

THE COMPANIES ACT 2006
WRITTEN RESOLUTION
OF
IRL DIGITAL LIMITED
Company Number: 09041398

TUESDAY



Circulated: 28th August 2018

Pursuant to Chapter 2 of Part 13 of the Companies Act 2006, the directors of the Company propose the following resolutions as special resolutions.

SPECIAL RESOLUTIONS

1. RECLASSIFICATION OF SHARES

THAT subject to the passing of resolution 2

- That 100 £1 Ordinary shares in the company registered in the name of Philip Lester is hereby converted to 100 £1 Ordinary A shares carrying such rights as set out in the articles of association of the company.
- That 100 £1 Ordinary shares in the company registered in the name of Daniel Howell is hereby converted to 100 £1 Ordinary B shares carrying such rights as set out in the articles of association of the company.
- That 100 £1 Ordinary shares in the company registered in the name of Martyn Lester are hereby converted to 100 £1 Ordinary C shares carrying such rights as set out in the articles of association of the company.

2. NEW ARTICLES OF ASSOCIATION

THAT the articles of association shall be altered so as to take the form of the articles of association attached to this resolution are in substitution for, and to the exclusion of, any articles of association of the company previously registered with the Registrar of Companies.

AGREEMENT

We, the undersigned, being the members of IRL Digital Limited, hereby agree that the following alterations of capital be made:

Philip Lester

Signature

Date: 2 September 2018

Daniel Howell

Signature

Date: 2 September 2018

Martyn Lester

Signature

Date: 29/08/18

THE COMPANIES ACT 2006
COMPANY LIMITED BY SHARES
NEW
ARTICLES OF ASSOCIATION
of
IRL DIGITAL LTD

(Adopted by a special resolution passed on 28 AUGUST 2018)

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(Adopted by a special resolution passed on 2018)

1. INTRODUCTION

- 1.1 The model articles for private companies limited by shares contained or incorporated in Schedule 1 to the Companies (Model Articles) Regulations 2008 (SI 2008/3229) as amended prior to the date of adoption of these articles (the "**Model Articles**") shall apply to the Company, save insofar as they are varied or excluded by, or are inconsistent with, the following Articles and in the event of any such conflict the terms of these Articles shall apply.
- 1.2 In these Articles and the Model Articles any reference to any statutory provision shall be deemed to include a reference to each and every statutory amendment, modification, re-enactment and extension thereof for the time being in force.
- 1.3 In these Articles:
- 1.3.1 article headings are used for convenience only and shall not affect the construction or interpretation of these Articles;
 - 1.3.2 words denoting the singular include the plural and vice versa and reference to one gender includes the other gender and neuter and vice versa;
 - 1.3.3 Articles 8(2), 9(4), 11(3), 11(2), 13, 14, 17, 17(3), 19, 21, 26(5), 27, 28, 29, 30(5) to (7) (inclusive), 44(4), 51, 52 and 53 of the Model Articles shall not apply to the Company;
 - 1.3.4 reference to "**issued Shares**" of any class shall exclude any Shares of that class held as Treasury Shares from time to time, unless stated otherwise; and
 - 1.3.5 reference to the "**holders**" of Shares or a class of Share shall exclude the Company holding Treasury Shares from time to time, unless stated otherwise.

2. DEFINITIONS

In these Articles the following words and expressions shall have the following meanings:

Act	the Companies Act 2006 (as amended from time to time);
Accounts	the accountants of the Company from time to time;
Available Profits	profits available for distribution within the meaning of part 23 of the Act;
Board	the board of Directors and any committee of the board constituted for the purpose of taking any action or decision contemplated by these Articles;
Business Day	a day on which English clearing banks are ordinarily open for the transaction of normal banking business in the City of London (other than a Saturday or Sunday);
Company	IRL Digital Ltd (Company No: 09041398) at Chancery House, 30 St Johns Road, Woking, Surrey, GU21 7SA;
Company's Lien	has the meaning given in Article 25.1;
Continuing Shareholders	has the meaning given in Article 11.8.1;
Controlling Interest	an interest in shares giving to the holder or holders control of the Company within the meaning of section 1124 of the Corporation Tax Act 2010;
Date of Adoption	the date on which these Articles were adopted;
Departing Employee	an Employee who ceases to be a director or employee of or consultant to any Group Company and does not continue as, or become a director or employee of any other Group Company;
DH	Daniel Howell;
Director(s)	a director or directors of the Company from time to time;
Electronic Address	has the same meaning as in section 333 of the Act;
Electronic Form and Electronic Means	have the same meaning as in section 1168 of the Act;
Eligible Director	a Director who would be entitled to vote on a matter had it been proposed as a resolution at a meeting of the Directors;
Employee	an individual who is employed by or who provides consultancy services to, the Company or any member of the Group;

Encumbrance	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 without limitation any 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;
Expert Valuer	is as determined in accordance with Article 13.2;
Fair Value	is as determined in accordance with Article 13;
Financial Year	has the meaning set out in section 390 of the Act;
Group	the Company and its parent and subsidiary companies (if any) from time to time and “ Group Company ” shall be construed accordingly;
ITEPA	Income Tax (Earnings and Pensions) Act 2003;
Lien Enforcement Notice	a notice in writing which complies with the requirements of Article 26;
ML	Martyn Lester;
New Securities	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 excluding for the avoidance of doubt any Treasury Shares transferred by the Company after the Date of Adoption;
Offer Period	has the meaning set out in Article 11.8.1;
Outgoing Shareholder	a Seller and a Compulsory Transferor;
PL	Philip Lester;
Proposed Purchaser	a proposed purchaser who at the relevant time has made an offer on arm’s length terms;
Proposed Transferee	has the meaning given in Article 11.3.3;
Relevant Shares	has the meaning given in Article 13.1.1;
Sale Shares	has the meaning set out in Article 11.3.2;
Seller	has the meaning set out in Article 11.3;
Shareholder	any holder of any Shares (but excludes the Company holding Treasury Shares);

Shareholder Majority	the holders of at least 66 per cent of Shares in issue from time to time;
Shareholder Majority Consent	the prior written consent of a Shareholder Majority;
Shareholders' Agreement	the shareholders' agreement entered into by the Company, ML, DH and PL on or around the date of adoption of the Articles;
Shares	the ordinary shares of £1.00 each in the capital of the Company from time to time;
Termination Date	<ul style="list-style-type: none"> a) where employment ceases by virtue of notice given by the employer to the employee, the date on which such notice expires; b) where a contract of employment is terminated by the employer and a payment is made in lieu of notice, the date on which notice of termination was served; c) where an Employee dies, the date of his death; d) where the Employee concerned is a director but not an employee, the date on which his service agreement (or other terms of appointment) with the relevant Group Company is terminated; or e) in any other case, the date on which the employment or holding of office is terminated;
Transfer Notice	shall have the meaning given in Article 11.3;
Transfer Price	shall have the meaning given in Article 11.4;
Treasury Shares	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.

3. **SHARE CAPITAL**

- 3.1 In these Articles, unless the context requires otherwise, references to shares of a particular class shall include shares allotted and/or issued after the Date of Adoption and ranking pari passu in all respects (or in all respects except only as to the date from which those shares rank for dividend) with the shares of the relevant class then in issue.
- 3.2 Except as otherwise provided in these Articles, the Shares shall rank pari passu in all respects.
- 3.3 The words "and the directors may determine the terms, conditions and manner of redemption of any such shares" shall be deleted from article 22(2) of the Model Articles.

- 3.4 Paragraph (c) of article 24(2) of the Model Articles shall be amended by the replacement of the words "that the shares are fully paid; and" with the words "the amount paid up on them; and".
- 3.5 In article 25(2) of the Model Articles, the words "payment of a reasonable fee as the directors decide" in paragraph (c) shall be deleted and replaced by the words "payment of the expenses reasonably incurred by the Company in investigating evidence as the directors may determine".
- 3.6 For the avoidance of doubt, the Company shall not exercise any right in respect of any Treasury Shares, including without limitation any right to:
- 3.6.1 receive notice of or to attend or vote at any general meeting of the Company;
 - 3.6.2 receive or vote on any proposed written resolution; and
 - 3.6.3 receive a dividend or other distribution
- save as otherwise permitted by section 726(4) of the Act.
4. **DIVIDENDS**
- 4.1 In respect of any Financial Year, the Company's Available Profits will be applied as set out in this Article 4.
- 4.2 Any Available Profits which the Company may determine to distribute in respect of any Financial Year; will be distributed among the holders of the Shares at the discretion of the Board pro rata to their respective holdings of Shares.
- 4.3 Subject to the Act and these Articles the Board may, pay interim dividends if justified by the Available Profits in respect of the relevant period.
- 4.4 Every dividend shall accrue on a daily basis assuming a 365 day year. All dividends are expressed net and shall be paid in cash.
- 4.5 If a Share is subject to the Company's lien and the Directors are entitled to issue a Lien Enforcement Notice in respect of it, they may, instead of issuing a Lien Enforcement Notice, deduct from any dividend or other sum payable in respect of the Share any sum of money which is payable to the Company by the holder of that Share to the extent that they are entitled to require payment under a Lien Enforcement Notice. Money so deducted shall be used to pay any of the sums payable in respect of that Share and/or used to discharge any other indebtedness owing from the holder of that Share to the Company (as the Board may decide). The Company shall notify the distribution recipient in writing of:
- 4.5.1 the fact and sum of any such deduction;
 - 4.5.2 any non-payment of a dividend or other sum payable in respect of a Share resulting from any such deduction; and
 - 4.5.3 how the money deducted has been applied.
- 4.6 Article 31(1) of the Model Articles shall be amended by:
- 4.6.1 the replacement of the words "either in writing or as the directors may otherwise decide" at the end of paragraphs (a), (b) and (c) of that article 31(1) with the words "in writing"; and

- 4.6.2 the replacement of the words "either in writing or by such other means as the directors decide" from the end of paragraph (d) of that article 31(1) with the words "in writing".

5. VOTES IN GENERAL MEETING AND WRITTEN RESOLUTIONS

- 5.1 The Shares shall confer on each holder of those shares the right to receive notice of and to attend, speak and vote at all general meetings of the Company and to receive and vote on proposed written resolutions of the Company, ranking *pari passu*, save as to the right to receive dividends.
- 5.2 Where Shares confer a right to vote, on a show of hands each holder of such shares who (being an individual) is present in person or by proxy or (being a corporation) is present by a duly authorised representative or by proxy shall have one vote and on a poll each such holder so present shall have one vote for each Share held by him.
- 5.3 No voting rights attached to a share which is nil paid or partly paid may be exercised:
- 5.3.1 at any general meeting, at any adjournment of it or at any poll called at or in relation to it; or
- 5.3.2 on any proposed written resolution,
- unless all of the amounts payable to the Company in respect of that share have been paid.

6. CONSOLIDATION OF SHARES

- 6.1 Whenever as a result of a consolidation of Shares any Shareholders would become entitled to fractions of a Share, the Directors may, on behalf of those Shareholders, sell the Shares representing the fractions for the best price reasonably obtainable to any person (including, subject to the provisions of the Act, the Company) and distribute the net proceeds of sale in due proportion among those Shareholders, and the Directors may authorise any person to execute an instrument of transfer of the Shares to, or in accordance with the directions of, the purchaser. The transferee shall not be bound to see to the application of the purchase money nor shall his title to the Shares be affected by any irregularity in or invalidity of the proceedings in reference to the sale.
- 6.2 When the Company sub-divides or consolidates all or any of its Shares, the Company may, subject to the Act and to these Articles, by ordinary resolution determine that, as between the Shares resulting from the sub-division or consolidation, any of them may have any preference or advantage or be subject to any restriction as compared with the others.

7. VARIATION OF RIGHTS

The creation of a new class of shares which has preferential rights to one or more existing classes of shares shall not constitute a variation of the rights of those existing classes of shares.

8. SHARE RIGHTS AND RESTRICTIONS

- 8.1 The Company may from time to time issue shares of different classes with different rights and restrictions attached to them. As of the date of adoption of these Articles, the Company has the following predefined share classes:

Ordinary "A" shares of £1.00 each;

Ordinary "B" shares of £1.00 each; and

Ordinary "C" shares of £1.00 each

ranking pari passu in all respects, save as provided in Article 8.2.

8.2 **Dividend**

8.2.1 Every meeting of the Directors or general meeting of the Company at which a dividend is declared shall, by directors' or ordinary resolution (as applicable), direct that such dividend be paid either in respect of one or more class of shares to the exclusion of the other class(es), or in respect of all classes of shares.

8.2.2 Where a dividend is declared in respect of all classes of shares the company may, by ordinary resolution, differentiate between the classes as to the amount or percentage of dividend payable, but in default the shares in each such class shall be deemed to rank pari passu in all respects as if they constituted one class of share.

9. **ALLOTMENT OF NEW SHARES OR OTHER SECURITIES: PRE-EMPTION**

9.1 Subject to the remaining provisions of this Article 9, the Directors are authorised for the purpose of section 551 of the Act to exercise any power of the Company to:

9.1.1 allot Shares; or

9.1.2 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, provided that:

(a) this authority shall only apply insofar as the Company has not by resolution waived or revoked it (such waiver or revocation to require Shareholder Majority Consent);

(b) this authority may only be exercised for a period of five years commencing upon the Date of Adoption, save that the Directors may make an offer or agreement which would or might require Shares to be allotted or rights granted to subscribe for or convert any security into Shares after the expiry of such authority (and the Directors may allot Shares or grant such rights in pursuance of an offer or agreement as if such authority had not expired).

This authority is in substitution for all subsisting authorities to the extent unused.

9.2 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.

9.3 Unless otherwise agreed by a Shareholder Majority, if the Company proposes to allot any New Securities, subject to Article 9.1, those New Securities shall not be allotted to any person unless the Company has in the first instance offered them to all holders of Shares (the "**Subscribers**") on the same terms and at the same price as those New Securities are being offered to other persons on a pari passu and pro rata basis to the number of Shares (as if the Shares constituted one and the same class) held by those holders (as nearly as may be without involving fractions). The offer:

- 9.3.1 shall be in writing, be open for acceptance from the date of the offer to the date 10 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
 - 9.3.2 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.
- 9.4 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).
- 9.5 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, for a period of 90 days after the end of the Subscription Period, the Directors shall be authorised to offer any remaining New Securities to any other person as the Directors may determine, at the same price and on the same terms as the offer to the Subscribers.
- 9.6 Subject to the requirements of Articles 9.3 to 9.5 (inclusive) and to the provisions of section 551 of the Act, 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, provided that the allotment or grant to that person must be approved in writing by a Shareholder Majority.
- 9.7 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.
- 10. TRANSFERS OF SHARES – GENERAL**
- 10.1 In Articles 10 to 15 inclusive, 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.
- 10.2 If a Shareholder transfers or purports to transfer a Share otherwise than in accordance with these Articles he will (save with Shareholder Majority Consent) be deemed immediately to have served a Transfer Notice in respect of all Shares held by him, and the Directors shall refuse to register such transfer.
- 10.3 Any transfer of a Share by way of sale which is required to be made under Articles 10 to 15 (inclusive) will be deemed to include a warranty that the transferor sells with full title guarantee.
- 10.4 The Directors may refuse to register a transfer if:
- 10.4.1 it is a transfer of a Share to a bankrupt, a minor or a person of unsound mind;

- 10.4.2 it is a transfer of a Share:
- (a) to a person of whom the Directors do not approve (acting reasonably); or
 - (b) on which Share the Company has a lien;
- 10.4.3 the transfer is not lodged at the registered office or at such other place as the Directors may appoint;
- 10.4.4 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; or
- 10.4.5 these Articles otherwise provide that such transfer shall not be registered.
- 10.5 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.
- 10.6 The Directors may, as a condition to the registration of any transfer of shares in the Company it requires the transferee to execute and deliver to the Company a deed agreeing to be bound by the terms of the Shareholders' Agreement or any shareholders' agreement or similar document in force between some or all of the Shareholders and the Company in any form as the Directors may reasonably require (but not so as to oblige the transferee to have any obligations or liabilities greater than those of the proposed transferor under any such agreement or other document) and if any condition is imposed in accordance with this Article 10.6 the transfer may not be registered unless that deed has been executed and delivered to the Company's registered office by the transferee.
- 10.7 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.
- 10.8 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:
- 10.8.1 it does not include a Minimum Transfer Condition (as defined in Article 11.3.5; and
 - 10.8.2 the Seller wishes to transfer all of the Shares held by it.
- 10.9 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:
- 10.9.1 the transferor; and
 - 10.9.2 (if any of the shares is partly or nil paid) the transferee.
- 10.10 Where any Shareholder exercises his rights to acquire Shares pursuant to these Articles, the Shares that such Shareholder acquires will be redesignated to the same class of Shares as those which the acquiring Shareholder already holds.

11. **TRANSFERS OF SHARES SUBJECT TO PRE-EMPTION RIGHTS**

11.1 Save where:

11.1.1 the provisions of Article 10 or Article 15 apply; or

11.1.2 otherwise with unanimous Shareholder approval;

any transfer of Shares by a Shareholder shall be subject to the pre-emption rights contained in this Article 11.

11.2 Subject to Article 15 and save as otherwise provided in these Articles, no shareholder may transfer any Shares until the expiry of 24 months from Date of Adoption.

11.3 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:

11.3.1 evidence that the offer by the Proposed Transferee is a bona fide offer;

11.3.2 the number of Shares which he wishes to transfer (the "**Sale Shares**");

11.3.3 if he wishes to sell the Sale Shares to a third party, the name of the proposed transferee (the "**Proposed Transferee**") and the means by which the Proposed Transferee will satisfy the Transfer Price;

11.3.4 the price at which he wishes to transfer the Sale Shares;

11.3.5 whether the Transfer Notice is conditional on all or a specific number of the Sale Shares being sold to Shareholders (a "**Minimum Transfer Condition**"); and

11.3.6 any other material terms of the sale.

11.4 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 (any director who is a Seller or with whom the Seller is connected (within the meaning of section 252 of the Act) not voting). 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.

11.5 Except with Shareholder Majority Consent, no Transfer Notice once given or deemed to have been given under these Articles may be withdrawn.

11.6 A Transfer Notice shall unconditionally and irrevocably authorise the Company to appoint any person as the agent of the Seller for the sale and/or transfer of the Sale Shares at the Transfer Price, and to execute any share purchase agreement and/or transfer forms in the name and on behalf of the Seller and to do such other things as are necessary to effect the transfer of Sale Shares.

11.7 As soon as practicable following the later of:

11.7.1 receipt of a Transfer Notice; and

11.7.2 in the case where the Transfer Price has not been agreed, the determination of the Transfer Price under Article 13.

the Board shall offer the Sale Shares for sale to the Shareholders in the manner set out in Article 11.8 and Article 11.9. Each offer must be in writing and give details of the number and Transfer Price of the Sale Shares offered.

11.8 **Transfers: Offer**

- 11.8.1 The Board shall offer the Sale Shares to all shareholders specified in the offer other than the Seller (the "**Continuing Shareholders**") inviting them to apply in writing within the period from the date of the offer to the date 15 Business Days after the offer (inclusive) (the "**Offer Period**") for the maximum number of Sale Shares they wish to buy.
- 11.8.2 If the Sale Shares are subject to a Minimum Transfer Condition then any allocation made under this Article 11.8 will be conditional on the fulfilment of the Minimum Transfer Condition.
- 11.8.3 If, at the end of the 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 who have applied for Sale Shares in the proportion (fractional entitlements being rounded to the nearest whole number) which his 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 has stated he is willing to buy.
- 11.8.4 If, at the end of the 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 and the balance will be dealt with in accordance with Article 11.9.5.

11.9 **Completion of transfer of Sale Shares**

- 11.9.1 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 11.8 stating the condition has not been met and that the relevant Transfer Notice has lapsed with immediate effect.

11.9.2 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 this Article 11.9 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.

- 11.9.3 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.
- 11.9.4 If the Seller fails to comply with the provisions of Article 11.9.3:
- (a) the chairman of the Company or, failing him, one of the directors, or some other person nominated by a resolution of the Board, may as agent and attorney on behalf of the Seller:
 - (i) complete, execute and deliver in his name all documents necessary to give effect to the transfer of the relevant Sale Shares to the Applicants;
 - (ii) receive the Transfer Price and give a good discharge for it; and
 - (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 certificate or certificates for the relevant Shares (or an indemnity for lost certificate in a form acceptable to the Board).
- 11.9.5 If, at the expiry of the period specified in Article 11.8.1, the Continuing Shareholders have not purchased the Sale Shares, the Directors may direct that the Company purchases the Sale Shares, in so far as it is lawfully permitted to do so, at the Transfer Price (the "**Buyback Option**"). Should the Company choose to exercise the Buyback Option, the Company shall serve notice on the Seller of its intention to purchase the Sale Shares (the "**Buyback Notice**") within 10 Business Days of the expiry of the period specified in Article 11.8.1. The Buyback Option must be completed within 20 Business Days of the expiry of the Buyback Notice.
- 11.9.6 If the Company decides not to exercise the Buyback Option (in whole or in part); or if the Buyback Option is not completed at the end of the expiry of the period specified in Article 11.9.5, then:
- (a) subject to Article 11.9.6(b), the Seller may transfer all its Sale Shares to the buyer identified in the Transfer Notice (subject to the provisions of Articles 14 (Tag Along) and 15 (Drag Along) where applicable) at a price not less than the Sale Price provided that it does so within three months of the expiry of the period specified in Article 11.8.1;
 - (b) where the Seller is an Obligatory Transferor (subject to Article 12):
 - (i) the Board may direct that those Sale Shares are transferred to such other person as they may specify; and
 - (ii) if the provisions of Article 11.9.6(a) are not utilised by the Board, the Seller will retain their remaining Shares not purchased pursuant to Article 11 and the provisions of Article 11.9.6(a) will cease to apply.

- 11.9.7 If Transfer Notice does not relate to all the Sale Shares then, subject to Article 11.9.8, the Seller may, within eight weeks after service of the Transfer Notice, transfer the unallocated Sale Shares to the Proposed Transferee at a price at least equal to the Transfer Price.
- 11.9.8 The right of the Seller to transfer Shares under Article 11.9.5 does not apply if a Shareholder Majority is of the opinion on reasonable grounds that:
- (a) the transferee is a person (or a nominee for a person) who a Shareholder Majority determine acting reasonably and in good faith is a competitor with (or an Associate of a competitor with) the business of the Company;
 - (b) the sale of the Sale Shares is not bona fide or the price is subject to a deduction, rebate or allowance to the transferee; or
 - (c) the Seller has failed or refused to provide promptly information available to it or him and reasonably requested by the Board for the purpose of enabling it to form the opinion mentioned above.

12. **OBLIGATORY TRANSFER OF SHARES**

- 12.1 If any of the following events occur in relation to a Shareholder, it is an **"Obligatory Transfer Event"** in respect of that Shareholder and the provisions of this Article 12 shall apply:

12.1.1 he dies; or

12.1.2 a Bankruptcy order is made against him, or an arrangement or composition is made with his creditors generally, or where he otherwise takes the benefit of any statutory provision for the time being in force for the relief of insolvent debtors; or

12.1.3 he is convicted of any criminal offence for which he is sentenced to any term of imprisonment whether immediate or suspended; or

12.1.4 he fails to remedy a material breach by him of any obligation under the Shareholders' Agreement within 7 Business Days of notice to remedy the breach being served by all of the other Shareholders or the Chairman; or

12.1.5 a Shareholder becomes a Leaver (in which case the Obligatory Transfer Event shall be deemed to have occurred on the relevant Shareholder's termination date); or

12.1.6 Where the Shareholder is a corporate entity, it:

- (a) takes or allows any action as a result of which it ceases, or proposes to cease, to carry on its business or taking any step to towards its winding up; or

- (b) takes any action towards its administration (whether by the filing of an administration application, a notice of intention to appoint an administrator or a notice of appointment); or

- (c) takes, allows or permits any action as a result of which it proposes to enter into any arrangement, scheme, moratorium, compromise or composition with its creditors (whether under Part 1 of the

Insolvency Act 1986 or otherwise) or to apply for an interim order under Part 1 of the Insolvency Act 1986; or

- (d) takes or allows or permits any action as a result of which it invites the appointment of a receiver or administrative receiver over all or any part its assets or undertaking.

12.2 Where an Obligatory Transfer Event occurs in relation to a Shareholder (the "**Obligatory Transferor**") he or it shall be deemed to have served a Transfer Notice on the Company in respect of, and offering to transfer, all of his or its Relevant Shares (a "**Deemed Transfer Notice**") immediately upon the occurrence of the Obligatory Transfer Event. If an Employee becomes a Departing Employee then any Transfer Notice served by him before his Termination Date shall automatically lapse.

12.3 A Deemed Transfer Notice appoints the Company as the agent of the Obligatory Transferor for the sale of all his Relevant Shares in accordance with this Article 12, and shall have the same effect as a Transfer Notice, whereby the provisions of Article 11.8 shall apply on an Obligatory Transfer Event *mutatis mutandis* as if the Obligatory Transferor was a willing Seller, except that:

12.3.1 a Deemed Transfer Notice takes effect on the basis that it does not identify a proposed buyer or state a price of the Shares comprised in the Deemed Transfer Notice;

12.3.2 the period of time referred to in Article 11.8.1 will only run from the date on which the price to be paid for the Relevant Shares is determined in accordance with Article 12.4; and

12.3.3 the price of the Shares comprised in the Deemed Transfer Notice shall be determined in accordance with Article 12.4.

12.4 The price to be paid for each Share comprised in a Deemed Transfer Notice shall be its Fair Value except, where the Obligatory Transfer Event is pursuant to Articles 12.1.2 to 12.1.4 (inclusive) or Article 12.1.6.

13. **VALUATION OF SHARES**

13.1 If no Transfer Price can be agreed by a Seller and the Board in accordance with the provisions of Article 11.4 or otherwise then, on the date of failing agreement, the Board shall either:

13.1.1 appoint an expert valuer in accordance with Article 13.2 (the "**Expert Valuer**") to certify the Fair Value of the Sale Shares

(together the "**Relevant Shares**"); or

13.1.2 (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.

13.2 The Expert Valuer will be either:

13.2.1 the Accountants; or

13.2.2 (if otherwise required by the Board or 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 20 Business Days after the

date of the date of failing agreement referred to in clause 12.1, to be nominated by the then President of the Institute of Chartered Accountants in England and Wales on the application of either party.

- 13.3 The "**Fair Value**" of the Sale Shares shall be determined by the Expert Valuer on the following assumptions and bases:
- 13.3.1 valuing the Sale Shares as on an arm's-length sale between a willing seller and a willing buyer;
 - 13.3.2 if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so;
 - 13.3.3 that the Sale Shares are capable of being transferred without restriction;
 - 13.3.4 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
 - 13.3.5 reflect any other factors which the Expert Valuer reasonably believes should be taken into account.
- 13.4 If any difficulty arises in applying any of these assumptions or bases then the Expert Valuer shall resolve that difficulty in whatever manner it shall in its absolute discretion think fit.
- 13.5 The Expert Valuer shall be requested to determine the Fair Value within 20 Business Days of its appointment and to notify the Board of its determination.
- 13.6 The Expert Valuer shall act as an expert and not as an arbitrator and its determination shall be final and binding on the parties (in the absence of fraud or manifest error).
- 13.7 The Board will give the Expert Valuer access to all accounting records or other relevant documents of the Company subject to it agreeing to such confidentiality provisions as the Board may reasonably impose.
- 13.8 The Expert Valuer shall deliver its valuation 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 of the copy certificate, cancel the Company's authority to sell the Sale Shares.
- 13.9 The cost of obtaining the certificate shall be paid by the Company unless:
- 13.9.1 the Seller cancels the Company's authority to sell; or
 - 13.9.2 the Transfer Price certified by the Expert Valuer is less than the price (if any) offered by the directors to the Seller for the Sale Shares before the Expert Valuer was instructed,
- in which case the Seller shall bear the cost.

14. **TAG ALONG**

- 14.1 After first giving a Transfer Notice to the Continuing Shareholders and going through the procedure set out in Article 11, the provisions of this Article 14 shall

apply if the Seller proposes to transfer any of the Sale Shares (the "**Proposed Sale**") to a bona fide arm's length purchaser and such transfer would, if carried out, result in such person (the "**Buyer**") acquiring more than 50 per cent of the Shares or voting rights in the Company.

- 14.2 Before making a Proposed Sale, the Seller shall procure that the Buyer makes an offer (the "**Offer**") to the Continuing Shareholders for the time being to purchase all of their Shares for a consideration in cash per Share that is at least equal to the price per Share offered by the Buyer in the Proposed Sale (the "**Specified Price**").
- 14.3 The Offer shall be given by written notice (the "**Offer Notice**"), at least 10 Working Days (the "**Offer Period**") before the proposed transfer date (the "**Transfer Date**"). To the extent not described in any accompanying documents, the Offer Notice shall set out:
 - 14.3.1 the identity of the Buyer;
 - 14.3.2 the purchase price and other terms and conditions of payment;
 - 14.3.3 the Transfer Date; and
 - 14.3.4 the number of Shares proposed to be purchased by the Buyer (the "**Offer Shares**").
- 14.4 If the Buyer fails to make the Offer in accordance with this Article 14, the Seller shall not be entitled to complete the Proposed Sale and the Company shall not register any transfer of Shares effected in accordance with the Proposed Sale.
- 14.5 If the Offer is accepted by any of the Continuing Shareholders in writing within the Offer Period, the completion of the Proposed Sale shall be conditional on completion of the purchase of all the Offer Shares held by such Continuing Shareholders.
- 14.6 The Proposed Sale is subject to the rights of pre-emption set out in Article 11, but the purchase of the Offer Shares shall not be subject to those provisions.

15. **DRAG ALONG**

- 15.1 If the holders of more than 50 per cent of the voting rights in the Company (the "**Selling Shareholders**") wish to transfer all their interest in Shares (the "**Sellers' Shares**") to a Proposed Transferee, 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 Transferee or as the Proposed Transferee shall direct (the "**Drag Purchaser**") in accordance with the provisions of this Article.
- 15.2 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:
 - 15.2.1 the Called Shareholders are required to transfer all their Shares (the "**Called Shares**") under this Article;
 - 15.2.2 the person to whom they are to be transferred;

- 15.2.3 the consideration for which the Called Shares are to be transferred which shall, for each Called Share, be an amount at least equal to the price per Share offered by the Drag Purchaser for the Seller's Shares (the "**Drag Consideration**");
- 15.2.4 the proposed date of transfer, and
- 15.2.5 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 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).
- 15.3 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.
- 15.4 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 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.
- 15.5 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:
- 15.5.1 duly executed stock transfer form(s) for its Shares in favour of the Drag Purchaser;
- 15.5.2 the relevant share certificate(s) (or a duly executed indemnity for lost certificate in a form acceptable to the Board) to the Company; and
- 15.5.3 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**").
- 15.6 On the Drag Completion Date, the Company shall pay each Called Shareholder, on behalf of the Drag Purchaser, the Drag Consideration that is due to the extent the Drag Purchaser has paid such consideration to the Company. The Company's receipt of the Drag Consideration shall be a good discharge to the Drag Purchaser. The Company shall hold the Drag Consideration in trust for each of the Called Shareholders without any obligation to pay interest.
- 15.7 To the extent that the Drag Purchaser has not, on the Drag Completion Date, paid 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 15 in respect of their Shares.
- 15.8 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 15 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 the Drag Consideration to the Company for the Called Shareholder's Shares offered to him. The Board shall then authorise registration of the transfer once appropriate stamp duty has been paid. The defaulting Called Shareholder shall surrender his share certificate for his Shares (or suitable executed indemnity) to the Company. On surrender, he shall be entitled to the Drag Consideration due to him.

- 15.9 Any transfer of Shares to a Drag Purchaser pursuant to a sale in respect of which a Drag Along Notice has been duly served shall not be subject to the provisions of Article 11.
- 15.10 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.
- 15.11 Any Transfer Notice or deemed Transfer Notice served in respect of any transfer of Shares which has not been completed before the date of service of a Drag Along Notice shall automatically be revoked.

16. **GENERAL MEETINGS**

- 16.1 If the Directors are required by the Shareholders under section 303 of the Act to call a general meeting, the Directors shall convene the meeting for a date not later than 28 days after the date on which the Directors became subject to the requirement under section 303 of the Act.
- 16.2 If any two or more Shareholders attend the meeting in different locations, the meeting shall be treated as being held at the location specified in the notice of the meeting, save that if no one is present at that location so specified, the meeting shall be deemed to take place where the largest number of Shareholders is assembled or, if no such group can be identified, at the location of the chairman.
- 16.3 If a demand for a poll is withdrawn under article 44(3) of the Model Articles, the demand shall not be taken to have invalidated the result of a show of hands declared before the demand was made and the meeting shall continue as if the demand had not been made.
- 16.4 Polls must be taken in such manner as the chairman directs. A poll demanded on the election of a chairman or on a question of adjournment must be held immediately. A poll demanded on any other question must be held either immediately or at such time and place as the chairman directs not being more than 14 days after the poll is demanded. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll was demanded.

- 16.5 No notice need be given of a poll not held immediately if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case at least seven clear days' notice shall be given specifying the time and place at which the poll is to be taken.
- 16.6 If the poll is to be held more than 48 hours after it was demanded the Shareholders shall be entitled to deliver Proxy Notices in respect of the poll at any time up to 24 hours before the time appointed for taking that poll. In calculating that period, no account shall be taken of any part of a day that is not a working day.

17. PROXIES

- 17.1 Paragraph (c) of article 45(1) of the Model Articles shall be deleted and replaced by the words: "is signed by or on behalf of the shareholder appointing the proxy and accompanied by any the authority under which it is signed (or a certified copy of such authority or a copy of such authority in some other way approved by the directors)".
- 17.2 The instrument appointing a proxy and any authority under which it is signed or a certified copy of such authority or a copy in some other way approved by the Directors may:
- 17.2.1 be sent or supplied in hard copy form, or (subject to any conditions and limitations which the Board may specify) in electronic form, to the registered office of the Company or to such other address (including electronic address) as may be specified for this purpose in the notice convening the meeting or in any instrument of proxy or any invitation to appoint a proxy sent or supplied by the Company in relation to the meeting at any time before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote;
- 17.2.2 be delivered at the meeting or adjourned meeting at which the person named in the instrument proposes to vote to the chairman or to the company secretary or to any Director; or
- 17.2.3 in the case of a poll, be delivered at the meeting at which the poll was demanded to the chairman or to the company secretary or to any Director, or at the time and place at which the poll is held to the chairman (if appointed) or to the company secretary or to any Director or scrutineer,

and an instrument of proxy which is not deposited or delivered in a manner so permitted shall be invalid.

18. DIRECTORS' BORROWING POWERS

The Directors may (with Shareholder Majority Consent) exercise all the powers of the Company to borrow or raise money and to mortgage or charge its undertaking, property and uncalled capital and to issue debentures, debenture stock and other securities as security for any debt, liability of obligation of the Company or of any third party.

19. APPOINTMENT OF DIRECTORS

- 19.1 The Shareholders, acting unanimously, are entitled to nominate such persons to act as a Director by notice in writing addressed to the Company from time to time. The Shareholders (with Shareholder Majority Consent) shall be entitled to

remove the nominated Director so appointed at any time by notice in writing to the Company served at its registered office and appoint another person to act in his place.

- 19.2 An appointment or removal of a Director under Article 19.1 will take effect at and from the time when the notice is received at the registered office of the Company or produced to a meeting of the directors of the Company.

20. DISQUALIFICATION OF DIRECTORS

In addition to that provided in article 18 of the Model Articles, the office of a Director shall also be vacated if he is convicted of a criminal offence (other than a minor motoring offence) and the Directors resolve that his office be vacated.

21. PROCEEDINGS OF DIRECTORS

- 21.1 The quorum for Directors' meetings shall be not less than two directors. Should the Company have a sole Director, the quorum will be that sole director. If such a quorum is not present within half an hour from the time appointed for the meeting, or if during a meeting such quorum ceases to be present, the meeting shall stand adjourned to the same day in the next week at the same time and place or at such time and place as determined by the Directors present at such meeting. If a quorum is not present at any such adjourned meeting within half an hour from the time appointed, then the meeting shall proceed with those directors present and a quorum will be deemed to be present.
- 21.2 In the event that a meeting of the Directors is attended by a Director who is acting as alternate for one or more other Directors, the Director or Directors for whom he is the alternate shall be counted in the quorum despite their absence, and if on that basis there is a quorum the meeting may be held despite the fact (if it is the case) that only one Director is physically present.
- 21.3 If all the Directors participating in a meeting of the Directors are not physically in the same place, the meeting shall be deemed to take place where the largest group of participators in number is assembled. In the absence of a majority the location of the chairman shall be deemed to be the place of the meeting.
- 21.4 Notice of a Directors' meeting need not be given to Directors who waive their entitlement to notice of that meeting, by giving notice to that effect to the Company at any time before or after the date on which the meeting is held. Where such notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it.
- 21.5 Provided (if these Articles so require) that he has declared to the Directors, in accordance with the provisions of these Articles, the nature and extent of his interest a Director may vote at a meeting of the Directors or of a committee of the Directors on any resolution concerning a matter in which he has an interest, whether a direct or an indirect interest, or in relation to which he has a duty and shall also be counted in reckoning whether a quorum is present at such a meeting.
- 21.6 Questions arising at any meeting of the Directors shall be decided by a majority of votes.
- 21.7 A decision of the Directors may take the form of a resolution in writing, where each Eligible Director has signed one or more copies of it, or to which each Eligible Director has otherwise indicated agreement in writing (including confirmation given by electronic means). Reference in article 7(1) of the Model

Articles to article 8 of the Model Articles shall be deemed to include a reference to this article also.

- 21.8 The Chairman of a meeting shall not be counted in the decision making process for quorum or voting purposes.

22. DIRECTORS' INTERESTS

Specific interests of a Director

- 22.1 A Director who is in any way, directly or indirectly, interested in a proposed transaction or arrangement with the Company must declare the nature and extent of that interest at a meeting of the Directors or in accordance with section 184 or section 185 of the Act before the Company enters into the transaction or arrangement.
- 22.2 A Director who is in any way, directly or indirectly, interested in a transaction or arrangement that has been entered into by the Company must declare the nature and extent of that interest at a meeting of the Directors or in accordance with section 184 or section 185 of the Act as soon as is reasonably practicable, unless the interest has already been declared under Article 22.1.
- 22.3 A Director need not declare an interest under Article 22.1 or Article 22.2 (as the case may be):
- 22.3.1 if it cannot reasonably be regarded as likely to give rise to a conflict of interest;
 - 22.3.2 of which the Director is not aware or where the Director is not aware of the transaction or arrangement in question and for this purpose a Director is treated as being aware of matters of which he ought reasonably be aware;
 - 22.3.3 if, or to the extent that, the other Directors are already aware of the interest, and for this purpose the other Directors are treated as aware of anything of which they ought reasonably to be aware; or
 - 22.3.4 if, or to the extent that, it concerns the terms of his service contract that have been, or are to be, considered at a meeting of the Directors.
- 22.4 Provided a Director has declared his interest in accordance with Article 22.1 or Article 22.2 (or is not required to declare that interest pursuant to Article 22.3), a Director notwithstanding his office:
- 22.4.1 may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is interested, and
 - 22.4.2 may be a Director or other officer of, or employed by, or a member of or partner in, any person who is a party to, or otherwise interested in, any transaction or arrangement with any body corporate promoted by the Company or in which the Company is interested.
- 22.5 Provided that a Director has disclosed his interest under Article 22.1 or Article 22.2 (or is not required to declare that interest pursuant to Article 22.3), a Director shall be considered an Eligible Director for the purposes of these Articles in respect of that proposed or existing transaction, contract arrangement or agreement with the Company in which he is directly or indirectly interested. For the avoidance of doubt such Director will be able to vote in respect of that proposed or existing transaction, contract, arrangement or agreement with the

Company in which he is directly or indirectly interested and if he does vote his vote will be counted and he will be taken into account in ascertaining whether or not a quorum is present.

- 22.6 For the purpose of these Articles, an interest of a person who is, for any purpose of the Act, connected with a Director shall be treated as an interest of the Director and, in relation to an alternate Director, an interest of his appointor shall be treated as an interest of the alternate Director without prejudice to any interest which the alternate Director has otherwise.

23. NOTICES

- 23.1 Subject to the requirements set out in the Act, any notice given or document sent or supplied to or by any person under these Articles, or otherwise sent by the Company under the Act, may be given, sent or supplied:

23.1.1 in hard copy form; or

23.1.2 in electronic form;

or partly by one of these means and partly by another of these means.

Notices shall be given and documents supplied in accordance with the procedures set out in the Act, except to the extent that a contrary provision is set out in this Article 23.

Notices in hard copy form

- 23.2 Any notice or other document in hard copy form given or supplied under these Articles may be delivered or sent by first class post (airmail if overseas):

23.2.1 to the Company or any other company at its registered office; or

23.2.2 to the address notified to or by the Company for that purpose; or

23.2.3 in the case of an intended recipient who is a member or his legal personal representative or trustee in bankruptcy, to such member's address as shown in the Company's register of members; or

23.2.4 in the case of an intended recipient who is a Director or alternate, to his address as shown in the register of Directors; or

23.2.5 to any other address to which any provision of the Companies Acts (as defined in the Act) authorises the document or information to be sent or supplied; or

23.2.6 where the Company is the sender, if the Company is unable to obtain an address falling within one of the addresses referred to in (23.2.1) to (23.2.5) above, to the intended recipient's last address known to the Company.

- 23.3 Any notice or other document in hard copy form given or supplied under these Articles shall be deemed to have been served and be effective:

23.3.1 if delivered, at the time of delivery;

23.3.2 if posted, on receipt or 48 hours after the time it was posted, whichever occurs first.

Notices in electronic form

23.4 Subject to the provisions of the Act, any notice or other document in electronic form given or supplied under these Articles may:

23.4.1 if sent by email (provided that an address for email has been notified to or by the Company for that purpose), be sent by the relevant form of communication to that address;

23.4.2 if delivered or sent by first class post (airmail if overseas) in an electronic form (such as sending a disk by post), be so delivered or sent as if in hard copy form under Article 23.2; or

23.4.3 be sent by such other electronic means (as defined in section 1168 of the Act) and to such address(es) as the Company may specify; or

23.4.4 by notice (in hard copy or electronic form) to all members of the Company from time to time.

23.5 Any notice or other document in electronic form given or supplied under these Articles shall be deemed to have been served and be effective:

23.5.1 if sent by email (where an address for email has been notified to or by the Company for that purpose), on receipt or 48 hours after the time it was sent, whichever occurs first;

23.5.2 if posted in an electronic form, on receipt or 48 hours after the time it was posted, whichever occurs first;

23.5.3 if delivered in an electronic form, at the time of delivery; and

23.5.4 if sent by any other electronic means as referred to in Article 23.4.3, at the time such delivery is deemed to occur under the Act.

23.6 Where the Company is able to show that any notice or other document given or sent under these Articles by electronic means was properly addressed with the electronic address supplied by the intended recipient, the giving or sending of that notice or other document shall be effective notwithstanding any receipt by the Company at any time of notice either that such method of communication has failed or of the intended recipient's non-receipt.

24. **PURCHASE OF OWN SHARES**

Subject to Shareholder Majority Consent and the Act, the Company may purchase its own Shares with cash to the extent permitted by section 692(1)(b) of the Act.

25. **COMPANY'S LIEN OVER SHARES**

25.1 The Company has a lien (the "**Company's Lien**") over every Share which is registered in the name of a person indebted or under any liability to the Company, whether he is the sole registered holder of the Share or one of several joint holders, for all monies payable by him (either alone or jointly with any other person) to the Company in respect of such Shares, whether payable immediately or at some time in the future.

25.2 The Company's Lien over a share:

25.2.1 takes priority over any third party's interest in that Share; and

- 25.2.2 extends to any dividend or other money payable by the Company in respect of that Share and (if the lien is enforced and the Share is sold by the Company) the proceeds of sale of that Share.
- 25.3 The Directors may at any time decide that a Share which is or would otherwise be subject to the Company's Lien shall not be subject to it, either wholly or in part.
26. **ENFORCEMENT OF THE COMPANY'S LIEN**
- 26.1 Subject to the provisions of this Article 26, if:
- 26.1.1 a Lien Enforcement Notice has been given in respect of a Share; and
- 26.1.2 the person to whom the notice was given has failed to comply with it,
- the Company may sell that Share in such manner as the Directors decide.
- 26.2 A Lien Enforcement Notice:
- 26.2.1 may only be given in respect of a Share which is subject to the Company's Lien and in respect of a sum payable to the Company for which the due date for payment has passed;
- 26.2.2 must specify the Share concerned;
- 26.2.3 must require payment of the sum within 14 clear days of the notice (that is, excluding the date on which the notice is given and the date on which that 14 day period expires);
- 26.2.4 must be addressed either to the holder of the Share or to a transmittee of that holder; and
- 26.2.5 must state the Company's intention to sell the Share if the notice is not complied with.
- 26.3 Where Shares are sold under this Article 26:
- 26.3.1 the Directors may authorise any person to execute an instrument of transfer of the Shares to the purchaser or to a person nominated by the purchaser; and
- 26.3.2 the transferee is not bound to see to the application of the consideration, and the transferee's title is not affected by any irregularity in or invalidity of the process leading to the sale.
- 26.4 The net proceeds of any such sale (after payment of the costs of sale and any other costs of enforcing the Company's Lien) must be applied:
- 26.4.1 first, in payment of so much of the sum for which the lien exists as was payable at the date of the Lien Enforcement Notice; and
- 26.4.2 second, to the person entitled to the Shares at the date of the sale, but only after the certificate for the Shares sold has been surrendered to the Company for cancellation, or an indemnity in a form reasonably satisfactory to the Directors has been given for any lost certificates, and subject to a lien equivalent to the Company's Lien over the Shares before the sale for any money payable by that person (or his estate or any joint holder of the shares) after the date of the Lien Enforcement Notice.

26.5 A statutory declaration by a Director or the company secretary that the declarant is a Director or the company secretary and that a Share has been sold to satisfy the Company's Lien on a specified date:

26.5.1 is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the Share; and

26.5.2 subject to compliance with any other formalities of transfer required by the Articles or by law, constitutes a good title to the Share.

27. **INDEMNITY AND INSURANCE**

27.1 Subject to Article 27.2, but without prejudice to any indemnity to which a Relevant Officer is otherwise entitled:

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

27.1.2 the Company may provide any Relevant Officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings or application referred to in Article 27.1 and otherwise may take any action to enable such Relevant Officer to avoid incurring such expenditure.

27.2 This Article 27 does not authorise any indemnity which would be prohibited or rendered void by any provision of the Act or by any other provision of law.

27.3 The Directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any Relevant Officer in respect of any Relevant Loss.

27.4 In this Article 27:

27.4.1 Relevant Loss means any loss or liability which has been or may be incurred by a Relevant Officer in connection with that Relevant Officer's duties or powers in relation to the Company (or other Group Company) or any pension fund or employees' share scheme of the Company (or other Group Company); and

27.4.2 Relevant Officer means any director or other officer of any Group Company, but excluding in each case any person engaged by a Group Company as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor.