the provisions of article 6.

## 49 Co-Sale

No transfer (other than a Permitted Transfer or transfers under article 46 (Departing Employees), article 50 (Compulsory Transfers) and 47 (Drag Along)) of any shares may be made or validly registered unless the relevant holder of shares (the "Relevant Transferor") shall have observed the following procedures of this article.

- 49.1 After the Relevant Transferor has gone through the pre-emption process set out in article 42, the Relevant Transferor shall give to each A Ordinary Shareholder not less than ten Business Days' notice in advance of the proposed sale (a "Co-Sale Notice"). The Co-Sale Notice shall specify:

- 49.1.1 the identity of the proposed purchaser (the "Buyer");
- 49.1.2 the price per share which the Buyer is proposing to pay;
- 49.1.3 the manner in which the consideration is to be paid;
- 49.1.4 the number of Equity Shares which the Relevant Transferor proposes to sell; and
- 49.1.5 the address where the counter-notice should be sent.

- 49.2 Each A Ordinary Shareholder shall be entitled within ten Business Days after receipt of the Co-Sale Notice to notify the Relevant Transferor that he or she wishes to sell a certain number of Equity Shares held by him or her at the proposed sale price on an as if converted basis, by sending a counter-notice which shall specify the number of Equity Shares which such Shareholder wishes to sell. The maximum number of Equity Shares which an A Ordinary Shareholder can sell under this procedure shall be:

$$(X/Y) \times Z$$

where:

X = is the number of Equity Shares (on an as converted basis) held by the A Ordinary Shareholder;

Y = is the total number of Equity Shares (on an as converted basis);

Z = is the number of Equity Shares (on an as converted basis) the Relevant Transferor proposes to sell.

- 49.3 Any A Ordinary Shareholder who does not send a counter-notice within such ten Business Day period shall be deemed to have specified that he or she wishes to sell no shares pursuant to this article.

- 49.4 Following the expiry of ten Business Days from the date the A Ordinary Shareholders receive the Co-Sale Notice, the Relevant Transferor shall be entitled to sell to the Buyer on the terms notified to the A Ordinary Shareholders a number of Equity Shares not exceeding the number specified in the Co-Sale Notice less any Equity Shares which A Ordinary Shareholders have together indicated they wish to sell, provided that at the same time the Buyer (or another person) purchases from the A Ordinary Shareholders the number of Equity Shares they have respectively indicated they wish to sell on terms no less favourable than those obtained by the Relevant Transferor from the Buyer.
- 49.5 No sale by the Relevant Transferor shall be made pursuant to any Co-Sale Notice more than three months after service of that Co-Sale Notice.
- 49.6 Transfers made by Shareholders in accordance with this article shall not be subject to article 42 (Transfers of shares subject to pre-emption rights)
- 50 Transmission of shares and compulsory transfers
- 50.1 If title to a share passes to a transmittee in accordance with these articles, the Company may only recognise the transmittee as having any title to that share. But transmittees do not have the right to attend or vote at a general meeting, or agree to a proposed written resolution, in respect of shares to which they are entitled, by reason of the Holder's death or Bankruptcy or otherwise, unless they become the Holders of those shares.
- 50.2 A person entitled to a share in consequence of the bankruptcy of a Shareholder shall be deemed to have given a Transfer Notice in respect of that Share at a time determined by the Directors.
- 50.3 If a share remains registered in the name of a deceased Shareholder for longer than one year after the date of his or her death the Directors may require the legal personal representatives of that deceased Shareholder either:
- 50.3.1 to effect a Permitted Transfer of such shares (including for this purpose an election to be registered in respect of the Permitted Transfer); or
- 50.3.2 to show to the satisfaction of the Directors that a Permitted Transfer will be effected before or promptly upon the completion of the administration of the estate of the deceased Shareholder.
- If either requirement in this article 50.3 shall not be fulfilled to the satisfaction of the Directors a Transfer Notice shall be deemed to have been given in respect of each such Share save to the extent that, the Directors may otherwise determine.
- 50.4 If a Shareholder which is a company, either suffers or resolves for the appointment of a liquidator, administrator or administrative receiver over it or any material part of its assets (other than as part of a bona fide restructuring or reorganisation), the relevant Shareholder (and all its Permitted Transferees) shall be deemed to have given a Transfer Notice in respect of all the shares held by the relevant Shareholder and its Permitted Transferees save to the extent that, and at a time, the Directors may determine.
- 50.5 If there is a change in control (as control is defined in section 1124 of the CTA 2010) of any Shareholder which is a company, it shall be bound at any time, if and when required in writing by the Directors to do so, to give (or procure the giving in the case of a nominee) a

Transfer Notice in respect of all the Shares registered in its and their names and their respective nominees' names save that, in the case of the Permitted Transferee, it shall first be permitted to transfer those Shares back to the Original Shareholder from whom it received its Shares or to any other Permitted Transferee before being required to serve a Transfer Notice. This article 50.5 shall not apply to an A Ordinary Shareholder.

