

Clarion

ARTICLES OF ASSOCIATION

of

ACTIONPLAS (HOLDINGS) LIMITED
(Company Number: 09148692)

(Adopted on 28 February 2024)

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SCHEDULE 1 - Regulation 2

MODEL ARTICLES FOR PRIVATE COMPANIES LIMITED BY SHARES

INDEX TO THE ARTICLES

1 Interpretation and Limitation of Liability

1.1 In the articles, unless the context requires otherwise:

"A Shareholders"	all those persons who are the holders of A Shares;
"A Shares"	the A ordinary shares of £0.01 each in the capital of the Company from time to time having the rights and being subject to the restrictions set out in these articles;
"Act"	the Companies Act 2006;
"articles"	the company's articles of association;
"Bad Leaver"	a shareholder who becomes a Departing Employee Shareholder in circumstances in which they are not a Good Leaver;
"B Shareholders"	all those persons who are the holders of B Shares;
"B Shares"	the B ordinary shares of £0.01 each in the capital of the Company from time to time having the rights and being subject to the restrictions set out in these articles;
"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;
"Business Days"	a day (other than a Saturday, Sunday or public holiday) when the banks in London are open for business;
"C Shareholders"	all those persons who are the holders of C Shares;
"C Shares"	the C ordinary shares of £0.01 each in the capital of the Company from time to time having the rights and being subject to the restrictions set out in these articles;
"chairman"	has the meaning given in article 3.6;
"chairman of the meeting"	has the meaning given in article 14.3;
"Change of Control"	the acquisition (by any means) by a Third Party Purchaser of any interest in any shares if, upon completion of that acquisition, that Third Party Purchaser (together with any person connected with that Third Party Purchaser) would be entitled to exercise more than 50% of the total voting rights normally exercisable at any general meeting of the Company;
"Chartered Accountant"	a chartered accountant nominated by the directors with the consent of a Shareholder Majority and, in either case, engaged on such terms as the directors with the consent of a Shareholder Majority and as agent for the Company and each relevant shareholder shall, in their

	absolute discretion, see fit;
"Company"	ActionPlas (Holdings) Limited (company number: 09148692)
"Companies Acts"	the Companies Acts (as defined in section 2 of the Act), in so far as they apply to the company;
"Compulsory Transfer Notice"	has the meaning given in article 9;
"D Shareholders"	all those persons who are the holders of D Shares;
"D Shares"	the D ordinary shares of £0.01 each in the capital of the Company from time to time having the rights and being subject to the restrictions set out in these articles;
"Departing Employee Shareholder"	a holder of C Shares or D Shares who ceases to be an employee, director, worker or consultant of the Company;
"director"	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 12.2;
"document"	includes, unless otherwise specified, any document sent or supplied in electronic form;
"electronic form"	has the meaning given in section 1168 of the Act;
"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;
"Good Leaver"	<p>a shareholder who becomes a Departing Employee Shareholder as a result of:</p> <ul style="list-style-type: none"> (a) the death of that shareholder; (b) disability or incapacity through ill health (other than where such ill health arises from the abuse of alcohol or drugs) where a Shareholder Majority resolves that such ill health is preventing, or is likely to prevent, the shareholder from performing their normal duties; (c) the shareholder being made redundant by the Company; (d) the retirement of the shareholder on reaching the Company's normal retirement age (or any later age for the Shareholder's retirement agreed between the shareholder and the Company from time to time (with the consent of a Shareholder Majority)); (e) the termination of that shareholder's employment by the Company in circumstances that are determined by a decision of an Employment Tribunal or Court, which decision is final and no longer appealable, to be or amount to wrongful dismissal (unless such wrongful dismissal claim is only successful as a result of a failure by the Company to adopt a fair procedure or to follow correctly the procedure in relation to that dismissal or for another technical failure on the part of the Company) where the shareholder has commenced proceedings in respect of such claim within 3 months of the

date of cessation of the Shareholder's employment (determined in accordance with article 9.6);

(f) that shareholder having been dismissed by the Company in circumstances which amount to unfair dismissal (other than on procedural grounds); or

(g) any other reason which a shareholder Majority resolves, in their absolute discretion within 20 Business Days of the shareholder ceasing to be employed or engaged by the Company, shall result in the shareholder being a Good Leaver for the purposes of these articles;

"Group" the Company and its subsidiaries from time to time and references to a **"Group Company"** shall be construed accordingly;

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

"holder" in relation to shares means the person whose name is entered in the register of members as the holder of the shares;

"instrument" a document in hard copy form;

"Market Value" the price per Sale Share determined in accordance with article 8.2.2;

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

"paid" paid or credited as paid;

"participate" in relation to a directors' meeting, has the meaning given in article 3.4;

"proxy notice" has the meaning given in article 15.4;

"Relevant Shareholder" a Shareholder in respect of whom a Shareholder Majority has notified the Company that an event shall be treated as a Transfer Event in accordance with article 9.1;

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

"shares" shares in the company;

"Shareholder Majority" the holder of not less than 75% of the A Shares;

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

"Subscription Price" in relation to any share, the amount paid up or credited as paid up on such share including the full amount of any premium at which such share was issued;

"subsidiary" has the meaning given in section 1159 of the Act;

"Third Party Purchaser" any person who is not a shareholder from time to time or a person connected with such a party;

"Transfer Notice" a notice in accordance with article 8.1 that a shareholder wishes to transfer their shares;

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

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

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

1.3 Liability of members

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

Directors

2 Directors’ Powers and Responsibilities

2.1 Directors’ general authority

Subject to the articles, the directors are responsible for the management of the company’s business, for which purpose they may exercise all the powers of the company.

2.2 Shareholders’ reserve power

2.2.1 The shareholders may, by special resolution, direct the directors to take, or refrain from taking, specified action.

2.2.2 No such special resolution invalidates anything which the directors have done before the passing of the resolution.

2.3 Directors may delegate

2.3.1 Subject to the articles, the directors may delegate any of the powers which are conferred on them under the articles:

2.3.1.1 to such person or committee;

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

2.3.1.3 to such an extent;

2.3.1.4 in relation to such matters or territories; and

2.3.1.5 on such terms and conditions;

as they think fit.

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

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

2.4 Committees

2.4.1 Committees to which the directors delegate any of their powers must follow procedures which are based as far as they are applicable on those provisions of the articles which govern the taking of decisions by directors.

2.4.2 The directors may make rules of procedure for all or any committees, which prevail over rules derived from the articles if they are not consistent with them.

3 Decision-making by Directors

3.1 Directors to take decisions collectively

3.1.1 The general rule about decision-making by directors is that any decision of the directors must be either a majority decision at a meeting or a decision taken in accordance with article 3.2.

3.1.2 If:

3.1.2.1 the Company only has one director, and

3.1.2.2 no provision of the articles requires it to have more than one director,

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

3.2 Unanimous decisions

3.2.1 A decision of the directors is taken in accordance with this article 3.2 when all eligible directors indicate to each other by any means that they share a common view on a matter.

3.2.2 Such a decision may take the form of a resolution in writing, copies of which have been signed by each eligible director or to which each eligible director has otherwise indicated agreement in writing.

3.2.3 References in this article 3.2 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.

3.2.4 A decision may not be taken in accordance with this article 3.2 if the eligible directors would not have formed a quorum at such a meeting.

3.3 Calling a directors' meeting

3.3.1 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.

3.3.2 Notice of any directors' meeting must indicate:

3.3.2.1 its proposed date and time;

3.3.2.2 where it is to take place; and

3.3.2.3 if it is anticipated that directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting.

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

3.3.4 Notice of a directors' meeting need not be given to directors who waive their entitlement to notice of that meeting, by giving notice to that effect to the company not more than 7 days after the date on which the meeting is held. Where such notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it.

3.4 Participation in directors' meetings

- 3.4.1 Subject to the articles, directors participate in a directors' meeting, or part of a directors' meeting, when:
 - 3.4.1.1 the meeting has been called and takes place in accordance with the articles, and
 - 3.4.1.2 they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.
- 3.4.2 In determining whether directors are participating in a directors' meeting, it is irrelevant where any director is or how they communicate with each other.
- 3.4.3 If all the directors participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is.

3.5 Quorum for directors' meetings

- 3.5.1 At a directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.
- 3.5.2 The quorum for directors' meetings may be fixed from time to time by a decision of the directors, but it must never be less than one, and unless otherwise fixed it is one.
- 3.5.3 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:
 - 3.5.3.1 to appoint further directors, or
 - 3.5.3.2 to call a general meeting so as to enable the shareholders to appoint further directors.

3.6 Chairing of directors' meetings

- 3.6.1 The directors may appoint a director to chair their meetings.
- 3.6.2 The person so appointed for the time being is known as the chairman.
- 3.6.3 The directors may terminate the chairman's appointment at any time.
- 3.6.4 If the chairman is not participating in a directors' meeting within ten minutes of the time at which it was to start, the participating directors must appoint one of themselves to chair it.

3.7 Casting vote

- 3.7.1 If, at a directors' meeting the numbers of votes for and against a proposal are equal, the matter shall be referred to the Shareholder Majority for determination.
- 3.7.2 But this does not apply if, in accordance with the articles, the chairman or other director is not to be counted as participating in the decision-making process for quorum or voting purposes.

3.8 Conflicts of interest

- 3.8.1 If a proposed decision of the directors is concerned with an actual or proposed transaction or arrangement with the company in which a director is interested, that director is not to be counted as participating in the decision-making process for quorum or voting purposes.

- 3.8.2 But if article 3.8.3 applies, a director who is interested in an actual or proposed transaction or arrangement with the company is to be counted as participating in the decision-making process for quorum and voting purposes.
- 3.8.3 This article 3.8.3 applies when:
 - 3.8.3.1 the Company by ordinary resolution disapplies the provision of the articles which would otherwise prevent a director from being counted as participating in the decision-making process;
 - 3.8.3.2 the director's interest cannot reasonably be regarded as likely to give rise to a conflict of interest; or
 - 3.8.3.3 the director's conflict of interest arises from a permitted cause.
- 3.8.4 For the purposes of this article 3.8, the following are permitted causes:
 - 3.8.4.1 a guarantee given, or to be given, by or to a director in respect of an obligation incurred by or on behalf of the company or any of its subsidiaries;
 - 3.8.4.2 subscription, or an agreement to subscribe, for shares or other securities of the company or any of its subsidiaries, or to underwrite, sub-underwrite, or guarantee subscription for any such shares or securities; and
 - 3.8.4.3 arrangements pursuant to which benefits are made available to employees and directors or former employees and directors of the company or any of its subsidiaries which do not provide special benefits for directors or former directors.
- 3.8.5 For the purposes of this article 3.8, references to proposed decisions and decision-making processes include any directors' meeting or part of a directors' meeting.
- 3.8.6 Subject to article 3.8.7, if a question arises at a meeting of directors or of a committee of directors as to the right of a director to participate in the meeting (or part of the meeting) for voting or quorum purposes, the question may, before the conclusion of the meeting, be referred to the chairman whose ruling in relation to any director other than the chairman is to be final and conclusive.
- 3.8.7 If any question as to the right to participate in the meeting (or part of the meeting) should arise in respect of the chairman, the question is to be decided by a decision of the directors at that meeting, for which purpose the chairman is not to be counted as participating in the meeting (or that part of the meeting) for voting or quorum purposes.

3.9 Records of decisions to be kept

The directors must ensure that the Company keeps a record, in writing, for at least 10 years from the date of the decision recorded, of every unanimous or majority decision taken by the directors.

3.10 Directors' discretion to make further rules

Subject to the articles, the directors may make any rule which they think fit about how they take decisions, and about how such rules are to be recorded or communicated to directors.

4 Appointment of Directors

4.1 Methods of appointing directors

- 4.1.1 Any person who is willing to act as a director, and is permitted by law to do so, may be appointed to be a director:
 - 4.1.1.1 by ordinary resolution; or
 - 4.1.1.2 by a decision of the directors.
- 4.1.2 In any case where, as a result of death, the Company has no shareholders and no directors, the personal representatives of the last shareholder to have died have the right, by notice in writing, to appoint a person to be a director.
- 4.1.3 For the purposes of article 4.1.2, where 2 or more shareholders die in circumstances rendering it uncertain who was the last to die, a younger shareholder is deemed to have survived an older shareholder.

4.2 Termination of director's appointment

- 4.2.1 A person ceases to be a director as soon as:
 - 4.2.1.1 that person ceases to be a director by virtue of any provision of the Act or is prohibited from being a director by law;
 - 4.2.1.2 a bankruptcy order is made against that person;
 - 4.2.1.3 a composition is made with that person's creditors generally in satisfaction of that person's debts;
 - 4.2.1.4 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 3 months;
 - 4.2.1.5 paragraph omitted pursuant to The Mental Health (Discrimination) Act 2013;
 - 4.2.1.6 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.

4.3 Directors' remuneration

- 4.3.1 Directors may undertake any services for the company that the directors decide.
- 4.3.2 Directors are entitled to such remuneration as the directors determine:
 - 4.3.2.1 for their services to the company as directors, and
 - 4.3.2.2 for any other service which they undertake for the company.
- 4.3.3 Subject to the articles, a director's remuneration may:
 - 4.3.3.1 take any form; and
 - 4.3.3.2 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.

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

4.3.5 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.

4.4 Directors' expenses

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

4.4.1.1 meetings of directors or committees of directors;

4.4.1.2 general meetings; or

4.4.1.3 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.

Shares and Distributions

5 Shares

5.1 All shares to be fully paid up

5.1.1 No share is to be issued for less than the aggregate of its nominal value and any premium to be paid to the company in consideration for its issue.

5.1.2 This does not apply to shares taken on the formation of the company by the subscribers to the Company's memorandum.

5.2 Powers to issue different classes of share

5.2.1 Subject to the articles, but without prejudice to the rights attached to any existing share, the Company may issue shares with such rights or restrictions as may be determined by ordinary resolution. The A Shares, B Shares, C Shares and D Shares rank *pari passu* save as set out in these articles.

5.2.2 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.

5.3 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 the articles, the Company is not in any way to be bound by or recognise any interest in a share other than the holder's absolute ownership of it and all the rights attaching to it.

5.4 Share certificates

5.4.1 The Company must issue each shareholder, free of charge, with one or more certificates in respect of the shares which that shareholder holds.

5.4.2 Every certificate must specify:

5.4.2.1 in respect of how many shares, of what class, it is issued;

- 5.4.2.2 the nominal value of those shares;
- 5.4.2.3 that the shares are fully paid; and
- 5.4.2.4 any distinguishing numbers assigned to them.
- 5.4.3 No certificate may be issued in respect of shares of more than one class.
- 5.4.4 If more than one person holds a share, only one certificate may be issued in respect of it.
- 5.4.5 Certificates must:
 - 5.4.5.1 have affixed to them the Company's common seal; or
 - 5.4.5.2 be otherwise executed in accordance with the Act.

5.5 Replacement share certificates

- 5.5.1 If a certificate issued in respect of a shareholder's shares is:
 - 5.5.1.1 damaged or defaced; or
 - 5.5.1.2 said to be lost, stolen or destroyed,

that shareholder is entitled to be issued with a replacement certificate in respect of the same shares.
- 5.5.2 A shareholder exercising the right to be issued with such a replacement certificate:
 - 5.5.2.1 may at the same time exercise the right to be issued with a single certificate or separate certificates;
 - 5.5.2.2 must return the certificate which is to be replaced to the Company if it is damaged or defaced; and
 - 5.5.2.3 must comply with such conditions as to evidence, indemnity and the payment of a reasonable fee as the directors decide.

5.6 Transmission of shares

- 5.6.1 If title to a share passes to a transmittee, the Company may only recognise the transmittee as having any title to that share.
- 5.6.2 A transmittee who produces such evidence of entitlement to shares as the directors may properly require:
 - 5.6.2.1 may, subject to the articles, choose either to become the holder of those shares or to have them transferred to another person; and
 - 5.6.2.2 subject to the articles, and pending any transfer of the shares to another person, has the same rights as the holder had.
- 5.6.3 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.

5.7 Exercise of transmittees' rights

- 5.7.1 Transmittees who wish to become the holders of shares to which they have become entitled must notify the Company in writing of that wish.
- 5.7.2 If the transmittee wishes to have a share transferred to another person, the transmittee must execute an instrument of transfer in respect of it.
- 5.7.3 Any transfer made or executed under this article 5.7 is to be treated as if it were made or executed by the person from whom the transmittee has derived rights in respect of the share, and as if the event which gave rise to the transmission had not occurred.

5.8 Transmittees bound by prior notices

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

6 Transfer of Shares - General

- 6.1 Notwithstanding any other provision of these articles, the directors shall not register a transfer of any interest in a share:

- 6.1.1 if it is to a minor, undischarged bankrupt, trustee in bankruptcy or person who (in the opinion of a Shareholder Majority) is of unsound mind; or

- 6.1.2 unless:

- 6.1.2.1 the transfer is permitted by article 7; or

- 6.1.2.2 the transfer is made in accordance with article 8, 9, 10 or 11.

- 6.2 The directors may only refuse to register a transfer of shares which is either permitted under article 7 or made in accordance with articles 8, 9, 10 or 11 if:

- 6.2.1 the transfer has not been lodged at the Company's registered office (or such other place as the directors may nominate for this purpose);

- 6.2.2 the transfer is not accompanied by the certificate for the shares to which it relates and such other evidence (if any) as the directors may reasonably require to show the right of the transferor to make the transfer;

- 6.2.3 the transfer is in respect of more than one class of shares;

- 6.2.4 the transfer is in favour of more than 4 transferees; or

- 6.2.5 the transfer has not been properly stamped or certified as being not liable to stamp duty.

In all other cases, the directors must register such a transfer of shares.

- 6.3 For the purposes of ensuring that:

- 6.3.1 a transfer of any share is in accordance with these articles; or

- 6.3.2 no circumstances have arisen whereby a shareholder is required to give or may be deemed to have given a Transfer Notice in respect of any share; or

- 6.3.3 no circumstances have arisen whereby the provisions of article 11 are required to be or ought to have been triggered,

the directors may from time to time (and shall, if so requested to do by a Shareholder Majority) require any shareholder to provide, or to procure that any person named as the transferee in any transfer lodged for registration such information and evidence as the directors may require for such purpose. Pending such information or evidence being provided, the directors are entitled to refuse to register any relevant transfer of shares.

- 6.4 If any information or evidence provided pursuant to article 6.3 discloses to the reasonable satisfaction of the directors that circumstances have arisen whereby a shareholder may be required to give or be deemed to have given a Transfer Notice, the directors may, by notice in writing to the relevant shareholder, require that a Transfer Notice be given in respect of the shares concerned.
- 6.5 In any case where a shareholder is required to give a Transfer Notice in accordance with the provisions of these articles and such Transfer Notice is not duly given within a period of 10 Business Days of written notice from the directors to the relevant shareholder requesting that such Transfer Notice be duly given, such Transfer Notice shall be deemed to have been given immediately upon the expiry of that period of 10 Business Days. Notwithstanding any other provision of these articles, unless the directors resolve otherwise, any shares which are the subject of a Transfer Notice deemed to have been served in accordance with this article 6.5 (and any shares received after the date of service, or deemed service, of any such Transfer Notice by way of rights or on a capitalisation in respect of the shares which are the subject of that Transfer Notice) shall with effect from the date of the relevant Transfer Notice (or, if later, the date on which such shares are issued), cease to confer upon the holder thereof any right to receive notice of, or attend, speak or vote at, any general meeting of the Company (or at any meeting of the holders of any class of shares) or any right to receive or vote on any written resolution of the Company (or the holders of any class of shares) until such time as another person is entered in the register of members of the Company as the holder of those shares.
- 6.6 Notwithstanding any other provision of these articles, an obligation to transfer a share under these articles shall be deemed to be an obligation to transfer the entire legal and beneficial interest in such share free from any lien, charge or other encumbrance.
- 6.7 Notwithstanding any other provision of these articles, no transfer of any share which is the subject of a Transfer Notice (including a Compulsory Transfer Notice deemed to have been given in accordance with article 9.3), shall be permitted pursuant to article 7.
- 6.8 Where any share is transferred to an existing shareholder holding shares, such share shall, on and from the time of registration of the transfer of that share in the register of members of the Company, be immediately and automatically (without resolution of the shareholders or directors) redesignated as a share of the same class as the shares already held by such shareholder.

7 Permitted Transfers

Transfer with Consent

Any shareholder may be transferred at any time with the prior consent of a Shareholder Majority.

8 Pre-emption on transfer of Shares

8.1 Transfer Notice

8.1.1 Except as permitted under article 7 or as provided for in articles 10 and 11, any shareholder ("**Seller**") who wishes to transfer any share (or any interest in any Share) shall, before transferring or agreeing to transfer such share or interest therein, give notice in writing ("**Transfer Notice**") to the Company of their wish.

8.1.2 Subject to article 8.1.3, a Transfer Notice shall:

- 8.1.2.1 state the number and class of shares ("**Sale Shares**") which the Seller wishes to transfer;
 - 8.1.2.2 state the name of the person (if any) to whom the Seller wishes to transfer the Sale Shares;
 - 8.1.2.3 state the price per share ("**Proposed Price**") at which the Seller wishes to transfer the Sale Shares;
 - 8.1.2.4 state if the Transfer Notice is conditional upon all (and not only part) of the Sale Shares being sold pursuant to this article 8 ("**Total Transfer Condition**");
 - 8.1.2.5 relate to only one class of share;
 - 8.1.2.6 constitute the Company as the agent of the Seller in relation to the sale of the Sale Shares in accordance with this article 8; and
 - 8.1.2.7 not be capable of variation or cancellation without the consent of a Shareholder Majority.
- 8.1.3 Where a Transfer Notice is one which is deemed to have been given by virtue of any provision of these articles (including a Compulsory Transfer Notice deemed to have been served in accordance with article 9.3):
- 8.1.3.1 it shall relate to all the shares registered in the name of the Seller;
 - 8.1.3.2 it shall not contain a Total Transfer Condition;
 - 8.1.3.3 subject to article 9.4, the Transfer Price shall be determined in accordance with articles 8.2.1.2 and 8.2.1.3;
 - 8.1.3.4 it shall be irrevocable; and
 - 8.1.3.5 subject to articles 6.5 and 9.7, the Seller may retain any Sale Shares for which Buyers (as defined in article 8.5.2) are not found provided that the Seller shall not at any time thereafter be permitted to transfer all or any of such retained Sale Shares pursuant to article 7.

8.2 Transfer Price

- 8.2.1 The Sale Shares will be offered for sale in accordance with this article 8 at the following price ("**Transfer Price**"):
- 8.2.1.1 subject to the consent of a Shareholder Majority, the Proposed Price; or
 - 8.2.1.2 such other price as may be agreed between the Seller and the directors, with the consent of a Shareholder Majority, within 10 Business Days of the date of service (or deemed service) of the Transfer Notice; or
 - 8.2.1.3 if no price is agreed pursuant to article 8.2.1.2 within the period specified therein, or if a Shareholder Majority directs at any time during that period, whichever is the lower of (i) the Proposed Price and (ii) the Market Value.
- 8.2.2 If the Seller and the directors are unable to agree on the Transfer Price in accordance with article 8.2.1.2 or if a Shareholder Majority direct in accordance with article 8.2.1.3, the directors shall forthwith instruct the Chartered Accountants to determine and certify the Market Value of each Sale Share calculated on the basis that:

- 8.2.2.1 the Market Value is the sum which a willing buyer would agree with a willing seller to be the purchase price for all the shares then in issue, divided by the number of shares then in issue;
 - 8.2.2.2 no account shall be taken of the size of the holding which the Sale Shares comprise or whether the Sale Shares represent a majority or minority interest; and
 - 8.2.2.3 any difficulty in applying any of the bases set out above shall be resolved by the Chartered Accountants as they, in their absolute discretion, think fit.
- 8.2.3 The decision of the Chartered Accountants (who shall be deemed to act as an expert and not as an arbitrator) shall be final and binding on the shareholders, save in the event of fraud or manifest error, and their costs for reporting on their opinion of the Market Value shall, subject to article 8.2.4, be borne as directed by the Chartered Accountants (taking into account the conduct of the parties and the merits of their respective arguments in relation to any matters in dispute) or, in the absence of any such direction, as to one half by the Seller and the other half by the Company.
- 8.2.4 Where either:
- 8.2.4.1 the Seller revokes the Transfer Notice; or
 - 8.2.4.2 in the case of a Transfer Notice which is deemed to have been given by virtue of any provision of these articles, the Market Value is less than the price proposed by the directors to the Seller not less than 5 Business Days prior to receipt of the Chartered Accountants' report by the Company,

then the Chartered Accountants' fees shall be borne wholly by the Seller.

8.3 Board Invitees

- 8.3.1 In these articles, the expression "**Board Invitee**" shall mean any of:
- 8.3.1.1 the Company (subject to compliance by the Company with the provisions of the Act); and/or
 - 8.3.1.2 any person(s) (being a current or future employee or officer of a Group Company) nominated by a Shareholder Majority,
- as selected by the directors, with the consent of a Shareholder Majority, in the period of 20 Business Days after the date on which the Transfer Price is agreed or determined in accordance with these articles.

8.4 Offer Notice

- 8.4.1 Subject to article 8.4.2, the directors shall serve a notice ("**Offer Notice**") on all shareholders and any Board Invitees (as the case may be) within 10 Business Days of whichever is the first to occur of:
- 8.4.1.1 the period prescribed in article 8.3.1 for the selection of Board Invitees having expired; or
 - 8.4.1.2 the identity of all Board Invitees having been determined with the consent of a Shareholder Majority; or
 - 8.4.1.3 the directors determining, with the consent of a Shareholder Majority, that none of the Sale Shares are to be offered to a Board Invitee,

or, if later, within 5 Business Days of the Transfer Price being agreed or determined in accordance with these articles.

- 8.4.2 An Offer Notice shall not be sent, and no Sale Shares shall be treated as offered to, the Seller or to any shareholder who, at the date of the Offer Notice, is bound to give, or has given or is deemed to have given a Transfer Notice in respect of any shares registered in their name.
- 8.4.3 An Offer Notice shall:
- 8.4.3.1 state the Transfer Price;
 - 8.4.3.2 contain the other information set out in the Transfer Notice;
 - 8.4.3.3 invite the relevant offerees to respond in writing to the Company stating the number of Sale Shares which they wish to purchase; and
 - 8.4.3.4 expire, and the offer made therein to an offeree shall be deemed to be withdrawn if not previously accepted by such offeree, on a date which is not less than 20 nor more than 40 Business Days after the date of the Offer Notice.
- 8.4.4 For the purposes of allocating the Sale Shares amongst the shareholders and any Board Invitees, Sale Shares of a class specified in the first column of the table set out below will be treated as offered:
- 8.4.4.1 firstly, to all persons in the category set out in the corresponding line in the second column in the table below;
 - 8.4.4.2 secondly, to the extent not already accepted by persons in the second column, to all persons in the category set out in the corresponding line in the third column in the table below; and
 - 8.4.4.3 thirdly, to the extent not already accepted by persons in the second or third columns, to all persons in the category set out in the corresponding line in the fourth column in the table below.

Class of Sale Shares	First offer to:	Second offer to:	Third offer to:
A Shares	Board Invitees	B Shareholders	A Shareholders
B Shares	Board Invitees	A Shareholders	B Shareholders
C Shares	A Shareholders	B Shareholders	Board Invitees
D Shares	A Shareholders	B Shareholders	Board Invitees

8.5 Allocation of Sale Shares

- 8.5.1 After the expiry of the period specified in the Offer Notice or, if sooner, upon all shareholders holding shares of a class specified in a column in the table in article 8.4.4 having responded to the Offer Notice and the Company having received valid applications for all the Sale Shares (in either case the "**Allocation Date**"), the directors shall allocate the Sale Shares in accordance with the applications received in the priorities and in respect of each class of persons set out in the table in article 8.4.4 provided that:

- 8.5.1.1 if there are applications from any class of offerees for more than the number of Sale Shares available for that class, the Sale Shares shall be allocated to the relevant applicants in proportion (as nearly as practicable but without allocating to any applicant more Sale Shares than they applied for) to the number of shares of the class entitling them to receive such offer held by each of them respectively;
- 8.5.1.2 the allocation of any fractional entitlements to Sale Shares amongst the shareholders of a particular class of shares shall be dealt with by the directors in such manner as they see fit; and
- 8.5.1.3 the allocation of Sale Shares between two or more Board Invitees shall be at the absolute discretion of the directors (subject to the approval of a Shareholder Majority).
- 8.5.2 Within 5 Business Days of the Allocation Date the directors shall give notice in writing ("**Allocation Notice**") to the Seller and each shareholder or Board Invitee to whom Sale Shares have been allocated pursuant to article 8.4.4 (each a "**Buyer**"). An Allocation Notice shall state:
 - 8.5.2.1 the number and class of Sale Shares allocated to that Buyer;
 - 8.5.2.2 the name and address of the Buyer;
 - 8.5.2.3 the aggregate purchase price payable by the Buyer in respect of the Sale Shares allocated to them; and
 - 8.5.2.4 the place, date and time (being not less than 2 nor more than 5 Business Days after the date of the Allocation Notice) at which completion of the sale and purchase of the relevant Sale Shares shall take place.
- 8.5.3 Completion of a sale and purchase of Sale Shares pursuant to an Allocation Notice shall take place at the place, date and time specified in the Allocation Notice when the Seller will, upon payment of the Transfer Price in respect of the Sale Shares allocated to a Buyer, transfer those Sale Shares, and deliver the relevant share certificate(s) therefor, to that Buyer.
- 8.5.4 Subject to article 8.5.5, the service of an Allocation Notice shall constitute the acceptance by a Buyer of the offer to purchase the number of Sale Shares specified therein on the terms offered to that Buyer.
- 8.5.5 If after following the procedure set out in this article 8 the total number of Shares applied for and allocated to the Buyers remains less than the total number of Sale Shares, then:
 - 8.5.5.1 if the Transfer Notice contained a Total Transfer Condition, then notwithstanding any other provision of this article 8 no Sale Shares shall be deemed to have been allocated to any Buyer and the Seller and the Buyers shall not be bound to sell or purchase any Sale Shares in accordance with this article 8; and
 - 8.5.5.2 the Company shall notify the Seller that it has failed to find Buyers for all or some (as the case may be) of the Sale Shares.

8.6 Default by the Seller

If a Seller shall fail for any reason (including death) to transfer any Sale Shares to a Buyer when required by this article 8, the directors may (and will if requested to do so by a Shareholder Majority) authorise and instruct any director to execute each necessary transfer of Sale Shares on the Seller's behalf and to deliver that transfer to the relevant Buyer. The Company may receive the purchase money from a Buyer on behalf of the Seller

and thereafter shall, subject to due stamping, enter the name of that Buyer in the register of members of the Company as the holder of the Sale Shares so transferred to them. The receipt of the Company for the purchase money shall constitute a good discharge to the Buyer (who shall not be bound to see to the application of it) and after the Buyer has been registered in purported exercise of the power conferred by this article 8.6 the validity of the proceedings shall not be questioned by any person. The Company shall hold the relevant purchase money on trust for the Seller (but without interest) and the Company shall not pay such money to the Seller until they have delivered the share certificate(s) in respect of the relevant shares (or a suitable indemnity in a form reasonably satisfactory to the directors) to the Company.

8.7 Transfers following exhaustion of pre-emption rights

8.7.1 If any Sale Shares are not allocated to a Buyer under any of the foregoing provisions of this article 8 the Seller may, at any time within 3 calendar months of the date of service of the notice referred to in article 8.5.5.2, sell any of those unallocated Sale Shares to the person named in the Transfer Notice (or, if none was so named, any other person) at not less than the Transfer Price (without any deduction, rebate or allowance to the proposed purchaser) provided that:

- 8.7.1.1 no Share shall be sold to, and the directors shall not register a transfer to, a person who is not already a shareholder without the prior written consent of a Shareholder Majority;
- 8.7.1.2 if the Transfer Notice contained a Total Transfer Condition, the Seller shall not be entitled to sell only some of the Sale Shares without the prior written consent of a Shareholder Majority; and
- 8.7.1.3 the directors shall not register the transfer if as a result of such transfer the proposed purchaser would be required to make an offer in accordance with article 11 until such time as that offer has been made and, if accepted, completed.

9 Compulsory Transfers

9.1 This article 9 shall only apply to the C Shareholders and D Shareholders. It shall not apply to A Shareholders and B Shareholders.

9.2 In this article 9 each of the following shall be a "Transfer Event":

9.2.1 in the case of an individual C Shareholder or D Shareholder:

- 9.2.1.1 the death of that shareholder;
- 9.2.1.2 an order being made for the bankruptcy of that shareholder or a petition being presented for such bankruptcy which petition is not withdrawn or dismissed within 10 Business Days of being presented;
- 9.2.1.3 the shareholder convening a meeting of their creditors or circulating a proposal in relation to, or taking any other steps with a view to, making an arrangement or composition in satisfaction of their creditors generally;
- 9.2.1.4 the shareholder being unable to pay their debts as they fall due (within the meaning of section 268 Insolvency Act 1986);
- 9.2.1.5 any step being taken for the appointment of a receiver, manager or administrative receiver over all or any material part of the shareholder's assets, or any other steps being taken to enforce any mortgage, charge or other encumbrance over all or any material part of the shareholder's assets or any shares held by that shareholder;

- 9.2.1.6 any proceedings or orders equivalent or analogous to any of those described in articles 9.2.1.2 to 9.2.1.5 occurring in respect of the shareholder under the law of any jurisdiction outside England and Wales;
 - 9.2.1.7 that shareholder suffering from mental disorder and being admitted to hospital or, by reason of their mental health, being subject to any court order which wholly or partly prevents that shareholder from personally exercising any powers or rights which that shareholder would otherwise have;
 - 9.2.1.8 that shareholder becoming a Departing Employee Shareholder; or
 - 9.2.1.9 that shareholder breaching any provision of these articles which breach has not been remedied to the reasonable satisfaction of a Shareholder Majority within 10 Business Days of a notice from a Shareholder Majority to the shareholder requesting such remedy;
- 9.2.2 in the case of a corporate C Shareholder or D Shareholder:
- 9.2.2.1 an order being made or a resolution passed for the winding up of that shareholder or for the appointment of a provisional liquidator to that shareholder (other than a voluntary liquidation for the purposes of a bona fide scheme of solvent amalgamation or reconstruction) or for an administration order in respect of that shareholder;
 - 9.2.2.2 a receiver, manager or administrative receiver being appointed over all or any part of the undertaking or assets of that shareholder;
 - 9.2.2.3 any proceedings or orders equivalent or analogous to any of those described above in articles 9.2.2.1 and 9.2.2.2 occurring in respect of that shareholder under the law of any jurisdiction outside England and Wales;
 - 9.2.2.4 that shareholder ceasing to be within the control (as defined in section 1124 Corporation Tax Act 2010) of the person(s) who controlled it on the date of these articles or the date on which it became a shareholder (whichever is the later); or
 - 9.2.2.5 that shareholder breaching any provision of these articles which breach has not been remedied to the reasonable satisfaction of a Shareholder Majority within 10 Business Days of a notice from a Shareholder Majority to the shareholder requesting such remedy,
- and in any such case, a Shareholder Majority notifying the Company within 6 months of the occurrence of such event (or, if later, within 6 months of the date on which the directors first become aware of the occurrence of such event) that such event is a Transfer Event in relation to that shareholder for the purposes of this article 9.
- 9.3 Upon a Shareholder Majority notifying the Company that an event is a Transfer Event in respect of a shareholder in accordance with article 9.1, the Relevant Shareholder and any other person holding Compulsory Transfer Shares, shall be deemed to have served a Transfer Notice ("**Compulsory Transfer Notice**") in respect of all the Compulsory Transfer Shares then held by each of them respectively. A Compulsory Transfer Notice shall supersede any current Transfer Notice in respect of any Compulsory Transfer Shares.
- 9.4 The Compulsory Transfer Shares shall be offered for sale in accordance with the provisions of article 8 as if the Compulsory Transfer Shares were Sale Shares except that where the relevant Transfer Event falls within the provisions of article 9.2.1.8, the Transfer Price in respect of the Compulsory Transfer Shares shall be:

9.4.1 where the Relevant Shareholder is a Bad Leaver, whichever is the lower of:

9.4.1.1 their Market Value; and

9.4.1.2 their Subscription Price,

provided that a Shareholder Majority may at any time by notice to the Company specify that in respect of any particular Relevant Shareholder the Transfer Price for all Compulsory Transfer Shares shall, on that occasion, be the Subscription Price (in which case there shall be no need in respect of that Relevant Shareholder on that occasion to establish the Market Value) and the Transfer Price shall be determined by the notice served pursuant to this article 9.4.1 on the date upon which such notice is received at the registered office of the Company; or

9.4.2 where the Relevant Shareholder is a Good Leaver, their Market Value.

9.5 Any dispute as to whether the provisions of article 9.4.1 or 9.4.2 apply in relation to any Compulsory Transfer Notice shall not affect the validity of a Compulsory Transfer Notice nor shall it delay the procedure to be followed under article 8 in respect thereof. If, however, the Subscription Price is less than the Market Value any Buyer acquiring Compulsory Transfer Shares pursuant to a Compulsory Transfer Notice while such dispute is continuing shall pay to the Seller whichever is the lower of their Market Value and their Subscription Price and shall, in addition, pay to the Company an amount equal to the difference between their Market Value and their Subscription Price. The Company shall hold such amount as trustee in a separate interest-bearing account and shall, upon final resolution of the relevant dispute, pay such amount (together with interest thereon but less any applicable bank charges) to:

9.5.1 the Seller, in respect of any Compulsory Transfer Shares which are determined to be sold for their Market Value; or

9.5.2 the Buyer, in respect of any Compulsory Transfer Shares which are determined to be sold for their Subscription Price.

9.6 For the purposes of article 9.2.1.8 the date of cessation of a shareholder's employment, directorship or engagement shall be (or be deemed to be) whichever is the first to occur of:

9.6.1 the date of a notice given by the Company to the shareholder terminating (or purporting to terminate) that shareholder's employment, directorship or engagement with the Company (or, if later, the date specified in any such notice as being the termination date), regardless of whether any such notice constitutes unfair or wrongful dismissal;

9.6.2 the date of a notice given by a shareholder to the Company terminating (or purporting to terminate) that shareholder's employment, directorship or engagement with the Company (or, if later, the date specified in any such notice as being the termination date), regardless of whether any such notice may lawfully be given by the shareholder;

9.6.3 the date on which a repudiatory breach of any contract of employment or engagement by either the shareholder or the Company is accepted by the other party to that contract;

9.6.4 the date of any event which results in the termination of the contract of employment or engagement under the doctrine of frustration; or

9.6.5 in any circumstances other than those specified in articles 9.6.1 to 9.6.4, the date on which the shareholder actually ceases to be employed or engaged by the Company.

- 9.7 Notwithstanding any other provision of these articles, unless a Shareholder Majority resolves otherwise, any Compulsory Transfer Shares shall, with effect from the date of the relevant Compulsory Transfer Notice (or, if later, the date on which such shares are issued), cease to confer upon the holder thereof any right to receive notice of, or attend, speak or vote at, any general meeting of the Company (or at any meeting of the holders of any class of shares) or any right to receive or vote on any written resolution of the Company (or the holders of any class of shares) until such time as another person is entered in the register of members of the Company as the holder of those Compulsory Transfer Shares (or other shares).

10 Drag Along

- 10.1 If shareholders constituting a Shareholder Majority (together the **"Selling Shareholders"**) wish to transfer all their shares to a proposed purchaser (**"Proposed Purchaser"**), they shall have the option (**"Drag Along Option"**) to require all of the other shareholders (**"Remaining Shareholders"**) to transfer all their shares with full title guarantee to the Proposed Purchaser (or as the Proposed Purchaser shall direct) in accordance with this article 10.
- 10.2 The Selling Shareholders shall exercise the Drag Along Option by giving notice to that effect (**"Drag Along Notice"**) to each of the Remaining Shareholders at any time before the registration of the transfer of the Selling Shareholders' shares. A Drag Along Notice shall specify:
- 10.2.1 that the Remaining Shareholders are required to transfer all their shares (**"Remaining Shares"**) pursuant to this article 10;
 - 10.2.2 the identity of the Proposed Purchaser;
 - 10.2.3 the consideration for which, or the price at which, the Remaining Shares are to be transferred, determined in accordance with article 10.4 (**"Drag Along Consideration"**); and
 - 10.2.4 the proposed date of transfer (if known).
- 10.3 A Drag Along Notice may be revoked by the Selling Shareholders at any time prior to the completion of the sale and purchase of the Remaining Shares.
- 10.4 The Drag Along Consideration shall be the same consideration per Remaining Share (in the same form and due at the same time(s)) as that offered, given, paid or payable by, or due from, the Proposed Purchaser in respect of each share held by the Selling Shareholders.
- 10.5 Completion of the sale and purchase of the Remaining Shares shall take place on the same date as completion of the sale and purchase of the Selling Shareholders' shares (unless a Shareholder Majority and all of the Remaining Shareholders shall agree otherwise).
- 10.6 Upon the service of a Drag Along Notice each Remaining Shareholder shall be deemed to have irrevocably appointed each of the Selling Shareholders (severally) as the agent of the Remaining Shareholder to execute, in the name of and on behalf of that Remaining Shareholder, any stock transfer form and covenant for full title guarantee in respect of the Remaining Shares registered in the name of that Remaining Shareholder and to do such other things as the agent may consider necessary or desirable to transfer and complete the sale of the Remaining Shares pursuant to this article 10.
- 10.7 The provisions of this article 10 shall prevail over any contrary provisions of these articles and, for the avoidance of doubt, the rights of pre-emption and other restrictions on transfer of shares contained in these articles shall not apply to the transfer of any shares to a Proposed Purchaser named in a Drag Along Notice (or as that Proposed Purchaser may direct). Any Transfer Notice or Compulsory Transfer Notice served in respect of a Share which has not been allocated to a Buyer in accordance with article 8 shall automatically be revoked by the service of a Drag Along Notice.

10.8 Upon any person ("**New Shareholder**") becoming, at any time after the service of a Drag Along Notice, a registered holder of any Share pursuant to the exercise of any option, warrant or other right to subscribe for or acquire shares, a Drag Along Notice, on the same terms as the then current Drag Along Notice, shall immediately be deemed to have been served upon that New Shareholder. Upon the deemed service of a Drag Along Notice pursuant to this article 10.8 the New Shareholder shall become bound to sell and transfer to the Proposed Purchaser (or as the Proposed Purchaser may direct) any Share acquired by them as a result of the exercise of any such option, warrant or other right to subscribe for or acquire shares. The provisions of this article 10 shall apply mutatis mutandis to the sale of any such shares by such New Shareholder provided that completion of the sale and purchase of those shares shall take place on whichever is the later of:

10.8.1 the date on which a Drag Along Notice is deemed to have been served on the New Shareholder pursuant to this article 10.8; and

10.8.2 the date of completion of the sale and purchase of the Remaining Shares pursuant to the original Drag Along Notice.

11 Tag Along

11.1 Subject to article 10 and save in the case of a transfer of shares which is permitted in accordance with the provisions of article 7, but otherwise notwithstanding any other provision of these articles, no sale or other disposition of any shares ("**Committed Shares**") which would result in a Change of Control shall be made or registered unless before the transfer is lodged for registration:

11.1.1 a Shareholder Majority has consented to such transfer; and

11.1.2 the relevant Third Party Purchaser has made a bona fide offer ("**Tag Along Offer**") by notice in writing ("**Tag Along Notice**") to acquire, in accordance with this article 11, from all the shareholders other than the Third Party Purchaser (or persons connected with them) all the shares which are not Committed Shares ("**Uncommitted Shares**") for the consideration, or at the price, ("**Tag Along Consideration**") calculated in accordance with articles 11.3 and 11.4.

11.2 A Tag Along Notice shall:

11.2.1 state the Tag Along Consideration (subject to article 11.4);

11.2.2 state the identity of the Third Party Purchaser;

11.2.3 invite the relevant offerees to respond in writing to the Third Party Purchaser stating that they wish to accept the Tag Along Offer; and

11.2.4 subject to article 11.4.1, expire, and the offer made therein to an offeree shall be deemed to be withdrawn if not previously accepted by such offeree, on the date (being not less than 5 nor more than 20 Business Days after the date of the Tag Along Notice) specified therein.

11.3 For the purposes of this article 11 the Tag Along Consideration shall be the same consideration per Uncommitted Share (in the same form and due at the same time(s)) as that offered, given, paid or payable by, or due from, the Third Party Purchaser in respect of each Committed Share.

11.4 If the Tag Along Consideration cannot be agreed between the Third Party Purchaser and the holders of not less than 75% of the Uncommitted Shares within 10 Business Days of the date of the Tag Along Notice, such matter shall be referred for determination to the Chartered Accountants and, pending their determination:

11.4.1 the period specified in the Tag Along Notice for acceptance of the Tag Along Offer shall not start to run until such time as the Chartered Accountants' determination

of the Tag Along Consideration is served on the Third Party Purchaser and the shareholders holding Uncommitted Shares; and

- 11.4.2 the sale or transfer of the Committed Shares shall have no effect and shall not be registered.

12 Dividends and Other Distributions

12.1 Procedure for declaring dividends

- 12.1.1 The company may by ordinary resolution declare dividends, and the directors may decide to pay interim dividends.
- 12.1.2 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.
- 12.1.3 No dividend may be declared or paid unless it is in accordance with shareholders' respective rights.
- 12.1.4 Unless the shareholders' resolution to declare or directors' decision to pay a dividend, or the terms on which shares are issued, specify otherwise, it must be paid by reference to each shareholder's holding of shares on the date of the resolution or decision to declare or pay it.
- 12.1.5 If the company's share capital is divided into different classes, either the Company in a general meeting or the Board may resolve to make a dividend to shareholders of any one class of share or classes of share as they deem fit, save that 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.
- 12.1.6 The directors may pay at intervals any dividend payable at a fixed rate if it appears to them that the profits available for distribution justify the payment.
- 12.1.7 If the directors act in good faith, they do not incur any liability to the holders of shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on shares with deferred or non-preferred rights.

12.2 Payment of dividends and other distributions

- 12.2.1 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:
- 12.2.1.1 transfer to a bank or building society account specified by the distribution recipient either in writing or as the directors may otherwise decide;
- 12.2.1.2 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;
- 12.2.1.3 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
- 12.2.1.4 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.

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

12.2.2.1 the holder of the share; or

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

12.2.2.3 if the holder is no longer entitled to the share by reason of death or bankruptcy, or otherwise by operation of law, the transmittee.

12.3 No interest on distributions

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

12.3.1.1 the terms on which the share was issued; or

12.3.1.2 the provisions of another agreement between the holder of that share and the company.

12.4 Unclaimed distributions

12.4.1 All dividends or other sums which are:

12.4.1.1 payable in respect of shares; and

12.4.1.2 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.

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

12.4.3 If:

12.4.3.1 12 years have passed from the date on which a dividend or other sum became due for payment; and

12.4.3.2 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.

12.5 Non-cash distributions

12.5.1 Subject to the terms of issue of the share in question, the company may, by ordinary resolution on the recommendation of the directors, decide to pay all or part of a dividend or other distribution payable in respect of a share by transferring non-cash assets of equivalent value (including, without limitation, shares or other securities in any company).

12.5.2 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:

12.5.2.1 fixing the value of any assets;

12.5.2.2 paying cash to any distribution recipient on the basis of that value in order to adjust the rights of recipients; and

12.5.2.3 vesting any assets in trustees.

12.6 Waiver of distributions

12.6.1 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:

12.6.1.1 the share has more than one holder; or

12.6.1.2 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.

13 Capitalisation of Profits

13.1 Authority to capitalise and appropriation of capitalised sums

13.1.1 Subject to the articles, the directors may, if they are so authorised by an ordinary resolution:

13.1.1.1 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

13.1.1.2 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 ("**persons entitled**") and in the same proportions.

13.1.2 Capitalised sums must be applied:

13.1.2.1 on behalf of the persons entitled; and

13.1.2.2 in the same proportions as a dividend would have been distributed to them.

13.1.3 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.

13.1.4 A capitalised sum which was appropriated from profits available for distribution may be applied in paying up new debentures of the company which are then allotted credited as fully paid to the persons entitled or as they may direct.

13.1.5 Subject to the articles the directors may:

13.1.5.1 apply capitalised sums in accordance with articles 13.1.3 and 13.1.4 partly in one way and partly in another;

13.1.5.2 make such arrangements as they think fit to deal with shares or debentures becoming distributable in fractions under this article 13 (including the issuing of fractional certificates or the making of cash payments); and

13.1.5.3 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 13.

Decision-making by Shareholders

14 Organisation of General Meetings

14.1 Attendance and speaking at general meetings

14.1.1 A person is able to exercise the right to speak at a general meeting when that person is in a position to communicate to all those attending the meeting, during the meeting, any information or opinions which that person has on the business of the meeting.

14.1.2 A person is able to exercise the right to vote at a general meeting when:

14.1.2.1 that person is able to vote, during the meeting, on resolutions put to the vote at the meeting; and

14.1.2.2 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.

14.1.3 The directors may make whatever arrangements they consider appropriate to enable those attending a general meeting to exercise their rights to speak or vote at it.

14.1.4 In determining attendance at a general meeting, it is immaterial whether any two or more members attending it are in the same place as each other.

14.1.5 Two or more persons who are not in the same place as each other attend a general meeting if their circumstances are such that if they have (or were to have) rights to speak and vote at that meeting, they are (or would be) able to exercise them.

14.2 Quorum for general meetings

No business other than the appointment of the chairman of the meeting is to be transacted at a general meeting if the persons attending it do not constitute a quorum.

14.3 Chairing general meetings

14.3.1 If the directors have appointed a chairman, the chairman shall chair general meetings if present and willing to do so.

14.3.2 If the directors have not appointed a chairman, or if the chairman is unwilling to chair the meeting or is not present within ten minutes of the time at which a meeting was due to start:

14.3.2.1 the directors present; or

14.3.2.2 (if no directors are present), the meeting,

must appoint a director or shareholder to chair the meeting, and the appointment of the chairman of the meeting must be the first business of the meeting.

14.3.3 The person chairing a meeting in accordance with this article 14 is referred to as "the chairman of the meeting".

14.4 Attendance and speaking by directors and non-shareholders

- 14.4.1 Directors may attend and speak at general meetings, whether or not they are shareholders.
- 14.4.2 The chairman of the meeting may permit other persons who are not:
 - 14.4.2.1 shareholders of the company; or
 - 14.4.2.2 otherwise entitled to exercise the rights of shareholders in relation to general meetings,to attend and speak at a general meeting.

14.5 Adjournment

- 14.5.1 If the persons attending a general meeting within half an hour of the time at which the meeting was due to start do not constitute a quorum, or if during a meeting a quorum ceases to be present, the chairman of the meeting must adjourn it.
- 14.5.2 The chairman of the meeting may adjourn a general meeting at which a quorum is present if:
 - 14.5.2.1 the meeting consents to an adjournment; or
 - 14.5.2.2 it appears to the chairman of the meeting that an adjournment is necessary to protect the safety of any person attending the meeting or ensure that the business of the meeting is conducted in an orderly manner.
- 14.5.3 The chairman of the meeting must adjourn a general meeting if directed to do so by the meeting.
- 14.5.4 When adjourning a general meeting, the chairman of the meeting must:
 - 14.5.4.1 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
 - 14.5.4.2 have regard to any directions as to the time and place of any adjournment which have been given by the meeting.
- 14.5.5 If the continuation of an adjourned meeting is to take place more than 14 days after it was adjourned, the company must give at least 7 clear days' notice of it (that is, excluding the day of the adjourned meeting and the day on which the notice is given):
 - 14.5.5.1 to the same persons to whom notice of the company's general meetings is required to be given; and
 - 14.5.5.2 containing the same information which such notice is required to contain.
- 14.5.6 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.

15 Voting at General Meetings

15.1 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 the articles.

15.2 Errors and disputes

15.2.1 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.

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

15.3 Poll votes

15.3.1 A poll on a resolution may be demanded:

15.3.1.1 in advance of the general meeting where it is to be put to the vote, or

15.3.1.2 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.

15.3.2 A poll may be demanded by:

15.3.2.1 the chairman of the meeting;

15.3.2.2 the directors;

15.3.2.3 two or more persons having the right to vote on the resolution; or

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

15.3.3 A demand for a poll may be withdrawn if:

15.3.3.1 the poll has not yet been taken; and

15.3.3.2 the chairman of the meeting consents to the withdrawal.

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

15.4 Content of proxy notices

15.4.1 Proxies may only validly be appointed by a notice in writing (a "proxy notice") which:

15.4.1.1 states the name and address of the shareholder appointing the proxy;

15.4.1.2 identifies the person appointed to be that shareholder's proxy and the general meeting in relation to which that person is appointed;

15.4.1.3 is signed by or on behalf of the shareholder appointing the proxy, or is authenticated in such manner as the directors may determine; and

- 15.4.1.4 is delivered to the company in accordance with the articles and any instructions contained in the notice of the general meeting to which they relate.
- 15.4.2 The company may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes.
- 15.4.3 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.
- 15.4.4 Unless a proxy notice indicates otherwise, it must be treated as:
 - 15.4.4.1 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
 - 15.4.4.2 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.

15.5 Delivery of proxy notices

- 15.5.1 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.
- 15.5.2 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.
- 15.5.3 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.
- 15.5.4 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.

15.6 Amendments to resolutions

- 15.6.1 An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if:
 - 15.6.1.1 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 chairman of the meeting may determine); and
 - 15.6.1.2 the proposed amendment does not, in the reasonable opinion of the chairman of the meeting, materially alter the scope of the resolution.
- 15.6.2 A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if:
 - 15.6.2.1 the chairman of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed; and
 - 15.6.2.2 the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.

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

16 Administrative Arrangements

16.1 Means of communication to be used

- 16.1.1 Subject to the articles, anything sent or supplied by or to the company under the articles may be sent or supplied in any way in which the Act 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.
- 16.1.2 Subject to the articles, any notice or document to be sent or supplied to a director in connection with the taking of decisions by directors may also be sent or supplied by the means by which that director has asked to be sent or supplied with such notices or documents for the time being.
- 16.1.3 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.

16.2 Company seals

- 16.2.1 Any common seal may only be used by the authority of the directors.
- 16.2.2 The directors may decide by what means and in what form any common seal is to be used.
- 16.2.3 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.
- 16.2.4 For the purposes of this article 16.2, an authorised person is:
 - 16.2.4.1 any director of the company;
 - 16.2.4.2 the company secretary (if any); or
 - 16.2.4.3 any person authorised by the directors for the purpose of signing documents to which the common seal is applied.

16.3 No right to inspect accounts and other records

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

16.4 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.

17 Directors' Indemnity and Insurance

17.1 Indemnity

17.1.1 Subject to article 17.1.2, a relevant director of the company or an associated company may be indemnified out of the company's assets against:

17.1.1.1 any liability incurred by that director in connection with any negligence, default, breach of duty or breach of trust in relation to the company or an associated company;

17.1.1.2 any liability incurred by that director in connection with the activities of the company or an associated company in its capacity as a trustee of an occupational pension scheme (as defined in section 235(6) of the Act);

17.1.1.3 any other liability incurred by that director as an officer of the company or an associated company.

17.1.2 This article 17.1 does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law.

17.1.3 In this article 17.1:

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

17.1.3.2 a "**relevant director**" means any director or former director of the company or an associated company.

17.2 Insurance

17.2.1 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.

17.2.2 In this article 17.2:

17.2.2.1 a "**relevant director**" means any director or former director of the company or an associated company;

17.2.2.2 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 of the company or associated company; and

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