## 51 Anti-dilution rights

51.1 If New Securities are issued by the Company at a price per New Security which equates to less than the Starting Price (defined below) (which in the event that the New Security is not issued for cash shall be a price certified by the Auditors or another third party valuer appointed by the Board with Investor Majority Consent, acting as experts and not as arbitrators as being in their opinion the current cash value of the non-cash consideration for the allotment of that New Security) (for the purpose of this article, a "Qualifying Issue"), then the Company shall, unless and to the extent that the A Ordinary Majority have specifically waived in writing the rights of all A Ordinary Shareholders under this article, issue to each A Ordinary Shareholder (for the purpose of this article, the "Exercising Investor") a number of new A Ordinary Shares determined by applying the following formula (and rounding the product, N, down to the nearest whole share), subject to adjustment as certified in accordance with article 51.3 (for the purpose of this article, the "Anti-Dilution Shares"):

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

Where:

N = the number of Anti-Dilution Shares to be issued to the Exercising Investor

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

SIP = the Starting Price

ESC = the number of Equity Shares in issue 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 lowest per Share price of the New Securities issued pursuant to the Qualifying Issue (which in the event that that New Security is not issued for cash shall be the sum certified by the Auditors or another third party valuer appointed by the Board with the consent of the A Ordinary Majority, acting as experts and not as arbitrators as being in their opinion the current cash value of the non-cash consideration for the allotment of that New Security)

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

Z = the number of fully paid A Ordinary Shares held by the Exercising Investor prior to the Qualifying Issue

51.2 The Anti-Dilution Shares shall:

51.2.1 be paid up by the automatic capitalisation of available reserves of the Company, unless and to the extent that the same shall be impossible or unlawful or the Exercising Investors constituting an A Ordinary Majority shall agree otherwise, in which event the Exercising Investors shall be entitled to subscribe for the Anti-Dilution Shares in cash at par and the entitlement of such Exercising Investors to Anti-Dilution Shares shall be increased by adjustment to the formula set out in article 51.1 so that the Exercising Investors shall be in no worse position than if they had not so subscribed at par. In the event of any dispute between the Company and any Exercising Investor as to the effect article 51.1 or this article 51.2, the matter shall be referred (at the cost of the Company) to the Auditors or another third party valuer appointed by the Board with the consent of the A Ordinary Majority, (acting as experts and not arbitrators) for certification of the number of Anti-Dilution Shares to be issued. Such certification of the matter shall in the absence of manifest error be final and binding on the Company and the Exercising Investor; and

51.2.2 subject to the payment of any cash payable pursuant to article 51.2.1 (if applicable), be issued, credited fully paid up in cash and shall rank *pari passu* in all respects with the existing A Ordinary Shares, in each case within five Business Days of the expiry of the offer being made by the Company to the Exercising Investor and pursuant to article 51.2.1.

51.3 In the event of any Bonus Issue or Reorganisation or the issue of any Anti-Dilution Shares, the Starting Price shall also be subject to adjustment on such basis as may be agreed between the Company and the A Ordinary Majority such that the aggregate Starting Price of all A Ordinary Shares following the Bonus Issue or Reorganisation or the issue of Anti-Dilution Shares (as the case may be) remains unchanged.

51.4 For the purposes of this article, any shares held as Treasury Shares by the Company shall be disregarded.

52 Exercise of transmittes' rights

52.1 Transmittes who wish to become the Holders of shares to which they have become entitled must notify the Company in writing of that wish and execute a deed of adherence to any shareholders' agreement from time to time in force in relation to the Company.

52.2 If the transmittes wishes to have a share transferred to another person, the transmittes must execute an instrument of transfer in respect of it and any such transfer must be in accordance with these articles.

52.3 Any transfer made or executed under this article 51 is to be treated as if it were made or executed by the person from whom the transmittes has derived rights in respect of the share, and as if the event which gave rise to the transmission had not occurred.

53 Transmittes bound by prior notices

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

54 Procedure for declaring dividends

54.1 Subject at all times to the provisions of any Shareholders' Agreement, the Company may by ordinary resolution declare dividends, and the directors may decide to pay interim dividends.

54.2 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.

54.3 No dividend may be declared or paid unless it is in accordance with Holders' respective rights. Unless the terms on which shares are issued specify otherwise, it must be paid by reference to each Holder's holding of shares equally on the date of the resolution or decision to declare or pay it, as if they were the same class of shares in all respects.

54.4 For so long as 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.

54.5 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.

54.6 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.

55 Calculation of dividends

Except as otherwise provided by these articles or the rights attached to shares, all dividends must be:

55.1 declared and paid according to the amounts paid up on the shares on which the dividend is paid; and

55.2 apportioned and paid proportionately to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid.

If any share is issued on terms providing that it ranks for dividend as from a particular date, that share ranks for dividend accordingly. 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 the due date for payment of that amount.

56 Payment of dividends and other distributions

56.1 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:

56.1.1 transfer to a bank or building society account or prepaid card account available within the United Kingdom specified by the distribution recipient either in writing or as the directors may otherwise decide;

56.1.2 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;

56.1.3 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

56.1.4 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.

56.2 In these articles, the distribution recipient means, in respect of a share in respect of which a dividend or other sum is payable:

56.2.1 the Holder of the share; or

56.2.2 if the share has two or more joint Holders, whichever of them is named first in the register of members; or

56.2.3 if the Holder is no longer entitled to the share by reason of death or Bankruptcy, or otherwise by operation of law, the transmittee.

57 No interest on distributions

The Company may not pay interest on any dividend or other sum payable in respect of a share.

58 Unclaimed distributions

58.1 All dividends or other sums which are:

58.1.1 payable in respect of shares; and

58.1.2 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.

58.2 The payment of any such dividend or other sum into a separate account does not make the Company a trustee in respect of it.

58.3 If:

58.3.1 twelve years have passed from the date on which a dividend or other sum became due for payment; and

58.3.2 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, but instead shall be used by the Company to promote the Mission in such ways as the directors, in their absolute discretion, determine appropriate.

59 Non-cash distributions

- 59.1 Subject to the provisions of article Error! Reference source not found. and the terms of issue of the share in question, the Company may, with the consent of the Holders by ordinary resolution and subject at all times to the provisions of any Shareholders' Agreement, 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).
- 59.2 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:
- 59.2.1 fixing the value of any assets;
  - 59.2.2 paying cash to any distribution recipient on the basis of that value in order to adjust the rights of recipients; and
  - 59.2.3 vesting any assets in trustees.
- 60 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:
- 60.1 the share has more than one Holder; or
  - 60.2 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.
- 61 Authority to capitalise and appropriation of capitalised sums
- 61.1 Subject to these articles, the directors may, if they are so authorised by an ordinary resolution and subject at all times to the provisions of any Shareholders' Agreement:
- 61.1.1 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
  - 61.1.2 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 (and the Company shall be deemed to be a person entitled in relation to any shares held as treasury shares which, if not so held, would have ranked for any such distribution by way of dividend, but only insofar as the appropriated sum is to be applied in paying up in full new shares of the Company).
- 61.2 Capitalised sums must be applied:
- 61.2.1 on behalf of the persons entitled; and
  - 61.2.2 in the same proportions as a dividend would have been distributed to them.



- 61.3 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.
- 61.4 A capitalised sum which was appropriated from profits available for distribution may be applied in or towards:
- 61.4.1 paying up new debentures of the Company which are then allotted credited as fully paid to the persons entitled or as they may direct;
  - 61.4.2 paying up any amounts unpaid on existing shares held by the persons entitled.
- 61.5 Subject to these articles the directors may:
- 61.5.1 apply capitalised sums in accordance with paragraphs 61.2, 61.3 and 61.4 partly in one way and partly in another;
  - 61.5.2 make such arrangements as they think fit to deal with shares or debentures becoming distributable in fractions under this article 61 (including the issuing of fractional certificates or the making of cash payments); and
  - 61.5.3 authorise any person to enter into an agreement with the Company on behalf of all the persons entitled which is binding on them in respect of the allotment of shares and debentures to them under this article 61.
- 62 General meetings
- 62.1 The Company will hold an annual general meeting every financial year of the Company, at which the annual report and accounts of the Company will be laid before the Holders.
- 62.2 All Holders shall be provided with notice of general meetings of the company and shall be entitled to attend, vote, and speak at, general meetings of the Company.
- 62.3 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.
- 62.4 A person is able to exercise the right to vote at a general meeting when:
- 62.4.1 that person is able to vote, during the meeting, on resolutions put to the vote at the meeting, and
  - 62.4.2 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.
- 62.5 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.
- 62.6 In determining attendance at a general meeting, it is immaterial whether any two or more Holders attending it are in the same place as each other.

- 62.7 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.
- 63 Quorum for general meetings
- No business other than the appointment of the chair of the general meeting is to be transacted at a general meeting if the persons attending it do not constitute a quorum.
- 64 Chairing general meetings
- 64.1 If the directors have appointed a chair of the board, the chair of the board (or one of them) shall be the chair of the general meeting if present and willing to do so.
- 64.2 If the directors have not appointed a chair of the board, or if the chair of the board (or one of them) is unwilling to be the chair of the general meeting or is not present within ten minutes of the time at which a meeting was due to start:
- 64.2.1 the directors present; or
- 64.2.2 (if no directors are present), the meeting,
- must appoint a director or Holder to chair the meeting, and the appointment of the chair of the general meeting must be the first business of the meeting.
- 64.3 The person chairing a meeting in accordance with this article 64 is referred to as the chair of the general meeting.
- 65 Attendance and speaking by directors and non-Holders
- 65.1 Directors may attend and speak at general meetings, whether or not they are Holders.
- 65.2 The chair of the general meeting may permit other persons who are not:
- 65.2.1 Holders; or
- 65.2.2 otherwise entitled to exercise the rights of Holders in relation to general meetings,
- to attend and speak at a general meeting.
- 66 Adjournment
- 66.1 If the persons attending a general meeting within half an hour of the time at which the meeting was due to start do not constitute a quorum, or if during a meeting a quorum ceases to be present, the chair of the general meeting must adjourn it.
- 66.2 The chair of the general meeting may adjourn a general meeting at which a quorum is present if:
- 66.2.1 the meeting consents to an adjournment; or

- 66.2.2 it appears to the chair of the general 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.
- 66.3 The chair of the general meeting must adjourn a general meeting if directed to do so by the meeting.
- 66.4 When adjourning a general meeting, the chair of the general meeting must:
- 66.4.1 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
- 66.4.2 have regard to any directions as to the time and place of any adjournment which have been given by the meeting.
- 66.5 If a general meeting is adjourned, then notice of the time and place to which it is adjourned shall be given:
- 66.5.1 to the same persons to whom notice of the Company's general meetings is required to be given; and
- 66.5.2 containing the same information which such notice is required to contain.
- 66.6 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.
- 67 Voting: general
- A resolution put to the vote of a general meeting must be decided on a show of hands unless a poll is duly demanded in accordance with these articles.
- 68 Errors and disputes
- 68.1 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.
- 68.2 Any such objection must be referred to the chair of the general meeting, whose decision is final.
- 69 Poll votes
- 69.1 A poll on a resolution may be demanded:
- 69.1.1 in advance of the general meeting where it is to be put to the vote, or
- 69.1.2 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.
- 69.2 A poll may be demanded by:
- 69.2.1 the chair of the general meeting;

- 69.2.2 the directors; or
- 69.2.3 any Holder or Holders present in person or by proxy representing more than ten per cent of the total voting rights or more than ten per cent of the total sum paid up on Ordinary Shares.
- 69.3 A demand for a poll may, before the poll is taken, be withdrawn. A demand so withdrawn shall not invalidate the result of a vote on a show of hands declared before the demand was made.
- 69.4 Polls must be taken immediately and in such manner as the chair of the general meeting directs.
- 70 Content of proxy notices
- 70.1 Proxies may only validly be appointed by a notice in writing (a proxy notice) which:
  - 70.1.1 states the name and address of the Holder appointing the proxy;
  - 70.1.2 identifies the person appointed to be that Holder's proxy and the general meeting in relation to which that person is appointed;
  - 70.1.3 is signed by or on behalf of the Holder appointing the proxy, or is authenticated in such manner as the directors may determine; and
  - 70.1.4 is delivered to the Company in accordance with these articles and any instructions contained in the notice of the general meeting to which they relate.
- 70.2 The Company may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes.
- 70.3 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.
- 70.4 Unless a proxy notice indicates otherwise, it must be treated as:
  - 70.4.1 allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting; and
  - 70.4.2 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.
- 71 Delivery of proxy notices
- 71.1 A person who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a general meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid proxy notice has been delivered to the Company by or on behalf of that person.
- 71.2 An appointment under a proxy notice may be revoked by delivering to the Company a notice in writing given by or on behalf of the person by whom or on whose behalf the proxy notice was given.

71.3 A notice revoking a proxy appointment only takes effect if it is delivered before the start of the meeting or adjourned meeting to which it relates.

71.4 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.

## 72 Proxies and corporate representatives

The failure of any proxy or corporate representative to vote in accordance with any instructions given by the Holder by whom such proxy or corporate representative is appointed shall not invalidate the result of any vote in which the proxy or corporate representative has participated and the Company and the directors shall be under no duty to enquire as to the instructions given to any such proxy or corporate representative.

## 73 Amendments to resolutions

73.1 An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if:

73.1.1 notice of the proposed amendment is given to the Company in writing by a person entitled to vote at the general meeting at which it is to be proposed not less than 48 hours before the meeting is to take place (or such later time as the chair of the general meeting may determine); and

73.1.2 the proposed amendment does not, in the reasonable opinion of the chair of the general meeting, materially alter the scope of the resolution.

73.2 A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if:

73.2.1 the chair of the general meeting proposes the amendment at the general meeting at which the resolution is to be proposed; and

73.2.2 the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.

73.3 If the chair of the general meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the chair of the general meeting's error does not invalidate the vote on that resolution.

## 74 Written resolutions

A proposed written resolution of the Holders (or of a class of Holders) shall lapse if it is not passed before the end of the period of one month beginning with the circulation date of such resolution (as defined in section 290 of the Companies Act 2006).

## 75 Means of communication to be used

75.1 Subject to these articles, anything sent or supplied by or to the Company under these articles may be sent or supplied in any way in which the Companies Act 2006 provides for documents or information which are authorised or required by any provision of that Act to be sent or supplied by or to the Company.

- 75.2 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 to be sent or supplied with such notices or documents for the time being.
- 75.3 A director may agree with the Company that notices or documents sent to that director in a particular way are to be deemed to have been received within a specified time of their being sent, and for the specified time to be less than 48 hours.
- 75.4 Any notice, document or other information shall be deemed served on or delivered to the intended recipient:
- 75.4.1 if properly addressed and sent by prepaid United Kingdom first class post to an address in the United Kingdom, 48 hours after it was posted (or five working days after posting either to an address outside the United Kingdom or from outside the United Kingdom to an address within the United Kingdom, if (in each case) sent by reputable international overnight courier addressed to the intended recipient, provided that delivery in at least five working days was guaranteed at the time of sending and the sending party receives a confirmation of delivery from the courier service provider);
  - 75.4.2 if properly addressed and delivered by hand, when it was given or left at the appropriate address;
  - 75.4.3 if properly addressed and sent or supplied by electronic means, one hour after the document or information was sent or supplied; and
  - 75.4.4 if sent or supplied by means of a website, when the material is first made available on the website or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on the website.

For the purposes of this article 75, no account shall be taken of any part of a day that is not a working day.

- 75.5 In proving that any notice, document or other information was properly addressed, it shall be sufficient to show that the notice, document or other information was delivered to an address permitted for the purpose by the Companies Act 2006.

## 76 Disclosure of interest in shares

- 76.1 This article 76 applies where the Company gives to the Holder of a share or to any person appearing to be interested in a share a notice requiring any of the information mentioned in section 793 of the Companies Act 2006 (a Section 793 Notice). A Section 793 Notice may be given in writing or in any other way permitted by the Companies Acts.
- 76.2 If a Section 793 Notice is given by the Company to a person appearing to be interested in any share, a copy shall at the same time be given to the Holder, but the accidental omission to do so or the non-receipt of the copy by the Holder shall not prejudice the operation of the following provisions of this article 76.
- 76.3 If the Holder of, or any person appearing to be interested in, any share has been given a Section 793 Notice and, in respect of that share (a default share, which expression

includes any shares allotted or issued after the date of the Section 793 Notice in respect of those shares), has been in default for a period of 14 days after the Section 793 Notice has been given in supplying to the Company the information required by the Section 793 Notice or, in purported compliance with such a notice, has made a statement which is false or inadequate in a material particular, then the board may in its absolute discretion at any time by notice (a direction notice) to such Holder direct that as the Holder of the default shares, it shall not be entitled, in respect of those shares:

- (a) to attend or to vote, either personally or by proxy, at any general meeting of the Company;
- (b) to receive any dividend (including shares issued in lieu of dividend) or other distribution; or
- (c) to transfer or agree to transfer any of those shares or any rights in them.

76.4 The restrictions in paragraph 76.3 shall not prejudice the right of either the Holder holding the default shares or, if different, any person having a power of sale over those shares to sell or agree to sell those shares under an exempt transfer.

76.5 If any dividend or other distribution is withheld under paragraph 76.3, the Holder shall be entitled to receive it as soon as practicable after the restriction ceases to apply, but the Company shall be under no obligation to pay interest on the amount withheld.

76.6 The restrictions in paragraph 76.3 shall continue for the period specified by the board, being not more than seven days after the earlier of:

76.6.1 the Company being notified that the default shares have been sold pursuant to an exempt transfer; and

76.6.2 due compliance, to the satisfaction of the board, with the Section 793 Notice.

76.7 For the purposes of this article 76:

76.7.1 an exempt transfer in relation to any share is a transfer pursuant to a sale of the whole beneficial interest in the share to a person whom the board is satisfied is unconnected with the existing Holder or with any other person appearing to be interested in the share; and

76.7.2 a person shall be treated as appearing to be interested in any share if the Company has given to the Holder holding such share a Section 793 Notice and either:

- (a) the Holder has named the person as being interested in the share; or
- (b) (after taking into account any response to any Section 793 Notice and any other relevant information) the Company knows or has reasonable cause to believe that the person in question is or may be interested in the share.

76.8 The provisions of this article 76 are without prejudice to the provisions of Part 21A of the Companies Act 2006 and the actions that may be taken in the enforcement of disclosure set out in Schedule 1B of the Companies Act 2006.

77 Company seals

77.1 Any common seal may only be used by the authority of the directors.

77.2 The directors may decide by what means and in what form any common seal is to be used.

77.3 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.

77.4 For the purposes of this article 77, an authorised person is:

77.4.1 any director of the Company;

77.4.2 the Company secretary (if any); or

77.4.3 any person authorised by the directors for the purpose of signing documents to which the common seal is applied.

78 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 Holder.

79 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.

80 Indemnity

80.1 The Company may indemnify any relevant officer out of the assets of the Company from and against any loss, liability or expense incurred by him or them in relation to the Company (including any liability incurred in connection with the activities of the Company or an associated company in its capacity as a trustee of an occupational pension scheme (as defined in section 235(6) of the Companies Act 2006)) provided that this article 80 shall have effect, and any indemnity provided by or pursuant to it shall apply, only to the extent permitted by, and subject to the restrictions of, the Companies Act 2006. This article 80 does not allow for or provide (to any extent) an indemnity which is more extensive than as permitted by the Companies Act 2006 and any such indemnity is limited accordingly. This article 80 is also without prejudice to any indemnity to which any person may otherwise be entitled.

80.2 To the extent permitted by, and subject to the restrictions in, the Companies Act 2006 and without prejudice to any indemnity to which he may otherwise be entitled, the board shall have the power to provide funds to meet any expenditure incurred or to be incurred by any relevant officer in defending any criminal or civil (including regulatory) proceedings, or in connection with an application under the Companies Act 2006, or to enable him to avoid incurring such expenditure.



80.3 Without prejudice to the provisions of article 81, the directors may exercise all the powers of the Company to purchase and maintain insurance for the benefit of any person who is a relevant officer or an employee or former employee of the Company or any associated company or who is or was a trustee of a retirement benefits scheme or another trust in which a relevant officer or an employee or former employee is or has been interested, indemnifying him against liability for negligence, default, breach of duty or breach of trust or any other liability which may lawfully be insured against by the Company.

80.4 In these articles:

80.4.1 companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate;

80.4.2 relevant officer means any current or former director, alternate director, secretary or other officer of the Company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined in section 235(6) of the Companies Act 2006) or any other trust approved by the board), other than any person (whether an officer or not) engaged by the Company (or associated company) as an auditor, to the extent he acts as an auditor.

81 Insurance

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

81.2 In this article 81:

81.2.1 a relevant director means any director or former director of the Company or an associated company;

81.2.2 a relevant loss means any loss or liability which has been or may be incurred by a relevant director in connection with that director's duties or powers in relation to the Company, any associated company or any pension fund or employees' share scheme or trust, of, or run by, the Company or associated company; and

81.2.3 companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate.